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1 FIGHTING AND HUMAN RIGHTS ABUSES CONTINUE IN KACHIN STATE

In May, fighting between the Burmese Army and the Kachin Independence Army (KIA) intensified in Kachin State and Northern Shan State, with reports that the Burmese Army had deployed about 2,000 additional troops and more artillery in preparation for an offensive against the Kachin Independence Organisation (KIO) headquarters in Laiza, Kachin State.

Reports of serious human rights abuses continue, including the use of rape, gang-rape and sexual violence by the Burmese Army against ethnic women. On 1 May 2012, Burmese Army soldiers found Ngwa Mi, a grandmother with 12 children, sheltering alone in a church near the Kachin- China border town of Pang Wa. Most of the other villagers had fled in fear of attacks. About ten troops beat her with rifle butts, stabbed her with knives, stripped her naked and gang-raped her over a period of three days in the church. Moon Nay Li, coordinator at Kachin Women's Association Thailand, said *"the message from Naypyidaw is clear: the Burmese military can rape and kill ethnic women with impunity."*

Despite the attacks, the KIO remain in talks with the government. The KIO have also called on the UN to take an active role in bringing about an end to the Kachin conflict. In an open letter to UN Secretary General Ban Ki-moon, the KIO urged Ban Ki-moon to consider sending *"observer teams or intermediary teams to the conflict war zones, and to the towns and villages destroyed by the Burmese army, and to the Internally Displaced People (IDP) camps in KIO areas to which these townspeople have fled."*

The letter also urged Ban Ki-moon to facilitate the delivery of humanitarian assistance to IDP camps in Kachin State. At least 70,000 people have been displaced since the Burmese Army broke the Kachin ceasefire in June 2011 and are living in temporary camps in desperate need of humanitarian aid.



2 INCREASE IN LAND CONFISCATION

There are growing reports of a sharp rise in arbitrary land confiscation, often by big businesses linked to the military. In one of the biggest cases of recent land theft, over 7,800 acres of farmland in Salingyi Township, Sagaing Division, has been confiscated for a copper mine project led by the military-run Union of Myanmar Economic Holdings Ltd and two Chinese companies.

According to reports in the Irrawaddy, the farmers have been forced out of their villages and only given a small amount of compensation for their property as, according to company officials and local authorities, their lands are actually owned by the state and the confiscation was carried out by presidential order. In another case, around 200 acres of land were confiscated by platinum mining companies in Tachilek Township, eastern Shan State, according to a report released by the Lahu Women's Organization (LWO). The companies forced people to sell their land at a fraction of the real value, or simply confiscated it without compensation.

The latest annual report by the Asian Human Rights Commission, raises particular concern about *“the convergence of military, business and administrative interests in new economic projects aimed at displacing ordinary people from land. Whereas seizure of land has long been practiced in Burma, in the past land seizure was mostly carried out directly by state officials or the military. Increasingly, with the changes in government and economy in Burma, private companies with connections to military officers or retired military officers are seizing land.”*

3 NLD MPS TAKE SEATS IN PARLIAMENT

On 2 May, Aung San Suu Kyi and the other newly-elected National League for Democracy (NLD) members were sworn in as MPs in parliament in Naypyidaw.

The ceremony was originally due to take place the previous week, but the NLD had objected to the wording of the oath of office, which requires new MPs to swear to “safeguard” the constitution. The NLD want to change the constitution as it enshrines military rule and has many undemocratic measures. However, the NLD decided to drop their objection in order to avoid a prolonged political stand off.



4 AUNG SAN SUU KYI VISITS THAILAND

Aung San Suu Kyi left Burma for the first time in more than twenty years in May with a visit to Thailand. She first visited Mahachai district in Samut Sakhon province, where around 300,000 Burmese migrants live. She visited a Burmese migrant centre and gave a speech to thousands of migrant workers.

During the visit she also attended the World Economic Forum on East Asia in Bangkok. Aung San Suu Kyi encouraged investors to be socially responsible and to ensure that their investments helped Burma to eradicate corruption and inequality. *“We do not want investment to mean more possibilities for corruption,”* she said. *“We do not want investment to mean greater inequality. And we do not want investment to mean greater privileges for those already privileged.”*

Speaking at the World Economic Forum, she urged caution about the reforms taking place in Burma, saying *“optimism is good but it should be cautious optimism. I have come across reckless optimism. A little bit of healthy skepticism is in order.”* She also visited the Mae La refugee camp on the Thai-Burmese border, home to more than 45,000 refugees from Burma.

