



Coming to Terms with Myanmar's Russia Embrace

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What's new? Myanmar's coup and Russia's invasion of Ukraine have brought these already friendly countries closer together. Myanmar's regime has positioned itself as Russia's most uncritical post-invasion partner in Asia, while Russia has readily backed Myanmar's junta, diplomatically and with arms. They are now gearing up for tighter economic and trade relations.

Why does it matter? Russia has thrown Naypyitaw a lifeline as it struggles to quash domestic resistance and secure international legitimacy, thus further antagonising countries pushing for Myanmar's return to democracy. The West worries that Moscow could use these ties to dodge sanctions. Foreign governments supporting positive change in Myanmar have few good options.

What should be done? With few realistic ways to disrupt Russia-Myanmar relations, foreign governments should continue imposing targeted sanctions on the Myanmar regime and strengthen enforcement of bilateral arms embargoes. They should press ASEAN to keep excluding the regime from high-level meetings but avoid prematurely ending consensus diplomacy at the UN Security Council.

I. Overview

Myanmar's relations with Russia have moved into higher gear in recent years with regular high-level exchanges and closer cooperation. Naypyitaw has also grown increasingly reliant on Moscow for advanced weapons systems and technical training of military officers. Myanmar's February 2021 coup and Russia's invasion of Ukraine a year later have deepened the trends: facing stronger international sanctions and diplomatic isolation, the two countries are actively exploring ways to strengthen their security and economic ties. Countries trying to promote positive change in Myanmar, many of which have adversarial relations with Russia, are concerned that the growing bond undermines efforts to sanction both, but there is little they can do to change it. Instead, they should continue imposing targeted sanctions on Myanmar's military regime, enforcing bilateral arms embargoes, and pressing Association of Southeast Asian Nations (ASEAN) members to continue excluding the regime from high-level meetings to dent its legitimacy. At the UN, however, they should avoid diplomatic moves that might break the Security Council's fragile *modus vivendi* on Myanmar.

Over the past two decades, the Myanmar military has tried to hedge its reliance on China as a diplomatic ally and arms supplier by forging stronger links with Russia. This trend stalled when the country drew closer to the West starting in 2011, and then accelerated following the army's violent expulsion of the Rohingya in 2017, which undermined its nascent engagement with Western militaries.

Since then, the two countries have grown closer, with Myanmar Commander-in-Chief Min Aung Hlaing making annual visits to Russia. Moscow has so far looked at Naypyitaw primarily as a military and technical partner, with Defence Minister Sergei Shoigu leading the effort to position Russia as Myanmar's main supplier of sophisticated weapons, such as helicopters, fighter jets and air defence systems. Russia has also provided postgraduate education to at least 7,000 Myanmar officers since 2001. Beyond military ties, Shoigu also sees advantages in securing a strongly committed partner where South and South East Asia meet, in addition to Russia's long-standing partnerships with India and Vietnam. Until recently, the two countries' economic and non-military trade relations remained modest, but they appear to be deepening. Russian Foreign Minister Sergei Lavrov's 3 August visit to Naypyitaw may accelerate that trend.

Following the Myanmar military's coup and Russia's invasion of Ukraine, both countries have become more heavily sanctioned and diplomatically isolated, increasing the importance of their relations with each other. Russia has provided unstinting support for the junta in Naypyitaw following the coup, as well as continued weapons shipments, and the Myanmar regime has in turn positioned itself as Russia's most uncritical friend in Asia, vocally supporting the invasion of Ukraine. In recent months, the two countries have been developing direct banking and finance channels to support greater bilateral trade, including Myanmar purchases of Russian energy products.

Such deepening of relations entails risks for both countries. By backing a regime reviled in its own country, Russia may be imperilling its relations with any democratic or populist government that might come to power in Myanmar in the future. For its part, the Myanmar junta is making a bet on Moscow even as the latter faces a grinding and costly military campaign and struggles economically under the pressure of Western sanctions. Nonetheless, at a time when they face considerable international pressure, both countries are likely to ignore the possible long-term disadvantages of their growing relationship in favour of short-term benefits.

Foreign governments wanting to promote positive change in Myanmar will have to take its ties to Russia into account. The best strategy will be to continue the forms of pressure they are already applying to Naypyitaw, without trying to rupture a bilateral relationship that is likely beyond their influence. They should redouble efforts to ensure effective bilateral arms embargoes by as many countries as possible, with Western governments, in particular, continuing to impose targeted sanctions on the regime, the military and economic interests linked to them. Although the lack of progress may tempt them to reach for a blunter instrument, these governments should continue to steer clear of blanket trade or financial sanctions, which would hurt the population more than the junta.

On the diplomatic front, outside governments will need to calibrate their actions. On the one hand, they should encourage ASEAN to continue its policy of excluding the regime from key meetings and summits. Keeping the generals out of ASEAN forums remains an important way to deny them the legitimacy they seek.

But at the UN a more nuanced approach is advisable. In particular, Western states should be careful not to push too hard on China in the UN Security Council in hopes of forcing a decision on tougher measures than Beijing will support, given that Moscow continues to defer to China on Myanmar issues. It has already become more difficult to secure consensus, and Naypyitaw's critics should avoid steps that would sap the Council's strength further.

The U.S. or its partners should not, for example, force a vote on a draft resolution if they know that China (and hence also Russia) will veto it, as this could foreclose future efforts at less ambitious, but nevertheless useful resolutions. Rash actions could also undermine the Council's ability to respond to future developments of concern, such as the recent execution of dissidents (where the Council did issue a press statement) or possible regime violence in the run-up to planned 2023 elections. Moreover, they could damage the chances of extending the term of the Myanmar permanent representative to the UN, who is a holdover from the pre-coup period. This diplomat remains loyal to the ousted government and a key voice for the anti-coup resistance.

Overall, the focus of foreign governments wanting positive change in Myanmar should be to redouble efforts where they can be most effective – broader arms embargoes, continued diplomatic isolation of the junta, and sanctions targeting the military and its business interests – rather than being tempted by symbolic measures that will have limited impact or may be counterproductive.

II. Historical Relations

A. *Navigating the Cold War*

After gaining independence in 1948, Myanmar followed a non-aligned foreign policy, wary of being drawn in to emerging Cold War rivalries.¹ Over the following years, elected governments faced several communist insurgencies, including from forces ideologically aligned with Moscow. Myanmar-Soviet relations were defined by mutual suspicion, with Myanmar believing that Moscow was clandestinely supporting the insurrections and the Soviet Union seeing Myanmar as leaning toward the West. Thus, although the two countries established diplomatic relations in 1948, neither opened an embassy in the other's capital until 1951.²

¹ For analysis of events since the 1 February 2021 coup, see Crisis Group Asia Briefings N°s 166, *Responding to the Myanmar Coup*, 16 February 2021; 167, *The Cost of the Coup: Myanmar Edges Toward State Collapse*, 1 April 2021; 168, *Taking Aim at the Tatmadaw: The New Armed Resistance to Myanmar's Coup*, 28 June 2021; 170, *The Deadly Stalemate in Post-Coup Myanmar*, 20 October 2021; and 171, *Resisting the Resistance: Myanmar's Pro-military Pyusawhti Militias*, 6 April 2022; as well as Crisis Group Asia Reports N°s 314, *Myanmar's Military Struggles to Control the Virtual Battlefield*, 18 May 2021; 319, *Myanmar's Coup Shakes Up Its Ethnic Conflicts*, 12 January 2022; and 325, *Avoiding a Return to War in Myanmar's Rakhine State*, 1 June 2022. See also Richard Horsey, "A Close-up View of Myanmar's Leaderless Mass Protests", Crisis Group Commentary, 26 February 2021; and "One Year On from the Myanmar Coup", Crisis Group Commentary, 25 January 2022.

² See Martin Smith, *Burma: Insurgency and the Politics of Ethnicity* (New York, 1999), chapter 9; and Ludmila Lutz-Auras, "Russia and Myanmar – Friends in Need?", *Journal of Current Southeast Asian Affairs*, vol. 34, no. 2 (2015), pp. 165–198.

