

US sanctions failing to prevent timber trade with Myanmar since attempted coup
Justice For Myanmar calls for ban on Myanmar timber imports

January 11, 2022, Myanmar: Companies in the United States have imported nearly 1,600 tonnes of teak from Myanmar since the military's attempted coup in February 2021.

Following the coup attempt, the US Department of the Treasury's Office of Foreign Assets Control (OFAC) imposed multiple targeted sanctions with the aim to block trade with Myanmar that benefits the illegal military junta.

Sanctions were placed on the state-owned Myanma Timber Enterprise (MTE), which solely manages the sale of timber in Myanmar, auctioning logs to private companies for export.

Through MTE, the junta takes a large percentage of all export revenue through various taxes and charges, and this contributes to financing their campaign of terror against the people of Myanmar.

Since February 1, Myanmar's military has killed over 1,400 unarmed civilians and imprisoned 11,000 more.

Despite sanctions, from February to the end of November last year, US businesses continued to import timber from Myanmar, according to data from the global trade database, Panjiva.

The timber arrived in 82 different shipments between February 1 and November 30, 2021, largely consisting of teak board and scantling that are used for shipbuilding, outdoor decking, and furniture.

Multiple US timber wholesalers and manufacturers are involved, including East Teak Fine Hardwoods, J. Gibson McIlvain, Kingsley Bate Warehouse, Lumberbest, World Panel Products and others.

The data indicates that companies are circumventing sanctions by trading via intermediaries, keeping the link to MTE indirect.

It appears that only the intermediaries' details are included on the documentation required for US imports, allowing potentially illegal imports to pass under the radar of US authorities.

Sanctions imposed by the United States on MTE prohibit "the making of any contribution or provision of funds, goods, or services by, to, or for the benefit of any blocked person".

JUSTICE FOR MYANMAR

Considering that sanctions aim to block trade with MTE, and the timber exported from Myanmar is originally auctioned by MTE, the military junta still receives funds from the trade no matter who officially exports the timber.

This indirect trade between companies in the US and MTE may not have attracted penalties from OFAC at this stage, but action is now urgently needed.

Justice For Myanmar spokesperson Yadanar Maung says: *“Sanctions must be enforced in order to be effective. We urge OFAC to investigate US imports of timber from Myanmar since sanctions were imposed on MTE.”*

“We call on the US Government to ban all Myanmar timber imports to prevent further revenue from reaching the illegal military junta.”

“Continuing trade in timber from Myanmar supports the illegal military junta that is committing atrocity crimes with total impunity, including the indiscriminate murder of children.”

“Through such targeted sanctions on imports from military-controlled industries in Myanmar, the US and other countries have the power to cut the financial flow to the illegal junta and support the Myanmar people’s struggle to end this tyranny and establish federal democracy.”

Note to editors

See our feature on Myanmar’s teak trade to the US here: www.justiceformyanmar.org/stories/us-companies-imported-nearly-1-600-tonnes-of-myanmar-teak-circumventing-sanctions

Justice For Myanmar, a group of covert activists campaigning for justice and accountability for the people of Myanmar, is calling for an end to military business and for federal democracy and a sustainable peace.

For more information please contact:

Yadanar Maung

Email: media@justiceformyanmar.org

Website: <https://www.justiceformyanmar.org/>

Mirror: <https://justiceformyanmar.github.io/justiceformyanmar.org/>

Twitter: @justicemyanmar

Facebook: <https://www.facebook.com/justiceformyanmar.org/>