5 US SUSPENDS BURMA SANCTIONS

In May the United States announced that it would suspend its ban on financial transactions and investment in Burma. The new policy was announced by Secretary of State Hillary Clinton during a visit to the US of Burma's Foreign Minister Wunna Maung Lwin.

Clinton said, *“The United States will issue a general license that will enable American businesses to invest across the economy, allow citizens access to international credit markets and dollar-based transactions. We are suspending sanctions. We believe that that is the appropriate step for us to take today. We will be keeping relevant laws on the books as an insurance policy, but our goal and our commitment is to move as rapidly as we can to expand business and investment opportunities.”* It was also announced that Derek Mitchell, the State Department's coordinator for Burma policy, would be nominated as the new US Ambassador to Burma. He will be the first US Ambassador since 1990.

The US has said that it will work to promote *“responsible investment and deter abuses.”* However, it remains unclear how responsible and transparent investment would be enforced. Speaking to Voice of America, Phil Robertson, Asia deputy director for Human Rights Watch, said, *“the standards in that*



framework, from what we understand, are not going to be legally binding. There's going to be wiggle room for companies to go in there. And, the question is how the U.S. government will then try to police these engagements by the U.S. companies. So far they've basically said that they're going to allow the companies to go in to just about all sectors." Human rights groups also expressed concern that the sanctions have been relaxed before any of the stated benchmarks for sanctions to be lifted have been met. Hundreds of political prisoners remain in jail and there has been an escalation in armed conflict and human rights abuses.

6 COMPANIES URGED TO FOLLOW KEY BENCHMARKS FOR TRADE AND INVESTMENT

The European Burma Network, a coalition of Burma campaign groups in Europe, issued a warning to companies not to view Burma simply as a country where they can exploit cheap labour and access natural resources cheaply. Several industries in Burma, particularly natural resource extraction and energy projects, are directly linked to human rights violations and environmental destruction. Despite recent reforms, Burma still has one of the worst human rights records in the world.

With many sanctions against the military-backed government in Burma in the process of being suspended or lifted, there is intense interest from European companies in investing and trading with Burma.

However, there remains a lack of international law to ensure European companies always operate to the highest standards outside the EU. In addition, Burma lacks laws to regulate companies, to protect workers, and protect the environment. It also lacks an independent judiciary and the rule of law, which could enforce such regulations, and is one of the most corrupt countries in the world.

The European Burma Network endorsed the 'Benchmarks for Investment in Energy, Extractive and Land Sectors in Burma' issued by the Burma Environmental Working Group (BEWG) in March 2012. BEWG is an alliance of grassroots environmental and social organisations.

Five key benchmarks established by the BEWG are;

- 1) Do No Harm – Investment should not exacerbate natural resource and land-based conflict in Burma.
- 2) Best Practices or No Practices – Investors should respect the widely accepted global standards for environmental and human rights law while following international best practices in human rights, social and environmental impact assessments.
- 3) Act Transparently and with Principles - Investors should have a zero-tolerance policy on corruption and should uphold full revenue and contract transparency.



- 4) Support Civil Society not Impunity - Civil society should be free to fulfil its role without threat of repression or abuse.
- 5) Empower Communities - Community grievances must be fully addressed in existing and proposed investments.

The European Burma Network also warned that companies which do not respect the guidelines from the BEWG, or are linked to any human rights abuses, exploitation of workers or suppliers, and environmental destruction, will be targeted for high profile campaigns by members of the European Burma Network.

7 LABOUR STRIKES IN RANGOON

Thousands of workers in Rangoon's industrial zones have taken part in a series of strikes. There were an estimated twenty-two strikes in May calling for better pay and conditions, most in garment and shoe factories. Aung Kyaw Thu, a worker at the Nay Min Aung garment factory, told The Irrawaddy that he currently earns around 9,000 kyat (\$10.8) per month, which amounts to a daily wage of 350 kyat (\$0.42), and has to work for 26 days a month.

About 200 workers at the Yangon Crown steel factory went on strike on 19 May for better pay. After negotiations failed, 40 of the workers went on a hunger strike. The strike ended on 29 May when the factory's owner agreed to increase the employees' basic salary. Workers at several factories remain on strike, including more than 1000 workers at the Hi-Mo wig factory in Rangoon. They had reached a deal earlier in May but resumed their strike on 17 May after the owners of the company refused to honour the agreement.