Korean Civil Society in Solidarity with Rohingya Korean Transnational Corporation Watch Justice For Myanmar

Complaints filed against POSCO, LOTTE and three other South Korean corporations for contributing to human rights violations in Myanmar through military business

Nov. 26, 2020, Seoul and Yangon: Two South Korean civil society coalitions and a Myanmar activist group have filed complaints against five South Korean businesses that have commercial ties with the Myanmar military, which contributes to the international crime of genocide, war crimes and crimes against humanity. The complaints were filed with the National Human Rights Commission of Korea, the UN Working Group on the issue of human rights and transnational corporations and other business enterprises (UN Working Group on Business and Human Rights) and South Korea's OECD National Contact Point today. The complaints request intervention to urge the South Korean government and businesses in question to fulfil their international human rights obligations, including cutting all ties with the Myanmar military and military-owned businesses.

Five South Korean corporations were the subject of the complaints. POSCO, Pan-Pacific and Inno Group operate joint ventures with Myanmar military-owned conglomerate Myanmar Economic Holdings Limited (MEHL), owned by military units and active and former leaders and members of the military. POSCO operates two steel joint ventures with MEHL, while Pan-Pacific operates an apparel business with MEHL and leases land in an MEHL-owned industrial zone. POSCO and Pan-Pacific are both listed on the Korea Stock Exchange. Inno Group operates three joint ventures with MEHL and leases land in an MEHL-owned industrial zone.

According to research published by <u>Amnesty International</u>, using documents provided by Justice For Myanmar, MEHL dividends are distributed throughout the Myanmar military including the Western Command and the 33rd and 99th Light Infantry Divisions, which committed the worst atrocities during the 2016-17 genocide against the Rohingya. Senior General Min Aung Hlaing and Vice Senior General Soe Win, who commanded the genocide and are responsible for continuing war crimes and crimes against humanity in ethic areas, are also MEHL shareholders.

In addition, POSCO and LOTTE Corporation subsidiary LOTTE Hotels and Resorts have developed a hotel in Yangon on land leased from the Myanmar military, thereby providing financing for the military, under a build, operate and transfer agreement. Revenue from real estate deals like this are a source of direct, off-budget revenue that supports the military's autonomy from civilian oversight and finances their international crimes. LOTTE is also listed on the Korea Stock Exchange.

Daesun Shipbuilding & Engineering Co. Ltd., majority-owned by Korea Eximbank, a public enterprise, transferred a Landing Platform Dock (LPD) warship to the Myanmar Navy in December 2019. The LPD, the biggest ship in Myanmar's navy, significantly upgrades naval capabilities to transport troops and equipment such as armoured personnel carriers and helicopters and may breach South Korea's obligations under the Arms Trade Treaty.

The complaints have been submitted by Korean Civil Society in Solidarity with Rohingya, Korean Transnational Corporations Watch and Justice For Myanmar. The complainants legal and human rights analysis found that the businesses subject to the complaints have breached their international human rights responsibilities, failing to conduct human rights due diligence and to prevent, mitigate and remediate abuses when they occur, as required under the UN Guiding Principles on Business and Human Rights and the OECD Guidelines for Multinational Enterprises.

According to Korean Civil Society in Solidarity with Rohingya spokesperson Kinam Kim:

"Undoubtedly, nothing can justify genocide. Businesses have often said "We complied with the local law" in many cases where innocent local people suffered. This time, at least, once and for all, they should be able to declare, "Enough is enough. No more business with genocidal perpetrators." They should take appropriate measures immediately before it gets too late. Just this week, Deputy Foreign Minister Kim Gunn is leading a delegation to Myanmar and promoting businesses. We call on the government of South Korea to ensure the Korean businesses cut all ties with the Myanmar military and military-owned entities. This is also a governmental obligation under international law to respect, prevent and fulfil human rights for all."

According to Justice For Myanmar spokesperson Yadanar Maung: "South Korean businesses are continuing to provide financial and technological support for the Myanmar military through business links, despite clear evidence of the military's international crimes including the ongoing proceedings at the International Court of Justice for genocide. The South Korean government must fulfil its human rights obligations. Businesses that contribute to human rights violations in Myanmar must be held accountable and the complaints submitted today are important steps in that direction. We call on the government of South Korea to hold Korean businesses that support the Myanmar military accountable and ensure they cut all ties with the Myanmar military and military-owned entities."

Note to editors

See the full text of the **UN Working Group on the issue of human rights and transnational corporations and other business enterprises** submission <u>here</u> (English only).

See the full text of the **OECD National Contact Point, South Korea** complaint <u>here</u> (Korean only).

Korean Civil Society in Solidarity with Rohingya is a coalition of civil society groups with aims to raise public awareness on Rohingya's human rights conditions and campaign for advocacy in the Republic of Korea. The members include Asian Dignity Initiative, Korean House for International Solidarity, Jesuit Research Center for Advocacy and Solidarity, JPIC

Committee, New Bodhisattva Network, Incorporated Organization Silcheon Bulgyo, and Korea Committee For Overseas Community Organization.

Korean Transnational Corporation Watch is a coalition of civil society groups with aims to monitor human rights violations committed by multinational corporations and to promote rights of victims. The members include Advocates for Public Interest Law, Corporate for All, Committee of Labor at MINBYUN-Lawyers for a Democratic Society, Gonggam Human Rights Law Foundation, Korean Confederation of Trade Unions, Korean House for International Solidarity, Korean Lawyers for Public Interest and Human Rights, Friend of Earth Korea

Justice For Myanmar is a covert group of activists dedicated to improving the lives of all the people of Myanmar, by exposing the systemic causes of inequality, violence, war crimes, and crimes against humanity.

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