



## JFM calls on Switzerland to sanction Myanma Oil and Gas Enterprise

Switzerland has failed to impose sanctions on the junta-controlled Myanma Oil and Gas Enterprise (MOGE), more than three years after European Union (EU) sanctions on the highly lucrative state-owned enterprise.

Switzerland's inaction undermines EU sanctions by creating a loophole that allows MOGE and its partners access to the Swiss financial system and permits Swiss companies to operate in the oil and gas sector in Myanmar.

Switzerland does not impose unilateral sanctions but rather implements international sanctions imposed by the EU, United Nations and Organisation for Security and Cooperation in Europe (OSCE) through the Embargo Act.

The oil and gas industry is the <u>biggest source</u> of foreign-currency revenue for the junta. Oil and gas revenue is used to purchase arms, jet fuel and other supplies needed for the junta's continuing commission of war crimes and crimes against humanity.

According to the <u>junta's own figures</u>, Myanmar's natural gas exports were worth US\$841.7 million in the 3 months to June 2023 alone.

Swiss banks have historic ties to Myanmar state-owned banks. A <u>2018 report</u> noted that the now junta-controlled Myanma Foreign Trade Bank, which has been used for international transactions by MOGE, had correspondent banking relations in Switzerland.

There have also been Swiss insurance links to Myanmar's oil and gas sector. The Swiss-based company Infrassure was chosen as the reinsurer for the China-Myanmar gas pipeline in 2011, according to a leaked document shared with Justice For Myanmar. Infrassure could not be reached for comment and its auditor, PwC, did not respond to questions from Justice For Myanmar about the current status of Infrassure's business in Myanmar.

Switzerland's decision to not sanction MOGE, according to reasoning received through a freedom of information request, is to avoid the need to modify Swiss law to implement a derogation in EU sanctions for the decommissioning of oil and gas fields.



Justice For Myanmar rejects this as an acceptable reason for such a lengthy delay, as the Swiss government could amend the law to sanctions MOGE with a derogation for decommissioning oil and gas field, or choose to exceed EU sanctions by sanctioning MOGE in full under Article 184 of the Federal Constitution.

The State Secretariat for Economic Affairs (SECO) is responsible for the implementation and enforcement of sanctions, and has implemented all EU sanctions on Myanmar with the sole exception of the EU's designation of MOGE.

On March 23, 2024, Justice For Myanmar submitted a request to SECO under the Freedom of Information Act for "all documents prepared for the Federal Council advising on whether Switzerland should implement sanctions against Myanma Oil and Gas Enterprise (MOGE)".

SECO responded on June 17, 2024 with a summary rejection of our application, stating that the relevant information is "for personal use" and are not official documents.

Justice For Myanmar appealed SECO's rejection to the Federal Data Protection and Information Commissioner (FDPIC) and sought mediation, arguing that the relevant information should be considered as official documents and noting the public interest in Switzerland's position on sanctions.

The FDPIC <u>published its decision</u> on December 20, 2024, which recommended that SECO disclose the annex to the Ordinance on Measures against Myanmar. The annex has been published on the Justice For Myanmar website <u>here</u>.

**Justice For Myanmar spokesperson Yadanar Maung says:** "Switzerland should stand with the people of Myanmar and urgently impose sanctions on MOGE.

"Its been over four years since the military's illegal coup attempt and its campaign of terror has only intensified, bankrolled by the oil and gas sector.

"The junta uses gas revenues to buy the arms and aviation fuel it needs to sustain its indiscriminate airstrikes and shelling against civilians that have caused mass killings and displaced over 3.5 million people.

"By failing to sanction MOGE for three years, Switzerland has created a dangerous loophole that undermines EU and US sanctions and sends a green light to Swiss companies to carry out business as usual in Myanmar's oil and gas sector.

"This loophole must be closed with Switzerland finally implementing EU sanctions in full."





## **More information:**

Justice For Myanmar is a covert group of activists using research, data visualisation and reporting to expose the companies and criminals profiting from brutality, war crimes and mass-scale suffering.

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