

## Ongoing Burma Army logging threatens peace efforts in Karenni State

### Summary

This briefing paper analyzes how Burma Army exploitation of natural resources in Karenni State is undermining efforts by the Karenni National Progress Party to seek peace, as happened over twenty years ago.

In 1995, the Karenni National Progress Party (KNPP) signed a ceasefire agreement with the then military regime. However, after only three months, the Burma Army launched an offensive to drive out KNPP from its bases in eastern Karenni State, in order to profit from logging in the area. Tens of thousands of villagers were forcibly displaced, and rampant logging by the Burma Army and military-linked businesses led to widespread deforestation.

The KNPP signed a new ceasefire agreement in 2012, but the Burma Army continued to benefit from logging, even after a logging ban by the NLD government in 2016-2017.

On December 20, 2017, after KNPP troops uncovered an illegal shipment of timber by the Burma Army, three KNPP troops and one civilian were shot dead by the Burma Army. The incident heightened tension between KNPP and the Burma Army, and caused a significant loss of trust among the Karenni people in the peace process.

KCSN analyzes that the Burma Army's ongoing exploitation of natural resources is a direct cause of conflict, and for the sake of peace, demands that the Burma Army immediately stop extracting natural resources in ethnic areas and stops all offensives, and pulls back its troops so that inclusive political dialogue can begin that will lead to federal devolution of power – enabling ethnic peoples the right to own and manage their own natural resources.

### Background

The Karenni Civil Society Network (KCSN) has been monitoring the political and peace process in Karenni State of Burma since the Karenni National Progressive Party (KNPP) and Burmese government signed a cease-fire agreement in 2012.

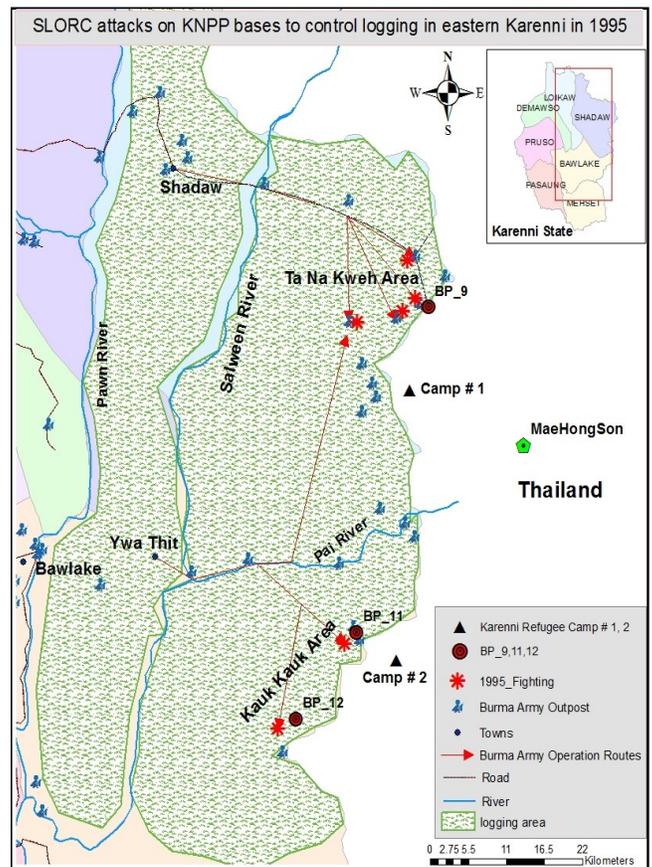
Since 2012, KCSN has issued several analysis papers on the implementation of the ceasefire agreements between the KNPP and the Burmese government, particularly related to mega development projects and international aid.

This new briefing paper focuses on the issue of natural resource management in Karenni State, specifically logging.

### Burma Army offensive over logging causes breakdown of 1995 cease-fire with KNPP

After several meetings between the KNPP and the ruling military regime, the State Law and Order Restoration Council (SLORC), the SLORC agreed to a sixteen-point ceasefire agreement with the KNPP. The ceasefire agreement signing ceremony was held in Loikaw on March 21, 1995.

Included in the sixteen points were: (1) Both parties must only move within their respective designated territories; (2) To stop collecting porters in the whole Karenni State; and (3) To stop collecting porter fees in Karenni State.