Relations improved after Prime Minister Nu paid a two-week visit to the Soviet Union in 1955. Communist party leader Nikita Khrushchev went to Myanmar the same year (along with Premier Nikolai Bulganin), and made a return trip in 1960. On both occasions, the Soviet Union promised to provide assistance to Myanmar, but the scale was limited – the major components were construction of a technological institute and a modern hotel (the Inya Lake) in Yangon, as well as a hospital in the Shan State capital of Taunggyi. In exchange, Myanmar undertook to send the Soviet Union rice supplies of equivalent value – essentially a barter arrangement – but it rejected offers of further support, such as for the construction of a theatre and stadium, to keep the Soviets at arm's length.³ The Soviets also gave assurances that they would not support communist insurgency in Myanmar.⁴

Moscow anticipated that relations would improve further after General Ne Win's 1962 coup and his declaration of the Burmese Way to Socialism, which it interpreted as a tilt away from the West as well as Cold War neutrality.⁵ Yet while Ne Win did visit the Soviet Union in 1965, the United States was also actively courting him, and he went to Washington the following year. Myanmar-Soviet relations thus remained friendly but mostly superficial. In 1971, Soviet Chairman Nikolay Podgorny travelled to Myanmar, but his trip did not lead to closer bilateral ties.⁶ Ne Win remained determined to maintain a neutral stance, even quitting the Non-Aligned Movement in 1979 when he saw some of its key members being drawn into Cold War rivalries and concluded it had become a tool of the Soviet Union. For the Soviets, at the time, China, India and Vietnam were the priorities in Asia, not Myanmar.⁷

B. *The End of Myanmar's Socialist Experiment*

Myanmar-Soviet relations never had a reset, due to transformations in both countries. Political stagnation and the economic failures of the Burmese Way to Socialism led Ne Win's rule to collapse in 1988.⁸ The military brutally crushed a nationwide uprising, and a group of younger generals took power, styling themselves the State Law and Order Restoration Council.⁹ In addition to introducing economic reforms that ended Myanmar's socialist experiment, these generals embarked on a rapid expansion and modernisation of the military in the 1990s.¹⁰ It might have been a moment for significant arms purchases from Moscow. But as the junta was consoli-

³ See Aleksandr Kaznacheev, *Inside a Soviet Embassy* (London, 1962), pp. 72, 81. Kaznacheev indicates that the Soviets sometimes sold the rice they received to Ceylon or Indonesia at dumping prices, hurting Burma's own rice trade with those countries.

⁴ For a Soviet defector's account of relations between the Soviet embassy and Burmese communists (above ground and underground) in the 1950s, see *ibid.*

⁵ See Robert C. Horn, "Moscow's Southeast Asian Offensive", *Asian Affairs*, vol. 2, no. 4 (1975), pp. 217-240.

⁶ Podgorny's official title was chairman of the Presidium of the Supreme Soviet.

⁷ *Ibid.* On the reasons for quitting the Non-Aligned Movement, see Robert Taylor, *General Ne Win: A Political Biography* (Singapore, 2015), p. 466.

⁸ See *ibid.*, chapter 13.

⁹ See Thant Myint-U, *The River of Lost Footsteps* (London, 2007), chapter 2.

¹⁰ See Andrew Selth, *Transforming the Tatmadaw: The Burmese Armed Forces Since 1988* (Canberra, 1996); and *Burma's Armed Forces: Power Without Glory* (Canberra, 2001).

dating power, the Soviet Union had imploded, and the Kremlin was in no position to capitalise on events far from home.¹¹

Instead, the internationally isolated regime in Yangon turned reluctantly to China. The Myanmar generals had always been suspicious of China, which was still backing their main battlefield foes, the Communist Party of Burma insurgency.¹² But they lacked a more viable option, and for its part, Beijing saw an opportunity to strengthen its regional influence and decided to cast its neighbour a lifeline. In addition to providing political and economic support, Beijing sold billions of dollars of arms to Myanmar through the 1990s, becoming by far its largest source of military equipment.¹³ There were only two confirmed arms purchases from Russia in this period, both of MI-17 helicopters (twelve in all, plus spare parts and training) worth an estimated \$80 million.¹⁴

III. A New Beginning

A. A New Strategic Partnership Takes Shape

By the end of the 1990s, after a decade of relying on China as its principal arms supplier, Myanmar was looking to diversify. Troops were reportedly dissatisfied with Chinese equipment, which was mostly second-hand and which they found to be of poor quality, requiring constant repairs.¹⁵ Chinese fighter jets were particularly unreliable, causing the deaths of numerous pilots and leading air force personnel to refer to the aircraft as “flying coffins”.¹⁶ Military strategists were also uncomfortable with the operational and intelligence risks of using so much weaponry from a neighbouring power, especially one that was also arming several insurgent groups in northern Myanmar.¹⁷

At the same time, Moscow was seeking to increase its engagement with Asia. Through a series of summits in 2000, Russia's new President Vladimir Putin reinvigorated his country's longstanding strategic relationship with India, negotiated a strategic partnership with China, and renewed friendly relations with North and South

¹¹ Lutz-Auras, “Russia and Myanmar – Friends in Need?”, op. cit.

¹² For a detailed account of the relationship with Beijing, see Crisis Group Asia Report N°305, *Commerce and Conflict: Navigating Myanmar's China Relationship*, 30 March 2020.

¹³ The arms transfer database maintained by the Stockholm International Peace Research Institute (SIPRI) lists more than \$1.6 billion in arms sales from China to Myanmar during the period 1989-1999.

¹⁴ Ibid. For details, see Alexander A. Sergounin and Sergey V. Subbotin, *Russian Arms Transfers to East Asia in the 1990s* (Oxford, 1999), chapter 5; and Selth, *Burma's Armed Forces*, op. cit., chapter 9.

¹⁵ See Andrew Selth, “‘Strong, Fully Efficient and Modern’: Myanmar's New-Look Armed Forces”, Griffith Asia Institute, 2015, p. 10; and Maung Aung Myoe, *In the Name of Pauk-Phaw: Myanmar's China Policy Since 1948* (Singapore, 2011), p. 151.

¹⁶ Crisis Group interviews, retired Myanmar general, Yangon, October 2012; and Russian expert on Myanmar, June 2022. See also “Myanmar pivots uneasily away from China”, *Los Angeles Times*, 24 March 2013.

¹⁷ See “Myanmar embraces Russian arms to offset China's influence”, *Nikkei Asia*, 9 February 2021; Michael W. Charney, *A History of Modern Burma* (Cambridge, 2009), p. 187; and Maung Aung Myoe, *In the Name of Pauk-Phaw*, op. cit.

Korea, as well as Japan.¹⁸ Russia also actively participated in meetings of the Asia-Pacific Economic Cooperation group and the ASEAN Regional Forum.¹⁹

In 2001, Myanmar and Russia signed a military-technical agreement, as part of which the Myanmar regime purchased ten MIG-29 fighter jets, its first major order of non-Chinese aircraft.²⁰ Thereafter, the two countries inaugurated an extensive training program, by which Myanmar officers spent four to six months in Russia learning to use the various weapons systems purchased by Myanmar. Since 2001, Myanmar has also been sending several hundred junior officers (and a few civilians) to Russia each year for postgraduate studies in subjects including engineering, computer science, medicine, aeronautics, and nuclear science and technology, although the number has declined somewhat over the last few years.²¹ With the curriculum largely taught in Russian, students get intensive language instruction at Myanmar military institutes before departing, followed by advanced classes during their four to five years in Russia.²² By 2017, some 6,000 Myanmar officers had reportedly obtained postgraduate degrees from Russian universities, a number which has now grown to at least 7,000.²³

Also in 2001, Moscow agreed to build a nuclear research reactor in Myanmar, but the plan was shelved in 2003, reportedly because Myanmar was unable to meet the cost. The plan was reactivated in 2007, and Russia began training Myanmar nuclear technicians, but amid domestic unease and international criticism, including from the International Atomic Energy Agency, Naypyitaw never went ahead with the deal.²⁴ Bilateral talks on nuclear technology cooperation in Moscow in July 2022 led the two countries to sign a memorandum of understanding on skills development, but there are no indications of any concrete plans to move forward with the construction of a reactor in Myanmar.²⁵

Over the next two decades, the Myanmar military continued its pivot to Russian equipment. From 2001 to 2021, data show that it procured \$1.7 billion of arms from

¹⁸ See Alexandre Y. Mansourov, "Russian President Putin's Policy towards East Asia", *Journal of East Asian Affairs*, vol. 15, no. 1 (2001), pp. 42-71.

¹⁹ Lutz-Auras, "Russia and Myanmar – Friends in Need?", op. cit.

²⁰ See "Myanmar prefers used MIGs to new", *Kommersant*, 10 August 2001 (Russian); and Maung Aung Myoe, *In the Name of Pauk-Phaw*, op. cit.

²¹ Crisis Group interviews, former Myanmar military officers who studied in Russia, May 2022. See also "C-in-C of Defence Services meets with military officers attending post-graduate courses in Russia", *Global New Light of Myanmar*, 25 August 2018. In the Myanmar military, junior officers are second lieutenants, lieutenants and captains.

²² Crisis Group interviews, former Myanmar military officers who studied in Russia, May 2022.

²³ See the interview with Russian ambassador to Myanmar Nikolay Listopadov in "We are doing our best to support the success of the peace process", *Myanma Alinn*, 5 June 2017 (Burmese). An undated TASS biography of Min Aung Hlaing puts the number at over 7,000.

