

One billion USD in international arms used against the people of Myanmar

The 11 April 2023 attack on Pazigy Village in Sagaing Region that killed ~170 people (including 40 children) demonstrates the impact of unfettered arms trade to the Myanmar military.

Russia supplied the Yak-130 aircraft that dropped the bombs and has supplied Mi-35 type helicopters that were used to gun down civilians. The bombs, machine guns and ammunition likely relied on raw materials supplied by private entities operating from Singapore, China, and Thailand.

Since the coup, the Myanmar military has imported at least **\$1 billion USD worth of arms, dual use goods, and—to support the military's domestic arms manufacturing—raw materials and manufacturing equipment.**

Nearly all trade to the Myanmar military in arms and associated goods comes from entities operating in the **Russian Federation, Singapore, China, India, and Thailand.**

“International suppliers allow the Myanmar military unfettered access to arms used to commit horrific human rights violations.”
- SR Tom Andrews

Photo: Victims of aerial bombing of Pazigy Village, Sagaing Region. © Khit Thit Media



Sources of arms

From entities in the Russian Federation

28 Suppliers \$406m

From entities in China

41 Suppliers \$267m

From entities in Singapore

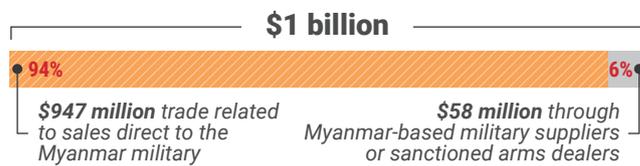
138 Suppliers \$254m

From entities in India

\$51m (22 Suppliers)

From entities in Thailand

\$28m (25 Suppliers)

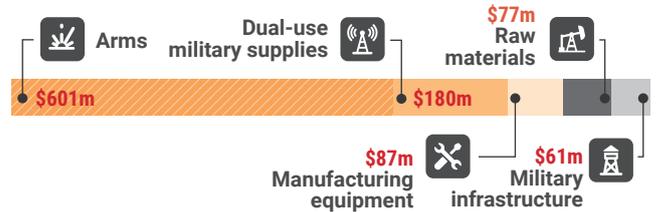


In transactions accounting for 94% of the \$1 billion, the military itself—e.g., the Directorate of Procurement, Directorate of Defense Industries, or specific branches of the military like the Myanmar Air Force—was listed as recipient on trade-related documents, eliminating any doubt of who the end recipient would be.

Types of arms

The types of goods provided to the Myanmar military encompassed in the \$1 billion USD in military-related trade since the coup is staggering. The Special Rapporteur has identified:

fighter jets	reconnaissance & attack drones	tank upgrades
advanced missile systems	attack helicopters	radar complexes
radio & comms equipment	electronic warfare equipment	raw materials
components for naval ships	parts for small arms	parts for military vehicles
parts for weapons manufacture	manufacturing equipment for weapons	



Supplies to the domestic arms industry: Over \$160 million of the trade documented in this report relates to the purchase of raw materials, manufacturing machinery, tools, and equipment used in the production of weapons and ammunition within the Myanmar military's Directorate of Defense Industries arms factories (known in Burmese as Karkweye Pyitsee Setyone, or "KaPaSa").

Ineffective sanctions on arms procurement

Sanctions have been easily circumvented, drastically limiting their effectiveness where sanctions:

1

have not been applied comprehensively to entire networks, thereby enabling sanctioned entities to shift trade through other companies

2

enforcement has been left to the private sector to identify companies that are owned by sanctioned individuals and entities

3

lack a truly multilateral character, leaving gaps for payments to be made in other currencies and jurisdictions

Unsanctioned foreign currency sources

Foreign currency is critical to the SAC's ability to purchase foreign supplied arms and associated materials as well as jet fuel. Member States have not adequately targeted the key sources of foreign currency that the SAC relies on to purchase arms.

Myanma Oil and Gas Enterprise (MOGE) has only been sanctioned by the European Union to date. MOGE provides over \$1 billion USD in foreign currency annually to the junta.

No Member State has imposed sanctions on Myanmar Foreign Trade Bank (MFTB) since the coup. The MFTB is not only important for receiving foreign currency but is also used extensively by the junta to purchase arms. It is a prime target for international sanctions.