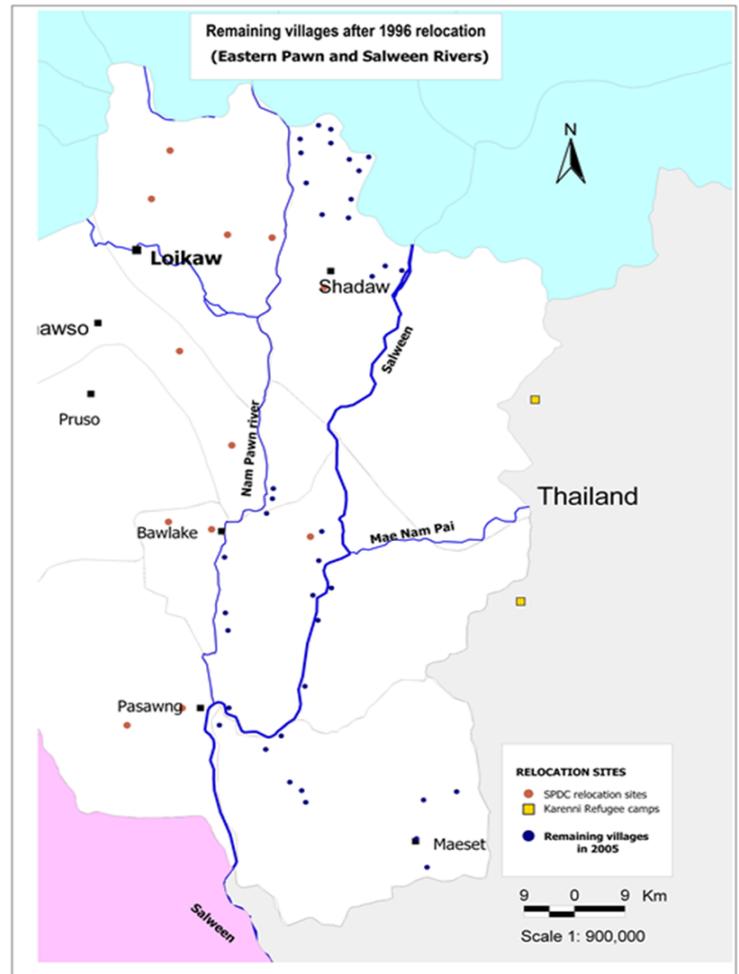
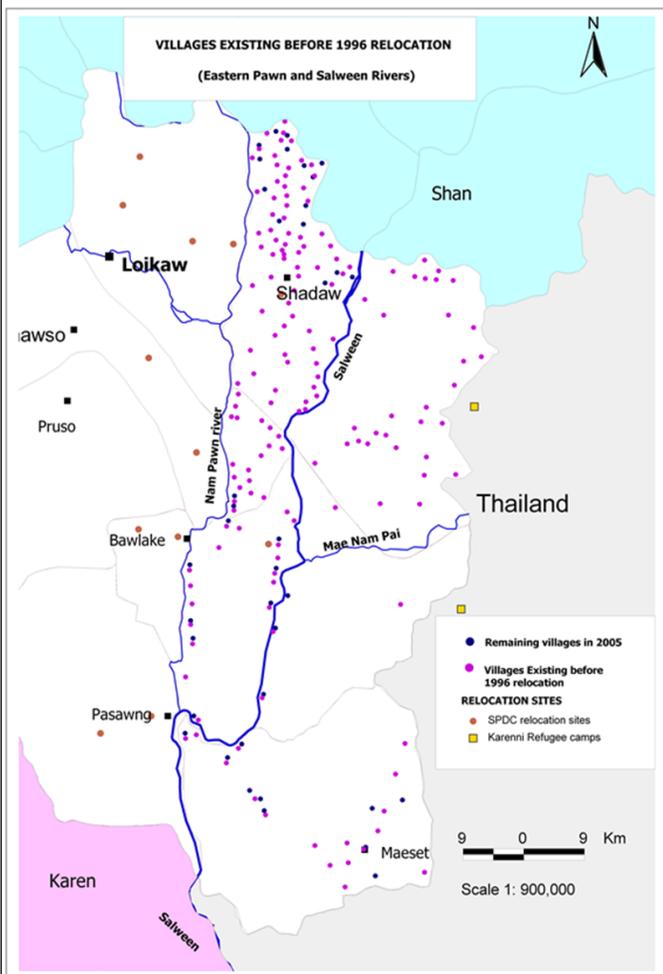


Despite signing the agreement, on June 15, 1995, SLORC troops began to collect porter fees in the areas under their control, arrested civilians to be porters, and requisitioned horses and tractors belonging to local people. On June 17, 1995, SLORC sent two battalions to KNPP-controlled areas in eastern Karenni State.