²⁴ Andrew Selth, "Burma's Nuclear Program: Domestic Dream or Regional Nightmare?", *Australian Quarterly*, vol. 76, no. 2 (2004), pp. 14-18, 40; and Lutz-Auras, "Russia and Myanmar – Friends in Need?", op. cit.

²⁵ See "ROSATOM and Myanmar Discuss Cooperation in Nuclear Energy in Myanmar", press release, ROSATOM, 12 July 2022; and "SAC Chairman Prime Minister Senior General Min Aung Hlaing and delegation hold talks about cooperation in various sectors with Russian Federation", *Global New Light of Myanmar*, 13 July 2022.

Russia, equal to the amount provided by China over the same period.²⁶ Purchases included twenty additional MIG-29s and ten MI-24 helicopter gunships in 2009, and a further 50 MI-24s the following year; an Antonov An-148 regional jet, which crashed in 2011, a few months after delivery; and eight Pechora-2M anti-aircraft missile systems.²⁷ In 2015, the military ordered twelve Yak-130 combat training aircraft (which may also be used operationally in light attack roles).²⁸ It also ordered six Su-30 multirole fighter jets (larger and more versatile than MIG-29s) in 2019, and in January 2021, just before the coup, the two sides signed contracts for Russian Pantsir-S1 truck-mounted air defence systems and Orlan-10E surveillance drones.²⁹ Officers say they consider the Russian equipment of higher quality than Chinese or domestically produced weapons.³⁰

Military diplomacy has also increased over the last decade. In March 2013, shortly after being appointed defence minister, Shoigu visited Myanmar in one of his first foreign trips, meeting Commander-in-Chief Min Aung Hlaing and agreeing on a series of steps to cement closer military ties.³¹ (In his interactions with Min Aung Hlaing, Shoigu has made much of the fact that he comes from the Buddhist-majority Russian state of Tuva, although he is himself an Orthodox Christian.³²) Min Aung Hlaing, appointed as commander-in-chief in 2011, made his first trip to Russia three months after Shoigu's visit, and subsequently has made several return visits (see Section IV below, as well as Appendix A).³³ In November 2013 a destroyer from the Russian Pacific Fleet also docked in Yangon to commemorate 65 years of diplomatic ties between the two countries – the first such naval port call in modern times.³⁴

The military ties have only grown closer since then. Following the signing of a defence cooperation agreement in 2016, the Pacific Fleet has made regular port calls.³⁵

²⁶ SIPRI arms transfer database. The only other countries supplying more than \$100 million of arms in this period were India (\$212 million) and Ukraine (\$111 million).

²⁷ "Russia will teach Myanmar to fly", *Kommersant*, 26 April 2016 (Russian); Maung Aung Myoe, *In the Name of Pauk-Phaw*, op. cit., p. 151; and Lutz-Auras, "Russia and Myanmar – Friends in Need?", op. cit. The purchase of the Pechora-2M systems was not reported at the time but has been subsequently disclosed by Russia. See "Russia and Myanmar signed an Aircraft Safety Agreement", statement, Russian Ministry of Defence, 22 January 2021 (Russian).

²⁸ "Russia delivers six Yak-130 combat trainers to Myanmar", TASS, 9 November 2017. On the ability to fly combat missions, see "Russia will start delivering Yak-130 aircraft to Bangladesh in a week", TASS, 11 September 2015; and "Enabling atrocities: UN member states' arms transfers to the Myanmar military", Human Rights Council, UN Doc. A/HRC/49/CRP.1, 22 February 2022, para. 56.

²⁹ "Myanmar to acquire Pantsir-S1 SHORAD systems, radar stations, and Orlan-10E UASs from Russia", *Janes*, 25 January 2021; "Russia strides into diplomatic void after Myanmar coup", *Financial Times*, 2 April 2021.

³⁰ Crisis Group interviews, former Myanmar military officers who studied in Russia, May 2022.

³¹ Crisis Group interview, analyst specialising in Myanmar military, June 2021.

³² See "Shoigu at 60: The man who would be Russia's king?", *Moscow Times*, 21 May 2015. Tibetan Buddhism is practiced in Tuva, rather than the Theravada Buddhism of Myanmar.

³³ "Russia, Myanmar step up defence relations", TASS, 24 June 2013.

³⁴ "Russian warship finishes friendly visit to Myanmar", TASS, 18 November 2013; and Lutz-Auras, "Russia and Myanmar – Friends in Need?", op. cit.

³⁵ See, for example, "Russia's Pacific Fleet ships arrive in Myanmar on unofficial visit", TASS, 7 December 2017; "Russian naval ship Perekop docks in Myanmar", *Myanmar Times*, 18 November 2019; and "Russian navy warship on friendly voyage left Yangon", *Global New Light of Myanmar*, 31

Myanmar has also participated frequently in Russian military competitions and multi-national exercises, including the annual International Army Games and the Caucasus-2020 exercises attended by Putin.³⁶

B. *Diplomatic Engagement Kicks into Higher Gear*

Myanmar's increased engagement with Russia from the early 2000s was military and technical in nature. Non-military trade relations, on the other hand, remained very limited, and bilateral diplomacy was low-key.³⁷ The two countries had long maintained resident ambassadors, but high-level visits were rare. The relationship began to change, however, as the Myanmar regime faced increasing Western sanctions and diplomatic isolation.

The U.S., whose appetite for intervention (military and otherwise) increased following the end of the Cold War and the 9/11 attacks, toughened its rhetoric and policies toward Myanmar. In a 2005 speech, incoming Secretary of State Condoleezza Rice included the country as one of six "outposts of tyranny" where the U.S. had a duty to help foster freedom.³⁸ Starting that year, Washington's efforts to initiate scrutiny of Myanmar at the UN Security Council prompted Naypyitaw to boost its diplomatic engagement with Moscow. With some members opposed to adding the issue to the formal agenda, the Council held its first discussion, in December 2005, under a standing agenda item ("other matters").³⁹

The following year, the U.S. and UK continued discussions on including Myanmar on the Council's formal agenda, and they appeared to muster the nine votes necessary to put it there (procedural votes are not subject to veto).⁴⁰ China, which was backing Myanmar, thus began preparing for the possibility that it might have to use its veto at some point to block a resolution – a step Beijing had rarely taken until then, and something it was and continues to be very reluctant to do unilaterally.⁴¹

China therefore urged Myanmar to secure Russia's backing at the UN. In September 2006, Chinese diplomats acted as intermediaries in arranging an official visit to Moscow by regime second-in-command General Maung Aye, the first such high-level trip by a senior Myanmar leader since Ne Win's visit more than 40 years earli-

October 2021. On the defence agreement, see Dmitry Gorenburg and Paul Schwartz, "Russia's Relations with Southeast Asia", Institut Français des Relations Internationales, 2019.

³⁶ See "What are the International Army Games?", *Newsweek*, 28 July 2018; "Myanmar joins Russia's season of war games", Agence France-Presse, 27 September 2020; and "Russia to step up military cooperation with Myanmar – deputy defense minister", TASS, 23 August 2021.

³⁷ On economic relations, see Lutz-Auras, "Russia and Myanmar – Friends in Need?", *op. cit.*

³⁸ "Opening Statement by Dr. Condoleezza Rice", U.S. Senate Foreign Relations Committee, 18 January 2005.

³⁹ Briefing by Under-Secretary-General Ibrahim Gambari to the UN Security Council on the situation in Myanmar, 16 December 2005.

⁴⁰ UN Policy Committee discussion paper, June 2006.

⁴¹ See Richard Horsey, *Ending Forced Labour in Myanmar* (London, 2011), chapter 6. At that point, China had only vetoed three resolutions, compared with 76 for the U.S. and 93 for Russia/the Soviet Union. See "Report of the Open-ended Working Group on the Question of Equitable Representation on and Increase in the Membership of the Security Council and Other Matters related to the Security Council", General Assembly, UN Doc. A/58/47, annex III, part I.

er.⁴² In a joint press conference after meeting Russian Prime Minister Mikhail Fradkov, General Maung Aye spoke of “a new chapter in bilateral relations” and hailed the two countries’ “coordination at the UN and international forums”.⁴³ The two sides also signed agreements on economic cooperation, drug elimination and protection of classified information, and Myanmar expressed willingness to allow Russian hydrocarbon prospecting in the country, leading to the entry of Bashneft/Rosneft, which eventually secured exploration rights to an onshore block in 2013 (see Section IV.C below).⁴⁴

In the same month that General Maung Aye visited Russia, Myanmar was added to the Security Council agenda following a U.S. request, despite objections from both China and Russia.⁴⁵ In December 2006, the U.S. circulated a draft resolution to other Council members, which China made clear it would veto. The draft called for releasing all political prisoners, starting an inclusive political dialogue, and ending the military’s attacks on and human rights abuses against ethnic minorities.⁴⁶ Despite knowing that it would be blocked, in January 2007 the U.S. and UK tabled the draft Myanmar resolution at the Council, triggering the first Chinese-Russian double veto in UN history.⁴⁷ In his explanation of vote, the Russian ambassador stated that “attempts aimed at using the Security Council to discuss issues outside its purview are unacceptable”, and that Myanmar’s “socio-economic and humanitarian” issues should be treated in the appropriate UN bodies.⁴⁸

C. *Myanmar Comes in from the Cold*

After 2011, when Myanmar initiated political and economic reforms under a semi-civilian government led by President Thein Sein (2011-2016), Russia remained an important military partner (see Section III.A above). Political relations also grew but were held back somewhat by Naypyitaw’s focus on reestablishing links with the West. Myanmar Foreign Minister Wunna Maung Lwin visited Moscow in February

⁴² Horsey, *Ending Forced Labour in Myanmar*, op. cit.