RUSSIAN FEDERATION

\$370m trade direct to the Myanmar military

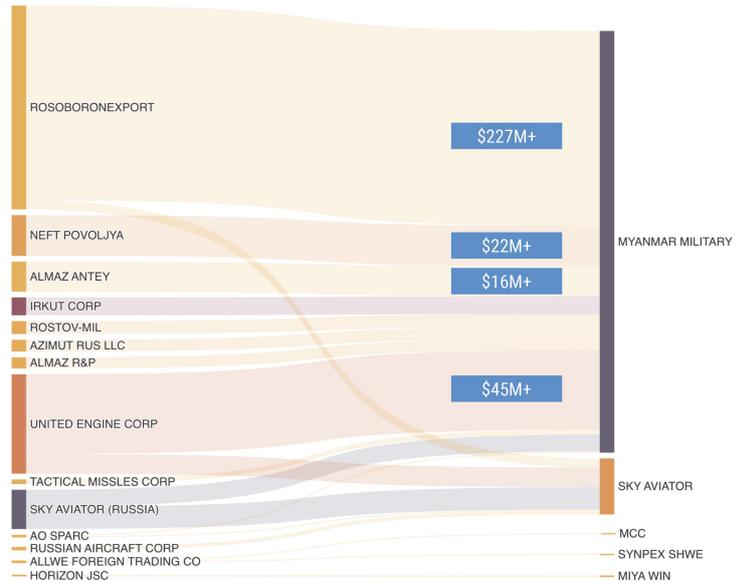
\$36m trade to Myanmar-base military suppliers or sanctioned arms dealers

28 unique suppliers

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.

Russia’s continued post-coup transfers of arms to the Myanmar military has violated international humanitarian law and likely 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.

Top supplier companies in USD



Types of arms and associated materials

\$373m Arms **\$33m** Dual-use military supplies

Arms

- SU-30 fighter jets
- MiG-29 fighter jets
- Yak-130 combat capable aircraft
- Military aircraft spare parts
- SOPKA-2 Radar complex
- Mi-2 helicopters
- Spare parts for Mi-17 helicopters
- Spare parts for Mi-24/35 helicopters
- Schiebel S100 reconnaissance and light attack drone
- Accessories for the X-31A air-to-surface missile
- GAZ-66 light military utility trucks



Dual-use military supplies

- Spare parts for aircraft
- Navigation equipment
- Electronic equipment
- Meteorological complex
- Mobile laboratory
- Tools & equipment for aircraft repair



Impact of Russian arms on the people of Myanmar

Weaponry provided by Russian suppliers has been used to commit probable war crimes and crimes against humanity in Myanmar. The military is heavily reliant upon aircraft manufactured abroad, primarily Russian air assets “for almost daily attacks.” The Russian Mi-35 was reported to be the most sighted aircraft including strikes against schools, medical facilities, civilian homes and infrastructure. MiG-29 and Yak-130 aircraft have also been used extensively post 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 aircrafts.

Specific recent examples of military air strikes using Russian arms include an hour-long attack of a school and monastery on 16 September 2022, in which at least six children were killed in Let Yet Kone Village, Tabayin Township in Sagaing Region. The ground attack was led by Mi-17 helicopters, followed by airstrikes by two Mi-35 helicopters.

CHINA INCLUDING HONG KONG

\$252m trade direct to the Myanmar military

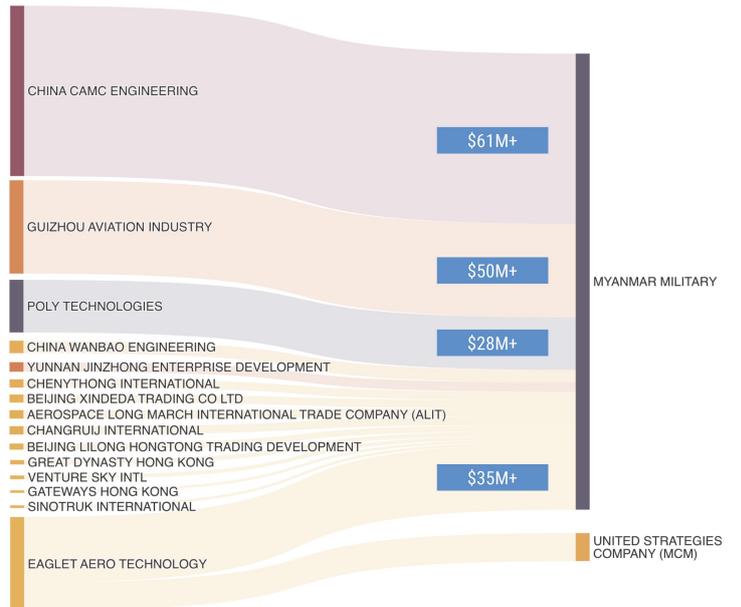
\$15m trade to Myanmar-base military suppliers or sanctioned arms dealers

