

Brussels, 7 February 2022

Dear EU Member States,

On 1 February 2021, Sr Gen Min Aung Hlaing, the Commander-in-Chief of Myanmar's armed forces, overthrew the country's elected government. The coup marked the beginning of a drastic deterioration of the human rights situation in the country. The three rounds of sanctions adopted by the EU over the past year have been insufficient to improve the situation, which remains appalling. EU sanctions should therefore be strengthened in order to better impact the financial flows currently feeding the junta. To this end, **MOGE (Myanmar Oil and Gas Enterprise) should be added to the list of entities subjected to EU restrictive measures.**

Between 1 February and 10 December 2021, at least 7,053 attacks on civilians or armed clashes that failed to protect them were recorded – a 664% increase from the same period in 2020 – while hundreds of thousands of people have been displaced. As of 31 January 2022, the junta had killed at least 1,501 people and arrested at least 11,838 people, including politicians, human rights defenders, journalists and other individuals engaged in perceived or actual dissent. Junta courts have handed down first sentences to State Counselor Aung San Suu Kyi and President Win Myint, with hundreds of National League for Democracy (NLD) members still in detention, where cases of torture and deaths have been reported.

In light of this situation, further sanctions must urgently be adopted. On 22 October 2021, at the United Nations General Assembly, the UN Special Rapporteur on the situation of human rights in Myanmar, Tom Andrews, strongly encouraged member states to "follow the call of several hundred civil society organisations within Myanmar who have called for Myanmar Oil and Gas Enterprise to be sanctioned." This call stems from the fact that **current sanctions do not target the largest sources of foreign currency** available for the military. The natural gas sector – which generates between USD1 and 1.5 billion per year, representing up to 50% of the regime foreign currency inflow, has remained untouched.

Over the past year, the Tatmadaw has <u>continued to use foreign currency reserves to purchase</u> <u>military equipment</u> that is highly likely to be used against civilians. The failure to put in place a targeted sanctions regime that would have substantially hit the junta in the first year after the coup is a missed opportunity for the international community to secure a reduction of violence, and a tragedy for the families and communities that continue to suffer escalating military attacks and atrocity crimes in the country.

Last month, TotalEnergies (France) publicly stated its support to sanctions against MOGE. The company's recent announcement, along with Chevron (US), to withdraw from Myanmar does not mean the financial flows to the junta will immediately end. **During the six-months period before the two companies' physical departure, and in the absence of sanctions, it is estimated that an additional €250 million will be transferred from the consortium to the military.** This amount is critical to the junta as it escalates airstrikes and attacks while trying to insulate itself from the economic consequences. The funds should be diverted to an escrow account, to be held in trust for the legal and legitimate government.

The timing of these sanctions is critical: the junta is grappling with the economic crisis it created, while at the same time, using up vast resources to continue ground attacks and airstrikes in multiple locations. In December and January, it continued to recall retired military to active duty while subjecting soldiers' wives and children, as well as prison guards, to military training, to offset personnel lost to fighting and defections. Meanwhile, senior officers who traditionally joined the military for economic benefits, are increasingly unhappy with the national devastation and loss of revenue.

We thank you for your attention and remain at your disposal for any further information.

Sincerely,

ALTSEAN-Burma FIDH (International Federation for Human Rights)