⁴³ See “Main aim of goodwill visit is to open new chapter in bilateral relations”, *The New Light of Myanmar*, 8 April 2006.

⁴⁴ See “Vice-Senior General Maung Aye, Russian Prime Minister Mr Mikhail Fradkov attend ceremony to sign two agreements, one MoU between Myanmar and Russian Federation”, *The New Light of Myanmar*, 8 April 2006.

⁴⁵ “Divided UN Security Council agrees to focus on situation in Myanmar”, UN News, 15 September 2006.

⁴⁶ “Security Council fails to adopt draft resolution on Myanmar, owing to negative votes by China, Russian Federation”, press release, UN Doc. SC/8939, 12 January 2007.

⁴⁷ In 1972, both China and Russia had voted against the inclusion of a paragraph in a resolution, but the Myanmar vote marked the first time they had jointly vetoed a resolution. There have been thirteen occasions since, according to the official UN list. See also Jeffrey Feltman, “China’s Expanding Influence at the United Nations — and How the United States Should React”, Brookings Institution, September 2020.

⁴⁸ “Security Council fails to adopt draft resolution on Myanmar, owing to negative votes by China, Russian Federation”, op. cit.

2012, and his Russian counterpart, Sergey Lavrov, travelled to Naypyitaw a year later – the first senior Kremlin figure to do so since Chairman Podgorny in 1971.⁴⁹

But Russia's increasingly strained relations with the West, particularly after its invasion of Ukraine and annexation of Crimea in early 2014, led Myanmar to remain cautious in its engagement, limiting subsequent high-level interactions mostly to multilateral forums. In November 2014, in its capacity as rotating chair of ASEAN, it hosted the East Asia Summit, which Russian Prime Minister Dmitry Medvedev attended. In a bilateral meeting with Thein Sein, Medvedev extended an invitation to visit Russia.⁵⁰ But in a sign of Myanmar's caution, Vice President Nyan Tun went in his superior's place, in June 2015.⁵¹ The Aung San Suu Kyi administration, which took office in April 2016, adopted a similarly cautious approach at first, shying away from high-level bilateral exchanges, though that May, Myanmar's figurehead president, Htin Kyaw, did have a meeting with President Putin on the sidelines of the Russia-ASEAN Summit in Sochi.⁵²

Russia has also engaged in public diplomacy in Myanmar, where it maintains one of the largest foreign embassies, with 21 diplomats.⁵³ Its ambassador since 2016, Nikolay Listopadov, has been posted to the country twice before (in the 1980s and 1990s) and is fluent in Burmese. He gives regular interviews in Burmese-language media, and posts articles and videos in Burmese on the embassy's Facebook page.⁵⁴

IV. Friends in Need

A. *The Rohingya Crisis*

Under the Thein Sein administration, armed forces chief Min Aung Hlaing generally deferred to the president on policy matters, including the national peace process with the country's ethnic armed groups and the diplomatic tilt to the West. Over that period, the commander-in-chief made only one trip to Russia – his first ever, in June 2013, which was a return visit following Defence Minister Shoigu's inaugural trip to Myanmar earlier that year (see Section III.A above). He also visited Belarus the following year, and while transiting Moscow in November 2014, had an airport meeting with Lieutenant General (now Colonel General) Alexander Fomin, at that time Russia's director of military-technical cooperation (and now its deputy defence minister).⁵⁵

Min Aung Hlaing was less inclined to cooperate with Aung San Suu Kyi when she took over as de facto leader in April 2016, and relations between the two quickly be-

⁴⁹ "Lavrov invited Myanmar Foreign Minister to visit Russia", RIA Novosti, 16 January 2013; and "Myanmar, Russian Federation focus on further cooperation in human resource development, technology, research works on health, education", *The New Light of Myanmar*, 17 January 2013.

⁵⁰ "Myanmar, Russia discuss cooperation in various sectors", *Global New Light of Myanmar*, 14 November 2014.

⁵¹ "Vice President U Nyan Tun leaves for Russian Federation", *Global New Light of Myanmar*, 16 June 2015.

⁵² "Meeting with President of the Republic of the Union of Myanmar Htin Kyaw", The Kremlin, 19 May 2016.

⁵³ See the list of personnel at the embassy's website.

⁵⁴ See the embassy's Facebook page.

⁵⁵ "Myanmar military delegation arrives Belarus", *Global New Light of Myanmar*, 3 November 2014. Colonel general in the Russian military is equivalent to lieutenant general in Western militaries.

came frosty.⁵⁶ The military's brutal attacks on the Rohingya in 2017 left Myanmar, and particularly its army, more internationally isolated.⁵⁷ The opprobrium pushed Min Aung Hlaing to tilt more decisively toward Russia. In June 2017, he met with Defence Minister Shoigu in Moscow, then visited the Black Sea Fleet at Sevastopol in Russian-occupied Crimea, something that he must have known would antagonise Western countries, who were at the time deepening their engagement with Myanmar.⁵⁸ He has made high-profile trips to Russia every year since (see Appendix A).

For its part, Russia saw an opportunity to deepen relations with a strategically located partner in Asia. Although it was sensitive to the concerns of Russian Muslims, in particular those of Chechen leader Ramzan Kadyrov, who opposed any Russian support for the Myanmar government in light of the Rohingyas' persecution, Moscow moderated but did not reverse its position.⁵⁹ The Russian defence ministry has taken the lead on relations with Myanmar, with the foreign ministry playing a more minor role. The defence ministry's prominence reflects the priority that both sides give to military-technical cooperation, as well as the seniority of Shoigu, who takes charge of Russia's relations with several countries – such as Syria and Libya – where military issues are paramount.⁶⁰ Foreign Minister Lavrov's 3 August 2022 visit to Naypyitaw may reflect Russian intentions of broadening the relationship to include greater economic cooperation and deeper political ties.

A. *The Coup d'Etat*

Following the 1 February 2021 coup d'état, and the bloodshed that it unleashed, the military regime found itself more internationally isolated than ever. China was deeply unhappy about the coup, which it regarded as a threat to its economic and strategic interests; the West disengaged from Myanmar and ramped up sanctions; and ASEAN took a firmer stance than many expected in barring the regime from key regional gatherings, such as summits and foreign ministers' meetings.⁶¹

Russia did not explicitly endorse the military takeover, with the Kremlin expressing concern at the “growing number of civilian casualties” and saying it was reviewing its relations with Myanmar, potentially including the military cooperation.⁶² It also allowed a presidential statement at the UN Security Council that condemned attacks on protesters, as well as several (less consequential) press statements condemning regime violence and political repression and calling for dialogue and humani-

⁵⁶ See Crisis Group Briefing, *Myanmar's Stalled Transition*, op. cit.

⁵⁷ See Crisis Group Asia Report N°292, *Myanmar's Rohingya Crisis Enters a Dangerous New Phase*, 7 December 2017.

⁵⁸ See “Senior General Min Aung Hlaing leaves for Russia”, *Global New Light of Myanmar*, 18 June 2017; and “Senior General Min Aung Hlaing meets Vice Admiral Kulekov Valaydii”, *Global New Light of Myanmar*, 23 June 2017.

⁵⁹ See “Ramzan Kadyrov demands to punish the persons carrying out the Myanmar Muslim genocide!”, video, YouTube, 5 September 2017 (Russian). See also Gorenburg and Schwartz, “Russia's Relations with Southeast Asia”, op. cit.

⁶⁰ Crisis Group interviews, Russia analysts and experts, June 2022.

⁶¹ See Horsey, “One Year On from the Myanmar Coup”, op. cit.