41 unique suppliers

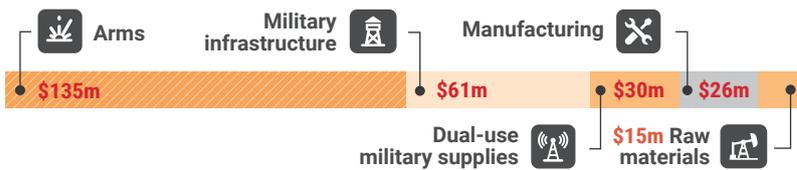
Since the coup, numerous private and state-owned companies registered in China, including Hong Kong, have supplied the Myanmar military with an extensive array of arms, equipment, and raw materials. 41 unique suppliers based in China, including Hong Kong, transferred **\$267 million** worth of arms and associated materials to the Myanmar military since February 2021.

Through its transfer of fighter jets, spare parts for fighter jets, tanks, and military helicopters, China has violated international humanitarian law and likely customary international law. China must know with virtual certainty 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. China likely continues to violate the Arms Trade Treaty, which it is bound to comply with as of its date of ascension, 4 October 2020 for its transfers of K-8 and FTC-2000G jet fighters since the coup.

Top supplier companies in USD



Types of arms and associated materials



Arms

- Delivery of six FTC-2000G multirole advanced jet / light attack aircraft
- Spare parts for MI-2 helicopter, Airbus H120-B Helicopter, PT-6 Turboprop engine, A-51IK ground-attack fighter jet, F-71IK (Chendu-J-7 Variant) fighter aircraft, K-8W fighter jets, JF-17 fighter jets, ATR-72 Military transport plane
- Upgrades to Type-59 & Type-63 tanks
- Supplies for the Myanmar Navy
- Bore sighters for weapons

Military infrastructure

- Expansion of Myanmar Navy shipyard
- Dual-use military supplies
- Radio & communication equipment
 - Marine equipment inc. diesel generating systems
 - Parts for military owned trucks
 - Heavy automotive construction equipment
 - Solar power equipment
 - Networking equipment & software

Raw materials

- Steel tubing & wire
- Copper, steel, aluminum, rubber
- Lubricants

Manufacturing

- Grinding & milling machines
- Manufacturing & sealing machines
- Workshop equipment & material



Impact of Chinese arms on the people of Myanmar

Since October 2021 shipments include 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-71IK fighter aircraft and the A-51IK ground attack jet.

Chinese K-8 jet fighters, of 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. Private video evidence submitted to the Special Rapporteur and publicly available video confirms their use in numerous operations.

The transfer of FTC-2000G fighter jets in December 2022 increases the likelihood of further airstrikes targeting civilians. The FTC-2000G blends fighter jet training with attack capabilities.

The shipment of raw materials likely supports the military's domestic weapons production at KaPaSa weapons factories.

SINGAPORE

\$247m trade direct to the Myanmar military

\$5.2m trade to Myanmar-base military suppliers or sanctioned arms dealers

138 unique suppliers

The Special Rapporteur uncovered **\$253 million USD** of supplies shipped from Singapore to the Myanmar military through 138 suppliers based in Singapore between February 2021 and December 2022. Singapore has become a major jurisdiction for the transit of spare parts, raw materials, and manufacturing equipment. Entities in Singapore are critical to the operation of Myanmar’s Directorate of Defense Industries’ weapons factories (commonly referred to as KaPaSa, the Burmese acronym for DDI). The Special Rapporteur has received no information indicating that the Singapore Government has approved, or is involved in, the shipment of arms and associated materials to the Myanmar military.

Singapore banks have likewise been used extensively by arms traffickers operating within Singapore and outside of it, with payments for hundreds of millions of dollars of arms transfers moving through Singapore banks.

The Special Rapporteur has decided not to 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.