The KNPP asked the SLORC to stop moving into their areas, but the SLORC said they needed to control areas along the Thai border, to prevent illegal cross-border logging.

The SLORC then asked KNPP to remove its troops from Border Posts 9, 11 and 12, along the Thai-Karenni border. When KNPP refused to retreat from these bases, the SLORC sent about 2,000 troops into the KNPP-controlled area to seize the bases, causing fighting to restart and the ceasefire agreement to break down after only three months.

The next year, in 1996, the SLORC launched a large scorched earth campaign to cut off support for the KNPP in Karenni State. They forcibly relocated about 30,000 people in 183 villages, including all the villages east of the Pawn and Salween rivers. Forced into relocation sites where they could not support themselves, most villagers fled to refugee camps in Thailand. The SLORC stepped up their offensives, and were finally able to seize the KNPP bases along the Thai border.



Before 1995, logging in eastern Karenni State was mostly carried out by Thai companies, who transported the logs to Thailand, but when SLORC took control of the KNPP bases east of the Pawn and Salween rivers, they instead allowed Burmese timber companies to cut down teak and other hardwood. The Burma Army and their crony companies have been logging in this area since 1995 until the present, despite a nationwide logging ban imposed by the NLD from August 2016 March 2017.

The main companies permitted by the SLORC to carry out logging in Karenni state in 1995 were Htoo Company, owned by Tay Za, and Kayah Phu company, chaired by a local businessman U Kyi Sein, close to the Burma Army. All logs were marked with the seal of the Myanmar Timber Enterprise (MTE), meaning that all logging came under Burmese government control. It is estimated that in 1995 and 1996 alone, over 100,000 tons of timber were logged and extracted. These logs were then transported to central Burma. Brigadier General Maung Kyi, commander of the Regional Operations Commands (ROC) based in Loikaw in 1995 was the main person who ordered the SLORC troops to take over the KNPP bases, leading to the breakdown of the 1995 cease-fire agreement between KNPP and SLORC. He was the main military official who controlled logging in Karenni State at that time.



A truck is loaded with timber logs at a camp on the outskirts of the Karenni State capital Loikaw in May 2016. (Maro Verli/ Frontier)

## Threats to the current peace process due to ongoing Burma Army logging

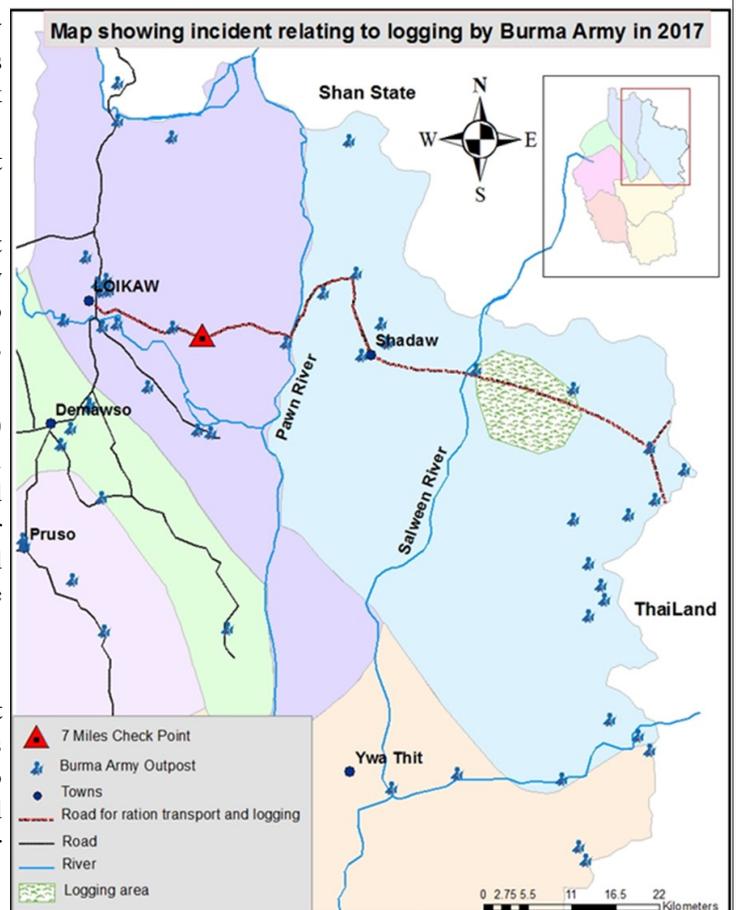
After 2012, when the KNPP signed a new ceasefire agreement with the Burmese government, it opened liaison offices inside Karenni state. If the Burma Army wanted to move their troops, they informed those liaison offices. However, under the NLD government elected since 2015, there has been a lack of communication between the Burma Army and KNPP liaison offices.