⁶² “Kremlin concerned about events in Myanmar, analyzes the situation carefully”, TASS, 12 March 2021.

tarian access.⁶³ But in fact Russia doubled down on its strong support for the military, including by blocking (with China) any further meaningful action by the Security Council, such as diplomatic pressure through further presidential statements.⁶⁴ Deputy Defence Minister Fomin was the only foreign dignitary to attend Myanmar's Armed Forces Day in Naypyitaw, on 27 March 2021, prompting Min Aung Hlaing to describe Russia as a "true and loyal friend" in his speech at the event.⁶⁵

Russia would soon display its forbearance. On the day of Fomin's visit, regime troops killed 82 protesters in Bago using battlefield weapons, at that time the worst incident of regime violence since the coup.⁶⁶ Despite this bloodbath, and the Kremlin's restated concerns about killing civilians, the Russian defence ministry issued a statement on 29 March referring to Myanmar as a "reliable ally and strategic partner" in South East Asia and expressing its desire to deepen military cooperation.⁶⁷

These actions gave the regime comfort that it continued to have a veto-wielding friend on the Security Council (one it could rely on even if China's frustration with the junta made it less inclined to protect the latter diplomatically) – as well as a reliable weapons supplier at a time when the UN General Assembly was considering a (non-binding) resolution *inter alia* calling on countries to "stop the flow of arms" to the regime, which passed by an overwhelming majority in June 2021.⁶⁸

Just days after the General Assembly resolution was adopted, Min Aung Hlaing paid a high-profile visit to Russia, in what has become an annual ritual. He met Defence Minister Shoigu, telling him that "thanks to Russia, our army has become one of the strongest in the region".⁶⁹ He also met Aleksandr Mikheyev, director general of arms exporter Rosoboronexport, to discuss weapons purchases, and travelled to the Republic of Tatarstan, where he saw the president, Rustam Minnikhanov, and

⁶³ "Issuing Presidential Statement, Security Council expresses deep concern about developments in Myanmar", press release, UN Doc. SC/1446210, March 2021.

⁶⁴ Crisis Group interviews, diplomats from Security Council member states, New York, March-June, November 2021.

⁶⁵ See "Address by Chairman of the State Administration Council Commander-in-Chief of Defence Services Senior General Maha Thray Sithu Min Aung Hlaing", *Myanma Alinn*, 28 March 2021 (Burmese). Peskov said his visit should be viewed in terms of Russia's longstanding bilateral ties with Myanmar, adding that Moscow was concerned about the violence in the country. See "Deputy Defence Minister Peskov explains visit to Myanmar for the parade in terms of longstanding ties to the country", Interfax, 29 March 2021 (Russian).

⁶⁶ See, for example, "Anatomy of a massacre: How Myanmar's military terrorised its people with weapons of war", *The Washington Post*, 25 August 2021.

⁶⁷ "Russian Deputy Defence Minister Colonel General Alexander Fomin holds talks with Chairman of the State Administration Council, Commander-in-Chief of the Myanmar Armed Forces, Senior General Min Aung Hlaing", Russian Ministry of Defence, 26 March 2021 (Russian). See also "Russia 'concerned' over Myanmar civilian casualties", Agence France-Presse, 29 March 2021.

⁶⁸ "The Situation in Myanmar", Resolution adopted by the UN General Assembly on 18 June 2021, UN Doc. A/RES/75/287. The resolution was adopted by 119 votes to one (Belarus), with 36 abstentions, including Russia.

⁶⁹ See "Military cooperation plays important role in relations between Russia, Myanmar – Shoigu", TASS, 23 June 2021. Shoigu had also travelled to Naypyitaw to meet Min Aung Hlaing earlier in 2021, a few days before the coup. See "Senior general receives Russian defence minister", *Global New Light of Myanmar*, 23 January 2021.

toured a helicopter factory.⁷⁰ (Minnikhanov paid a return visit to Myanmar in April 2022. See Section C below.) As in the past, notwithstanding the coup that made him Myanmar's de facto senior-most official, Russia treated Min Aung Hlaing as a military chief, not as a head of state. The visit did not include meetings with President Putin, Foreign Minister Lavrov or other top political leaders.⁷¹

Min Aung Hlaing's visit was pegged to the 9th Moscow Conference on International Security, where he was the first speaker at the second session on Asia-Pacific security affairs.⁷² He was also awarded an honorary professorship by the Russian Military University.⁷³ During the visit, he gave several interviews to the Russian media in which he emphasised Naypyitaw's close relationship with Moscow and pushed a narrative of Western interference in Myanmar.⁷⁴

Continuing his pattern of annual visits since 2017, Min Aung Hlaing travelled to Russia again in July 2022. He met with Deputy Defence Minister Fomin in Moscow, travelled to Tatarstan to meet President Minnikhanov and local business leaders and tour the Kazan Helicopter factory, and also visited St. Petersburg and Novosibirsk.⁷⁵ For unknown reasons his usual meeting with Defence Minister Shoigu did not take place; Russia characterised the trip as a "personal visit", suggesting that it was initiated by Min Aung Hlaing.⁷⁶ Myanmar state media indicated that the main purpose of his travel was to consecrate a pagoda at Etnomir, an ethnographic theme park a couple

⁷⁰ See "State Administration Council Chairman Commander-in-Chief of Defence Services Senior General Min Aung Hlaing holds separate meetings with Security Council secretary of Russian Federation, director-general of Rosoboronexport Company", *Global New Light of Myanmar*, 22 June 2021; "The delegation led by Chairman of State Administration Council Commander-in-Chief of Defence Services Senior General Min Aung Hlaing visits PJSC 'Kazan Helicopters' factory in Kazan, capital of Republic of Tatarstan", *Global New Light of Myanmar*, 27 June 2021; and "Myanmar navy delegation attends int'l maritime defence show in Russia", *Global New Light of Myanmar*, 25 June 2021.

⁷¹ See "Putin has no plans to meet with Myanmar's military chief who is currently in Moscow", TASS, 22 June 2021. Note, however, that Defence Minister Shoigu has a degree of authority in foreign policy matters (see Section IV.A above).

⁷² See the conference YouTube playlist for the session. Min Aung Hlaing's speech was preceded by introductory remarks from Lieutenant General Vladimir Savchenko.

⁷³ "Military University of Defence Ministry of Russia confers honorary professor on Chairman of State Administration Council Commander-in-Chief of Defence Services Senior General Min Aung Hlaing", *Global New Light of Myanmar*, 25 June 2021.

⁷⁴ Asked by the Russia 24 television channel who was "mainly responsible" for his country's crisis, he responded that the culprit was "Western countries [who] wish to interfere in the internal affairs of our country" due to its geostrategic location. See "Chairman of State Administration Council Commander-in-Chief of Defence Services Senior General Min Aung Hlaing answers questions raised by Russia 24", *Global New Light of Myanmar*, 27 June 2021.

⁷⁵ "SAC Chairman Prime Minister Senior General Min Aung Hlaing and delegation hold talks about cooperation in various sectors with Russian Federation", op. cit.; "SAC Chairman Prime Minister Senior General Min Aung Hlaing holds talks with President of the Republic of Tatarstan", *Global New Light of Myanmar*, 14 July 2022; "SAC Chairman Prime Minister Senior General Min Aung Hlaing holds meeting with Head of St Petersburg Government", *Global New Light of Myanmar*, 16 July 2022.

⁷⁶ Crisis Group interview, Russia analyst, July 2022.

of hours' drive outside Moscow, and for this purpose the delegation was accompanied by nationalist monk Sitagu Sayadaw and several other senior Buddhist clerics.⁷⁷

Defence engagement also continued unabated, despite the regime's brutal repression of dissent. In May 2021, three months after the coup, air force chief General Maung Maung Kyaw attended Russia's largest helicopter trade fair, the HeliRussia exhibition in Moscow.⁷⁸ In August, Deputy Defence Minister Fomin then welcomed a Myanmar delegation to Russia's International Army Games, saying it would "have an excellent opportunity to see a large series of [Russian] weapons and military equipment" and pledging to "further strengthen" military ties.⁷⁹ In March 2022, the regime's minister for home affairs, Lieutenant General Soe Htut, travelled to St. Petersburg for Expotechnostrazh-2022, which bills itself as an "international exhibition of advanced security technologies", and discussed procurement of military and cyber-security equipment.⁸⁰

The Myanmar military has used weapons and military equipment procured from Russia to attack civilians, both prior to and since the coup, in what likely amount to crimes against humanity. The equipment it has used includes fighter jets and attack helicopters, and their associated munitions, as well as artillery and armoured vehicles.⁸¹

B. *Relations after Russia's Invasion of Ukraine*

Following Russia's February invasion of Ukraine, the Myanmar regime reciprocated the strong support it received after the coup, becoming Russia's most uncritical ally in Asia.⁸² The regime offered immediate backing for Russia's assault, with spokesperson Major-General Zaw Min Tun describing it as "an appropriate action" and an attempt by Moscow to "strengthen its national sovereignty".⁸³ He also told a local media outlet that the invasion showed that Russia was still a "powerful nation that plays an essential role in keeping the balance of power for world peace".⁸⁴

A few days later, Myanmar state media published a commentary blaming the people of Ukraine for choosing as president a "puppet of the West" who is "incapable and lacks rationalism"; the pseudonymous author also praised Putin as a "leader of vision".⁸⁵ This unrestrained backing for Russia's actions has not, however, translated

⁷⁷ "SAC Chairman Prime Minister Senior General Min Aung Hlaing and delegation hold talks about cooperation in various sectors with Russian Federation", op. cit.; and "Diamond orb, pennant-shaped vane hoisted atop Shwezigon replica pagoda in Ethnomir world culture city in Kaluga of Moscow", *Global New Light of Myanmar*, 13 July 2022.