Types of arms and associated materials



- Arms**
- Components for MiG-29 fighter jet
 - Spare parts for K-8W trainer & light attack aircraft, Mi-17 Helicopter, ATR-42 transport planes, trucks & vehicles
 - Supplies for the Navy, incl. spare parts for ship building, propulsion systems, engine parts, navigation and diving equipment.
 - Equipment for electronic warfare

- Dual-use military supplies**
- Radio, radar & communication equipment
 - Pumps & generators
 - Batteries, gearbox & engine parts
 - Research equipment, Software & IT
 - Security equipment, Electrical components
 - Hardware modules

- Raw materials**
- Aluminum ingot
 - Pipes & valves
 - Steel & brass sheets
 - Steel beams & deformed steel bars
 - Steel, brass and copper tubing
 - Copper balls
 - Synthetic raw materials

- Manufacturing**
- Auto-forging machines
 - Welding machines
 - CNC machines
 - Milling equipment & tools
 - Machine reamer
 - Laser cutting machines
 - Plastic injection molding
 - Band saws
 - Drilling equipment

Singapore has stated a clear policy to, ‘prohibit the transfer of arms to Myanmar’ and decided ‘not to authorise the transfer of dual-use items which have been assessed to have potential military application to Myanmar.’ I implore Singapore to enforce its policies to the maximum extent possible. If the Singapore Government stopped all facilitation and shipment of arms to the Myanmar military from its jurisdiction, the impact on the junta’s ability to manufacture arms that it is using to commit its war crimes would be significantly disrupted.

Special Rapporteur Tom Andrews



Impact of arms shipped through Singapore on the people of Myanmar

CNC machines, auto-forging machines, furnaces, and the raw metals are critical for the continuing operations of KaPaSa weapons factories.

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). 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.

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, including the 250 kg bomb used in the Pazigy village attack.

INDIA

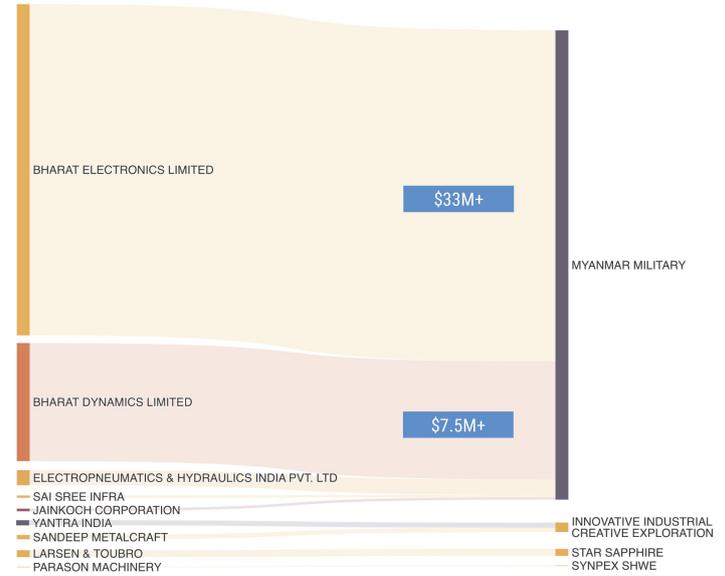
-  **\$49m** trade direct to the Myanmar military
-  **\$2.2m** trade to Myanmar-base military suppliers or sanctioned arms dealers
-  **22** unique suppliers

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 to the Myanmar military.

India’s continuing transfer of materials used in surveillance, artillery, and, probably, missiles—all manufactured by state-owned entities—arguably runs afoul of its obligations under customary international law and international humanitarian law. India should have 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.

These sales also likely violate India’s non-binding obligations under the Wassenaar Arrangement. 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.” Myanmar is arguably a “cause for serious concern” to Wassenaar’s Participating States, though it is unclear whether there is consensus on this point.

Top supplier companies in USD

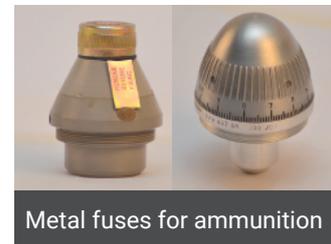


India has never been, nor is, a major source of arms to Myanmar, and India has been fulfilling our past obligations. Our exports are very clearly scrutinized... We consider what is in the interest of the people of Myanmar.

- India's Representative Speaking with the Special Rapporteur



Types of arms and associated materials



Impact of Indian arms on the people of Myanmar

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

The 122mm 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. 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.

