



## Media Release from the Karen Peace Support Network

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### New Report: Gambling Away Our Lands – Naypyidaw’s “Battlefields to Casinos” Strategy in Shwe Kokko

A major new report from the Karen Peace Support Network is published today, 26th March 2020.

The Shwe Kokko “New City” project, a giant Macao-style casino complex being built on indigenous Karen territory, looks set to become a major online gambling hub. Rather than benefitting local people, it will result in an increase in criminality and international money laundering, as well as further undermining Burma’s already faltering peace process.

Months of research by the Karen Peace Support Network reveals new information about the controversial project, situated in a strategic Karen border area fought over for decades by the Burma Army.

The joint venture between Yatai International Holding Group (IHG) and the Burma Army’s Border Guard Force began development in 2017. The project is officially named the “Myanmar Yatai Shwe Kokko Special Economic Zone.”

Key findings include:

- Despite Burma Army attempts to distance themselves from the controversial project, it is clearly fully authorised by military top brass. The Border Guard Forces are fully integrated into Burma’s military, with Burma Army commanders on-site at the project. There are also six Burma Army camps surrounding the casino complex.
- Although touted as a “Special Economic Zone,” the project has been developed outside Burma’s existing SEZ laws.
- Project construction is officially suspended because it has exceeded the permitted building area, but work has carried on regardless. Thousands of Chinese workers remain active on site.
- Developers claim it is part of China’s Belt and Road Initiative but there is no firm evidence for this.
- Yatai IHG appears to be a front for a regional online gambling operation, which has made its fortune from similar ventures in the Philippines and Cambodia.
- Online gambling is already taking place at the development despite China’s regional pressure to end this industry.
- Similar developments in neighbouring countries have become hubs for international money laundering, drug trafficking, the illegal wildlife trade and other criminality, and have proved unsustainable.
- Since the Karen National Union ceasefire in 2012, eleven new Burma Army camps have been set up in the Hpa-an area, north of the project site. Increased militarisation is linked to development projects and is a major factor in ongoing conflict and preventing refugees and IDPs returning home.

“This project flouts all laws, undermines the peace process and provides no benefit for local people” said Naw Wakhushee. “The Burma Army has no right to sell off a vast tract of Karen territory to foreign speculators before a peace accord has been agreed.”

The Karen Peace Support Network calls on the Burmese government to terminate all contracts, and to order Yatai IHG and its partners to withdraw from the area and pull out all personnel and equipment. There should be an immediate moratorium on all large-scale investment projects in ethnic areas until there is lasting peace and power is devolved under a new federal constitution.

***The full report can be viewed on [www.kesan.asia](http://www.kesan.asia)***

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