⁷⁸ "Myanmar air force chief in Moscow for military helicopter expo – media reports", Reuters, 20 May 2021.

⁷⁹ "Russia to step up military cooperation with Myanmar", op. cit.

⁸⁰ See the exhibition website; and "Home Affairs Minister attends EXPOTECHNOSTRAZH-2022 in Russia", *Global New Light of Myanmar*, 22 March 2022.

⁸¹ See "Enabling atrocities: UN member states' arms transfers to the Myanmar military", op. cit.; and "Arms investigation: Russian Yak-130 aircraft in Myanmar", Myanmar Witness, 29 July 2022.

⁸² The only other Asian country to express strong support for Russia's invasion of Ukraine has been North Korea, a special case given its own international pariah status.

⁸³ See "ယူကရိန်းကို ရုရှားကျူးကျော်တိုက်ခိုက်မှု မြန်မာစစ်ကောင်စီ ထောက်ခံပြောဆို" [Myanmar military council backs Russian invasion of Ukraine], Voice of America, 24 February 2022.

⁸⁴ Ibid.

⁸⁵ See "မကျေညက်တဲ့အတိတ်သမိုင်းနှင့်အတူ ယူကရိန်းကပေးတဲ့ သင်ခန်းစာ" [Lessons from Ukraine for those who haven't learned from history], *Myanma Alinn*, 27 February 2022.

into support in the UN General Assembly from Myanmar's own representative there, Kyaw Moe Tun. The junta does not control Myanmar's seat at the UN, which was never relinquished by the diplomat who held it immediately prior to the coup, and who has sided with the anti-regime opposition. Thus, Myanmar's UN ambassador in New York voted in favour of a General Assembly resolution condemning the Russian invasion on 2 March.⁸⁶

For its part, Russia has become an increasingly strident voice of support for the Myanmar regime, including on the Security Council, for example opposing (with China) a draft press statement following the Council's discussion of Myanmar on 27 May that would have expressed concern about the humanitarian situation and the junta's "limited progress" in meeting its commitments to ASEAN to end the crisis.⁸⁷ Moscow also argues that the post-coup situation does not represent a threat to international peace and security, leaving no reason to discuss Myanmar at the Council besides the Rohingya refugee crisis (which Russia does acknowledge merits Council attention).⁸⁸

Occupied by the Ukraine war, Deputy Defence Minister Fomin turned down an invitation to attend Armed Forces Day in Naypyitaw in March 2022, but Russia has nevertheless continued to cultivate the Myanmar military.⁸⁹ A month later, President of Tatarstan Rustam Minnikhanov led a delegation to Myanmar, following Min Aung Hlaing's visit in 2021 (see above).⁹⁰ With him were several arms company executives, including the managing director of Tatarstan-based KAMAZ trucks, Sergey Kogogin.⁹¹ KAMAZ is Russia's largest manufacturer of trucks, including military vehicles, and Kogogin was negotiating an agreement to assemble vehicles in Myanmar.⁹² An executive from another Tatarstan-headquartered manufacturer, Kazan Helicopters, was also on the delegation.⁹³ Kazan produces helicopters that the Myanmar military uses, including the MI-17. KAMAZ, Kazan and their executives, including Kogogin, have been sanctioned by the U.S., the European Union (EU), the UK and others for supplying equipment to the Russian military.⁹⁴

⁸⁶ See "General Assembly overwhelmingly adopts resolution demanding Russian Federation immediately end illegal use of force in Ukraine, withdraw all troops", UN Press Release GA/12407, 2 March 2022.

⁸⁷ Crisis Group interviews, Security Council member state diplomats, New York, June 2022.

⁸⁸ Crisis Group interview, Russian official, June 2022. There are around one million Rohingya refugees in neighbouring Bangladesh, most of whom arrived after the military crackdown in 2017.

⁸⁹ See "Dinner ceremony held in honour of 77th anniversary of Armed Forces Day", *Global New Light of Myanmar*, 28 March 2022. See also "Why Southeast Asia continues to buy Russian weapons", *Deutsche Welle*, 5 April 2022.

⁹⁰ See "SAC Chairman Prime Minister Senior General Min Aung Hlaing receives President of the Republic of Tatarstan Mr Rustam Nurgaliyevich Minnikhanov", *Global New Light of Myanmar*, 29 April 2022.

⁹¹ See "Rustam Minnikhanov arrives in Myanmar on working visit", press release, Tatarstan President's Office, 27 April 2022 (Russian); and "General director of KAMAZ visited Myanmar", press release, KAMAZ, 28 April 2022.

⁹² See "President of Tatarstan meets Minister for Investment and Foreign Economic Relations of Myanmar", press release, Tatarstan President's Office, 28 April 2022 (Russian).

⁹³ See "Rustam Minnikhanov arrives in Myanmar on working visit", *op. cit.*

⁹⁴ KAMAZ and its managing director Sergey Kogogin have been sanctioned *inter alia* by the U.S., EU and UK, and Kazan *inter alia* by the U.S. and EU.

In addition to diplomatic protection and arms supplies, the Myanmar junta hopes Russia may also be able to help make up for the loss of foreign investment since the coup, and provide support with technology to boost import substitution, a key focus of the regime. For example, Min Aung Hlaing raised with President Minnikhanov possible support for Myanmar's oil industry, particularly in refining, something the two sides agreed to explore further.⁹⁵ In addition to significant quantities of natural gas, Myanmar produces some crude oil, but it has no extensive refining capability, which means it is almost totally reliant on imported fuel.⁹⁶

With oil prices surging since Russia's invasion of Ukraine, the regime is concerned about its foreign currency reserves, and its ability to maintain adequate refined fuel stocks; it has already introduced some rationing due to supply shortages.⁹⁷ In late April, regime spokesperson Zaw Min Tun announced that Myanmar was negotiating with Russia to import fuel "at a reasonable price".⁹⁸ The two sides also discussed the possibility of Tatarstan providing fertiliser in exchange for Myanmar rice.⁹⁹ Given formal and informal boycotts of its energy products, Russia needs new export destinations, and could provide the products at below-market rates given that benchmark Russian crude (known as "Urals crude") and refined fuel are trading at a significant discount relative to global prices.¹⁰⁰ A large Myanmar ministerial delegation further discussed these issues during its visit to the 25th St. Petersburg International Economic Forum in June.¹⁰¹

In the aftermath of the coup, large oil and gas multinationals – including Total, Chevron, Petronas, Woodside and Eneos – have announced that they are pulling out of Myanmar, and the regime is keen to find replacements to develop and operate new and existing gas fields. Should Russian firms be interested, they would be able to acquire assets at distressed prices.¹⁰² A regime spokesperson has claimed that Russia will enter the oil and gas sector "in the near future".¹⁰³ Russia's Rosneft, which has been conducting limited onshore oil and gas exploration in Myanmar for a decade, said in April 2021 that it was planning to drill a test well.¹⁰⁴

⁹⁵ "Myanmar is interested in Tatarstan's experience in oil refining", TASS, 28 April 2022; and "Rustam Minnikhanov: Tatarstan enterprises ready to ensure the supply of high-tech products to Myanmar", press release, Tatarstan President's Office, 28 April 2022 (Russian).

⁹⁶ See "Myanmar's political woes may apply brakes to gasoline inflows", S&P Global, 15 February 2021.

⁹⁷ Experts estimated that in May, Myanmar was importing as much as \$500 million worth of refined fuel products every month. Crisis Group interview, Myanmar energy sector analyst, May 2022.

⁹⁸ "Russia in talks with Myanmar on fuel supplies to ease blackouts", Bloomberg, 29 April 2022.

⁹⁹ See "President of Tatarstan meets with minister for investment and foreign economic relations of Myanmar", op. cit.

¹⁰⁰ See "Lured by cheap oil, India becomes largest customer of Russian Urals crude", S&P Global, 3 May 2022; and "Russian diesel discount offers big margins in two-tier European trade", Reuters, 11 May 2022.

¹⁰¹ See "Myanmar delegation joins 25th St Petersburg Int'l Economic Forum-SPIEF 22", *Global New Light of Myanmar*, 20 June 2022.