THAILAND

\$28m trade direct to the Myanmar military

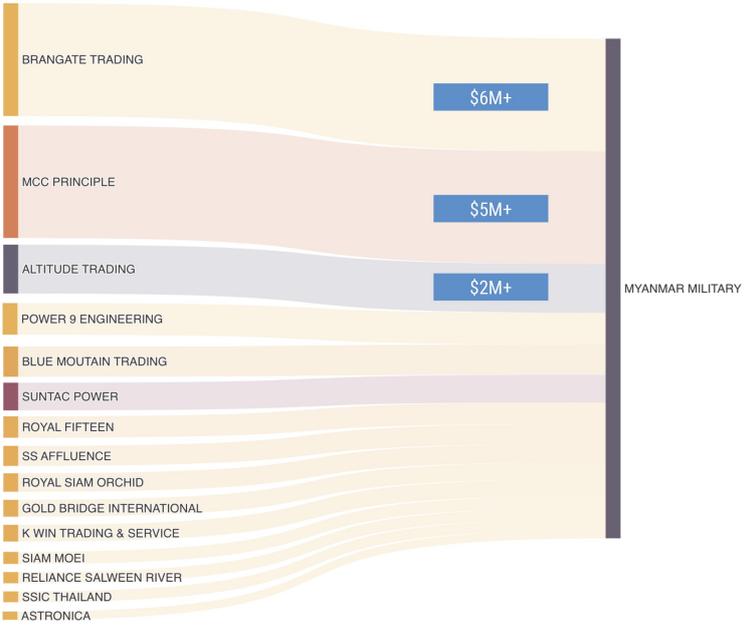
12 unique suppliers

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.

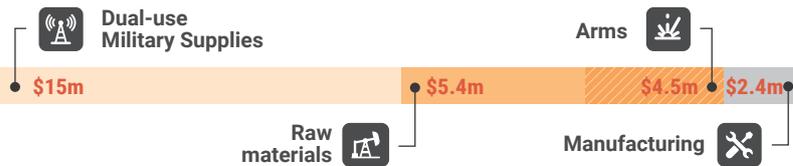
Thailand appears to be a jurisdiction used increasingly by arms traders and potentially as an alternative to Singapore. Twelve of the 25 companies were established after the coup by arms dealers already trading from Singapore. These 12 companies represent 80 percent of the \$27.7 million transferred to the Myanmar military.

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 it do so.

Top supplier companies in USD



Types of arms and associated weapons



- Arms**
 - Spare parts for Mi-17 helicopters
 - Spare parts for ATR-42 military transport planes
- Dual-use military supplies**
 - Construction vehicles & equipment
 - Radio & communications equipment
 - Networking equipment
 - Software

- Raw materials**
 - Aluminum ingot
 - Deformed steel bars
 - Lead
 - Steel, brass, bronze, copper bars
 - Brass & steel sheets
 - Steel wire
 - Chemicals
 - Lubricants

- Manufacturing**
 - CNC machinery
 - Milling machines



Impact of arms shipped through Thailand on the people of Myanmar

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

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 helicopter, which carried dozens of troops that deployed from the helicopters and attacked the village.

RECOMMENDATIONS

Member States that support human rights in Myanmar:

Initiate a strategic approach to strengthen, coordinate, and enforce economic sanctions and an arms embargo on the SAC, including by targeting its sources of income.

Sanction Myanmar Oil and Gas Enterprise, the largest single source of foreign currency to the SAC.

Sanction Myanmar Foreign Trade Bank, the key channel used to bring foreign currency to the SAC and to pay for much of the arms and associated materials identified in this report.

Holistically sanction arms dealing networks, beginning with those entities identified in this report.

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.

Enforce existing sanctions to the fullest extent possible.

Singapore and Thailand:

Close down the use of their jurisdictions by arms dealing networks.

Investigate the networks identified in this report providing material support to the Myanmar military.

Support the enforcement of international sanctions in their jurisdictions and cooperate with international investigations into SAC finances.

Provide clear guidance to banks in their jurisdictions on the need for enhanced due diligence on all transactions involving Myanmar.

China, Russia and India:

Stop providing arms and other material to the Myanmar military.

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 outlined in this report.

Australia:

Impose sanctions beyond MEC and MEHL and SAC officials.

UN Security Council urgently exercise its Chapter VII responsibilities and powers to:

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.

Impose targeted economic sanctions on the Myanmar military.

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.

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.

Banking institutions, particularly those in Singapore and Thailand, undertake enhanced due diligence in accordance with the Financial Action Task Force's call for action. Enhanced due diligence measures include:

Obtaining more identifying information about the parties to a transaction from a more extensive range of reliable and independent sources.

Conducting additional searches to more fully understand individual "customer risk assessment" (such as whether a transaction violates international sanctions).

Ordering an intelligence report on the customer or beneficial owner to better understand if the customer or beneficial owner is involved in illegal activities.

Verifying the source of funds or wealth in the business relationship to be satisfied that they do not constitute the proceeds from crime. and

Obtaining more information from the customer about the purpose and intended nature of the business relationship.