From Loikaw, the capital of Karenni State, the Burma Army transport their rations by army trucks to their frontline troops twice a year. When the trucks return, they usually carry back forest products, including bamboo, firewood and timber to Loikaw. The logs are cut illegally near Burma Army bases east of the Salween river.

On December 19, 2017, the KNPP soldiers who were on duty at the 7-mile check point on the road to Loikaw, checked a convoy of Burma Army trucks returning from transporting rations to army bases east of the Salween river. They found illegal logs, but finally let all the trucks pass by.

Early the next morning on December 20, 2017, at 5:00 am, 60 soldiers from LIB 54, LIB 102 and LIB 72 under the Regional Operation Command headquarters in Loikaw came back and surrounded the KNPP 7-mile check point. They asked four KNPP soldiers and one civilian to sit down in a row and said they would take picture of them, but when they sat down, the army opened fire and killed three KNPP soldiers and one civilian, while one KNPP soldier was able to run away.

After the incident, a KNPP officer went to the 7-mile checkpoint and asked the Burma Army to meet the KNPP soldiers, but was not allowed to enter the area. Again, the KNPP officer went to the Regional Command Headquarters in Loikaw and demanded the return of the KNPP soldiers. Finally, they handed over four bottles of the dead men's ashes, and a picture of the KNPP



soldiers' dead bodies. They said that there had been a skirmish, and the KNPP soldiers had died in the fight.

On December 22, 2017, members of the Karenni State Farmer Union (KSFU) and Union of Karenni State Youth (UKSY) demonstrated and demanded justice for the killing, saying it would harm the peace process. However, the Kayah State government brought charges against those demonstrators under Article 19 of the Peaceful Demonstration Act, and the court ruled to imprison for 20 days five youth leaders who had demonstrated. Another three youth leaders who had protested in support of the five youth leaders when they went to court were also accused under Article 19 again, but charges were later dropped against them due to pressure from KNPP and Karenni elders.

## **Conclusion**

The extrajudicial killing of the three KNPP soldiers and one civilian has shocked people of Karenni State, particularly refugees in Thailand, who were hoping to return home under the current peace process. The incident highlights that there is no guarantee of security if they return.

For the sake of rebuilding trust in the peace process, it is urgently needed to pursue justice in this case, and to hold those responsible for the killing to account. However, demands for justice by KNPP, civil society groups and political parties regarding the extrajudicial killing have been ignored by the authorities until now.

The KCSN analyzes that this incident occurred due to the ongoing unjust exploitation of natural resources by the Burma Army. It indicates that if there are no rights and power in the hands of ethnic people regarding the use, extraction and management of natural resources within ethnic states, fighting and conflict will occur again at any time.

**Therefore, the KCSN makes the following demands:**

- 1. There must be rights for the Karenni people to manage, extract, use and preserve their natural resources in Karenni State.**
- 2. There must be justice in the case of the extrajudicial killing of three KNPP soldiers and one civilian. There must be a free and fair judicial process, ensuing that action is taken against perpetrators who commit crimes.**
- 3. There must be a moratorium of all natural resource extraction in ethnic areas, including by the Burma Army, until there is a genuine federal resolution to the civil war.**
- 4. The government and Tamadaw must cooperate with ethnic revolutionary organizations and ethnic political parties to draw up a federal constitution that promotes equality and establishes a genuine federal union in Burma.**