¹⁰² Crisis Group interview, Myanmar energy sector analyst, May 2022. Rosneft acquired Bashneft, the company originally exploring the block, in 2016.

¹⁰³ "After more firms quit, Myanmar junta claims Russia to enter energy industry", Radio Free Asia, 6 May 2022.

¹⁰⁴ "Russia's Rosneft plans oil exploration well in Myanmar in 2021", Reuters, 30 April 2021.

Following a visit of the Russia-Myanmar Friendship Cooperation Committee to Myanmar in October 2021, the two countries' banks have also been working to create a direct ruble-kyat exchange facility in order to promote bilateral trade.¹⁰⁵ This facility would assist Russia, which is increasingly cut off from the global financial system, including payments infrastructure and access to foreign currency. For Myanmar, which is also concerned about its foreign currency reserves, such a mechanism would similarly reduce its dependence on dollars or other intermediate hard currencies. The arrangement would be a more sophisticated version of the rice-for-infrastructure barter of the 1950s (see Section II.A above) and the potential fertiliser-for-rice exchange that was discussed during the Tatarstan delegation's recent visit.¹⁰⁶ Myanmar Airways International has also announced plans to start the first direct Yangon-Moscow cargo flights by the end of 2022.¹⁰⁷

The Myanmar regime's support for Russia comes despite the fact that the invasion of Ukraine has hurt its finances. This impact has been mainly due to the global surge of oil and food prices, as Myanmar imports virtually all of its refined fuel products, large quantities of cooking oil, fertiliser and other agricultural inputs.¹⁰⁸ High oil prices globally have translated into higher domestic transport costs, triggering much higher market prices of most essentials and consumer products. This has had macro-economic consequences (surging inflation, strain on foreign currency reserves), and a devastating effect on the most vulnerable sections of the population, already hit by the economic consequences of both the COVID-19 pandemic and the coup.¹⁰⁹

V. A Warm Embrace

Russia undoubtedly sees closer relations with the Myanmar regime as serving its short-term geostrategic and economic interests. Consolidating links with a key partner in Asia is important at a time when Moscow's foreign relations are under historic strain. Boosting exports is likewise valuable given the economic impact of sanctions and the reputational damage caused by the Ukraine invasion. By drawing closer to the Myanmar military, however, Russia is betting that it will remain in control of the country – or at least continue to be a powerful, autonomous institution – for the foreseeable future. It likely sees this risk as worth taking given the historical durability of the Myanmar military and its geographic distance from Myanmar, which would insulate it from the effects of state failure. But it is a risk nonetheless: while

¹⁰⁵ See "Myanmar, Russia discuss bilateral financial cooperation, trade development, investment", *Global New Light of Myanmar*, 28 October 2021; and "Myanmar Bank missive suggests junta seeks more than financial ties with Russia", Radio Free Asia, 4 May 2022.

¹⁰⁶ See "President of Tatarstan meets with minister for investment and foreign economic relations of Myanmar", op. cit.

¹⁰⁷ See "MAI to start Moscow-Yangon cargo flight near year-end", *Global New Light of Myanmar*, 28 May 2022.

¹⁰⁸ Crisis Group interview, economist specialising in Myanmar, March 2022. See also "Monitoring the Agri-food System in Myanmar: Understanding the Rapid Price Increase of Vegetable Oils", International Food Policy Research Institute, April 2022; and "Monitoring the Agri-food System in Myanmar: Food Vendors – March 2022", International Food Policy Research Institute, May 2022.

¹⁰⁹ Ibid.

there is no sign yet of the junta losing or relinquishing power, under any future democratic or populist government, Moscow would likely suffer the consequences of having backed a regime despised by the vast majority of Myanmar's people.

For the Myanmar regime, closer ties with Russia also offer obvious short-term benefits. Following the coup, it needs diplomatic protection, continued military relations with a key supplier in whose weapons systems it has invested heavily, and new trade and investment partners to replace those that have departed. Such support is even more beneficial if the regime can gain access to Russian energy products at a discount, at a time of surging global prices.

But there are also clear risks for the regime in aligning itself so closely with Moscow. First, Russia's reliability as a defence partner could come into question in the wake of its invasion of Ukraine. The war has placed huge demands on Russian defence industries, which means it likely has less excess capacity to sell overseas. Secondly, Myanmar's weapons purchases from Russia mostly consist of technologically advanced equipment such as aircraft, radar instruments and air defence systems for which the regime has few alternative sources other than China, on which it already feels overly dependent. But export controls and other sanctions from the U.S., the EU and several Asian countries have made it difficult for Russian manufacturers to obtain key technologies and critical components required to manufacture such equipment.¹¹⁰ These constraints will also affect the Russian defence industries' capacity to supply spare parts, munitions and upgrades for the Myanmar military's existing systems, which the junta cannot quickly or cheaply replace.¹¹¹

There are also geopolitical implications for Myanmar in embracing an international pariah. The regime has placed a big bet on a country that has run into bigger problems than it anticipated in Ukraine, and that could well emerge from the war it launched diminished. Not only is it possible that Russia will be a less powerful friend, but close ties to Moscow could complicate Myanmar's relations with other countries in the region that are distancing themselves from Russia, such as Japan, South Korea and Singapore.

Any close alliance with Moscow will also be a further source of concern for Western countries, which have imposed additional targeted sanctions on the Myanmar military and its businesses following the coup, but so far stopped short of broader financial and trade measures, such as those that were in place when the previous junta was in charge and were lifted in 2012. At least in theory, the West could contemplate these more punitive measures, particularly if it sees Myanmar as helping Moscow dodge the blow of sanctions, for example by purchasing its energy products.

It remains unlikely that the U.S. or EU will go this far, but it is not entirely impossible. While Western countries will stay focused on larger countries such as India over concerns they are creating markets for Russian fuel, the U.S. desire to cultivate New Delhi as a strategic partner will likely keep Washington from using coercive measures with it; sanctioning Myanmar would be a much more straightforward policy decision for many of them, given that it is neither an important trade partner nor

¹¹⁰ Crisis Group interview, Russia analyst, June 2022. See also Ian Storey, "The Russia-Ukraine war and its potential impact on Russia's arms sales to Southeast Asia", ISEAS, 5 May 2022.

¹¹¹ Ibid.

a strategic ally.¹¹² As Crisis Group has previously argued, however, financial sanctions or trade measures (in particular, revoking Myanmar's access to EU trade preferences) would likely have little impact on the junta, but could be ruinous for many ordinary people, particularly factory workers and their families.¹¹³

VI. Possible Responses

Despite the risks for both sides, it appears very likely that Russia and Myanmar will discount those risks and seek to continue deepening bilateral ties. Outside actors looking to bring about positive change in Myanmar need to plan accordingly.

Because there is little that Western and regional powers can do that would successfully disrupt the mutually beneficial relationship Russia and Myanmar have developed, they will be best served by focusing on the strategy they are currently pursuing. First, countries should keep targeting the regime and military, and businesses linked to them, with targeted sanctions, even if such measures are unlikely to change the junta's calculus. Sanctions are important both as a signal of principle and a constraint on the military's income-generating opportunities. They should also redouble their efforts to secure the broadest possible bilateral arms embargoes on Myanmar, recognising that the regime's two most important suppliers, Russia and China, will continue to stymie efforts to multilateralise the weapons ban at the UN Security Council. At the same time, foreign governments should continue to eschew blanket trade and financial sanctions that would disproportionately harm the livelihoods of ordinary Myanmar people, while scarcely affecting the regime, other than perhaps pushing it deeper into Chinese and Russian arms.

Secondly, Asian diplomats must factor the junta's deepening relations with Russia into their attempts to address the Myanmar crisis – in the sense that these ties make efforts to stigmatise the junta regionally yet more important. It is therefore even more important for ASEAN's key dialogue partners that have opposed the coup (such as the U.S., EU, UK and Japan) to continue to insist that the regional bloc extend its policy of excluding Myanmar regime representatives from summits and other key meetings. While the impact of such a boycott is limited, it deprives the regime of the international legitimacy that it seeks. It also maintains at least some regional diplomatic leverage by signalling that normalisation will not be possible until the regime makes meaningful progress in ending the violence and returning the country to a democratic path.

Thirdly, diplomats at the UN must also take a tactical approach to the Myanmar-Russia relationship. Despite Russia's (and China's) veto power, debates at the Security Council have so far been less polarised on the Myanmar crisis than on some other issues. Russia has deferred to China in allowing the Council to approve statements on Myanmar since the coup, including a presidential statement in March 2021 and press statements in February, November and December 2021, and February and July 2022. While such statements fall far short of the action required to address the crisis,

¹¹² See, for example, "As Washington ramps up efforts to bring India on board with sanctions against Russia, U.S. treasury official on visit to Mumbai and Delhi", *The Hindu*, 26 May 2022.

