

February 5, 2022 | Myanmar

Norwegian government must urgently stop Telenor Myanmar sale or it will be complicit with terrorist junta

Telenor Group is about to sell its Myanmar telecom business to a company half-owned by a Myanmar military-linked conglomerate.

In so doing, Telenor, a Norwegian telecom giant 53.97% owned by the Norwegian government, is set to enrich the murderous, illegitimate junta and risk personal details of 18 million Myanmar subscribers falling into the hands of war criminals.

Documents seen by independent media outlet, Myanmar Now, indicate that the crony conglomerate Shwe Byain Phyu will be the majority owner of the mobile operator after junta intervention in the sale. Two members of the junta's State Administrative Council are involved in the purchase.

The sale will reportedly be completed by February 15.

New ownership structure

The junta "privately" approved the protracted sale of Telenor's operation in Myanmar to M1 Group, a controversial investment company co-owned by the current prime minister of Lebanon, and Shwe Byain Phyu last month, Reuters reported on January 21.

The company acquiring Telenor's Myanmar subsidiary is called Investcom Myanmar.

It appears this ownership is in part routed through Singapore.

Shwe Byain Phyu currently owns 49% of Investcom Pte. Ltd., a Singapore holding company set up by M1 Group. M1's shares are held by a shell company in the Cayman Islands, the notorious secrecy jurisdiction.

Telenor has refused to confirm the involvement of Shwe Byain Phyu in the deal, or which legal entity they are selling to, in an alarming lack of transparency.

According to new evidence seen by Justice For Myanmar, Telenor stated to the junta's telecommunications regulator in October that their deal with M1 allows it to transfer ownership to a local company.

This suggests Telenor is involved in a cover-up with the military junta, knowingly selling to a military-linked company, while misleadingly stating to the public that the sale is to M1 Group.

This may be a legal attempt to create plausible deniability.

Involvement of military generals in the deal could potentially violate the European Union's restrictive measures on Myanmar if they are found to control Shwe Byain Phyu.

The junta's intervention in the sale, the involvement of top generals and the fact that Shwe Byain Phyu seemingly has no experience in telecommunications suggests it could be indirectly under military control.

EU sanctions prohibit the making of economic resources available to sanctioned persons and apply when a listed person controls an entity.

Control is defined as "the right to exercise a dominant influence over Entity X, pursuant to an agreement entered into with Entity X" or "the power to exercise a dominant influence... without being the holder of that right", according to EU guidance on Myanmar sanctions. This applies to front companies.

Norway is a member of the European Economic Area and generally abides by EU sanctions. Telenor has stated that it is subject to EU and Norwegian sanctions.

There is now a very real likelihood that if the sale is completed, Telenor Myanmar revenue will flow to the junta and finance its atrocity crimes.

Justice For Myanmar calls on Norwegian authorities to immediately intervene to terminate the sale.

Justice For Myanmar spokesperson Yadanar Maung says: "It is appalling that Telenor is acting in complicity with the illegal military junta to sell their business, and cover-up who the buyers are.

"Telenor's irresponsible sale is likely to help finance the bullets, bombs and jet fuel that enable the military junta's war crimes and crimes against humanity.

"The Norwegian government, which is the majority owner of Telenor Group, will be responsible for the immense harm to the people that will be caused by this sale.

"The Norwegian government must immediately stop the sale and investigate Telenor's deal with the military junta."

Shwe Byain Phyu's telecommunications businesses

As reported by Myanmar Now, Shwe Byain Phyu changed the name of its manufacturing business to "Shwe Byain Phyu Telecom Company" on November 3, 2021.

Justice For Myanmar has found that on the same day, Shwe Byain Phyu also created a new telecommunications business, named One Telecom Co. Ltd.

One Telecom's registered address is the Naypyidaw gems and jewellery market, which is the principal place of business of Shwe Byain Phyu Co. Ltd.

Shareholders of One Telecom include Shwe Byain Phyu founder Thein Win Zaw and his family members.

After multiple board appointments and resignations within the first month, Shwe Byain Phyu executive director Soe Thiha is the sole remaining board member.

Also in November, Reuters reported that Shwe Byain Phyu was in talks with M1 Group under pressure from the military junta.

More information:

See Justice For Myanmar's investigation into M1 Group [here](#).

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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.