¹¹³ See Crisis Group Briefing, *Responding to the Myanmar Coup*, op. cit.

they are an important signal of international concern at the highest level, including from Myanmar's diplomatic allies.

Diplomats, however, say China is becoming more resistant to Council action on Myanmar, raising questions about how long the Council's consensus-based approach can last. For example, Beijing took a hard line in negotiations on a draft press statement following the Council's 27 May discussion on Myanmar, preventing any text from being issued, although it did allow a press statement on 27 July 2022 condemning the junta's execution of dissidents.¹¹⁴ A breakdown in consensus would likely mean that China would no longer constrain Russia's position, allowing Moscow to provide Naypyitaw with more robust diplomatic backing.

It is thus important for Council members to preserve the consensus approach as long as possible, rather than hastening its demise by pressing the issue – for example, by forcing a vote on a draft resolution even if they know that China and Russia will veto it. A breakdown of the consensus approach would on balance be unhelpful, as it would likely prevent agreement on any further Council statements or even a less ambitious resolution in the future, which may still be possible. However unsatisfying such texts may be to countries urging stronger action, it is important to save space for diplomacy on Myanmar in the Council, so as not to undermine its ability to respond to future developments (as it was able to do in condemning the execution of dissidents in July), such as further serious regime violence in the lead-up to its planned 2023 elections.

Deeper divisions in the Security Council on Myanmar could undermine the chances of Kyaw Moe Tun remaining as Myanmar's permanent representative. In 2021, the U.S. and China reached an understanding that he can stay in his position, albeit keeping a low profile, thus avoiding a divisive vote on the issue in the Credentials Committee and perhaps in the General Assembly plenary as well. But disagreements among Council members, coming on top of Kyaw Moe Tun's voting record (see Section IV.C above), would make any such understanding much less likely when the General Assembly convenes again in September.

VII. Conclusion

After the Myanmar coup and Russia's invasion of Ukraine, the two countries have found common interest in deepening their military, political and economic ties. Western and regional powers that want to see a return to democracy in Myanmar and a weakened Russia have reason to be concerned about the two countries drawing closer together. But with little possibility that they could disrupt the relationship, they should focus their actions where they are likely to be most constructive: on maintaining targeted (not blanket) sanctions on the Myanmar military, imposing arms embargoes, reinforcing a firm ASEAN approach and ensuring that UN diplomacy preserves space for future consensus action in the Security Council.

Bangkok/Brussels, 4 August 2022

¹¹⁴ Crisis Group interviews, Security Council member state diplomats, New York, June 2022. See also Security Council press statement, 27 July 2022.

Appendix A: Visits by Commander-in-Chief Min Aung Hlaing to Russia

1. June 2013 – Min Aung Hlaing's first visit to Russia, meets with Defence Minister Sergei Shoigu in Moscow.¹¹⁵
2. (November 2014) – Min Aung Hlaing visits Belarus, with transit via Moscow, and meets at the airport with Lt. Gen. (now Col. Gen.) Alexander Fomin, Russia's director of military-technical cooperation.¹¹⁶
3. June 2017 – Min Aung Hlaing meets with Defence Minister Shoigu, visits the Black Sea Fleet at Sevastopol in Crimea, annexed by Russia in 2014.¹¹⁷
4. August 2018 – Min Aung Hlaing travels to Russia for the "Army 2018 International Military Technical Forum" and National Security Week events, meets Defence Minister Shoigu; Min Aung Hlaing is accompanied by prominent nationalist monk, Sitagu Sayadaw.¹¹⁸
5. April 2019 – Min Aung Hlaing attends 8th Moscow Conference on International Security, meets Defence Minister Shoigu.¹¹⁹
6. June 2020 – Min Aung Hlaing attends Russia victory day parade, meets Deputy Defence Minister Alexander Fomin who awards him honorary medals for strengthening military cooperation with Russia.¹²⁰
7. June 2021 – Min Aung Hlaing attends 9th Moscow Conference on International Security; is awarded honorary professorship by Russian Military University; meets Defence Minister Shoigu; travels to Tatarstan.¹²¹
8. July 2022 – Min Aung Hlaing makes what Russian officials say is a "private" visit, including consecration of a replica pagoda with Sitagu Sayadaw at Etnomir ethnological park outside Moscow. Also meets with Deputy Defence Minister Fomin and travels to Tatarstan, St. Petersburg and Novosibirsk.¹²²

¹¹⁵ *Global New Light of Myanmar*, 26, 28, 29 and 30 June 2013.

¹¹⁶ *Global New Light of Myanmar*, 3 November 2014.

¹¹⁷ *Global New Light of Myanmar*, 18, 19, 20, 21, 23 and 25 June 2017.

¹¹⁸ *Global New Light of Myanmar*, 24, 25, 26 and 27 August 2018.

¹¹⁹ *Global New Light of Myanmar*, 21, 25, 27 and 28 April 2019.

¹²⁰ *Global New Light of Myanmar*, 24, 25 and 27 June 2020.

¹²¹ *Global New Light of Myanmar*, 24 and 27 June 2021.

¹²² *Global New Light of Myanmar*, 13, 14, 16 and 17 July 2022.

Appendix B: About the International Crisis Group

The International Crisis Group (Crisis Group) is an independent, non-profit, non-governmental organisation, with some 120 staff members on five continents, working through field-based analysis and high-level advocacy to prevent and resolve deadly conflict.

Crisis Group's approach is grounded in field research. Teams of political analysts are located within or close by countries or regions at risk of outbreak, escalation or recurrence of violent conflict. Based on information and assessments from the field, it produces analytical reports containing practical recommendations targeted at key international, regional and national decision-takers. Crisis Group also publishes CrisisWatch, a monthly early-warning bulletin, providing a succinct regular update on the state of play in up to 80 situations of conflict or potential conflict around the world.

Crisis Group's reports are distributed widely by email and made available simultaneously on its website, www.crisisgroup.org. Crisis Group works closely with governments and those who influence them, including the media, to highlight its crisis analyses and to generate support for its policy prescriptions.

The Crisis Group Board of Trustees – which includes prominent figures from the fields of politics, diplomacy, business and the media – is directly involved in helping to bring the reports and recommendations to the attention of senior policymakers around the world. Crisis Group is co-chaired by President & CEO of the Fiore Group and Founder of the Radcliffe Foundation, Frank Giustra, as well as by former Foreign Minister of Argentina and Chef de Cabinet to the United Nations Secretary-General, Susana Malcorra.

Comfort Ero was appointed Crisis Group's President & CEO in December 2021. She first joined Crisis Group as West Africa Project Director in 2001 and later rose to become Africa Program Director in 2011 and then Interim Vice President. In between her two tenures at Crisis Group, she worked for the International Centre for Transitional Justice and the Special Representative of the UN Secretary-General in Liberia.

Crisis Group's international headquarters is in Brussels, and the organisation has offices in seven other locations: Bogotá, Dakar, Istanbul, Nairobi, London, New York, and Washington, DC. It has presences in the following locations: Abuja, Addis Ababa, Bahrain, Baku, Bangkok, Beirut, Caracas, Gaza City, Guatemala City, Jerusalem, Johannesburg, Juba, Kabul, Kiev, Manila, Mexico City, Moscow, Seoul, Tbilisi, Toronto, Tripoli, Tunis, and Yangon.

Crisis Group receives financial support from a wide range of governments, foundations, and private sources. The ideas, opinions and comments expressed by Crisis Group are entirely its own and do not represent or reflect the views of any donor. Currently Crisis Group holds relationships with the following governmental departments and agencies: Australian Department of Foreign Affairs and Trade, Austrian Development Agency, Canadian Department of National Defence, Danish Ministry of Foreign Affairs, Dutch Ministry of Foreign Affairs, European Union Emergency Trust Fund for Africa, European Union Instrument contributing to Stability and Peace, Finnish Ministry of Foreign Affairs, French Development Agency, French Ministry of Europe and Foreign Affairs, Global Affairs Canada, Irish Department of Foreign Affairs, Japan International Cooperation Agency, Ministry of Foreign Affairs of the Principality of Liechtenstein, Luxembourg Ministry of Foreign and European Affairs, Norwegian Ministry of Foreign Affairs, Qatar Ministry of Foreign Affairs, Swedish Ministry of Foreign Affairs, Swiss Federal Department of Foreign Affairs, United Arab Emirates (Ministry of Foreign Affairs and International Cooperation and Anwar Gargash Diplomatic Academy), United Nations Development Programme, United Nations World Food Programme, UK Foreign, Commonwealth and Development Office, and the World Bank.

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Crisis Group also operates out of over 25 locations in Africa, Asia, Europe, the Middle East and Latin America.

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