



The Bottom Line

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EXPORT CONTROLS LEVIED ON MYANMAR

Summary

On February 11, 2021, the White House issued an Executive Order (EO) authorizing sanctions in response to the February 1, 2021, military coup in Myanmar (Burma).

Background

Since gaining independence from the United Kingdom in 1948, Myanmar (formerly Burma) has been embroiled in the longest civil war in history, with ethnic groups fighting the country's military rulers, known as the Tatmadaw. The conflict continued until a series of political, economic, and administrative reforms enacted between 2011 and 2015 led to the release of pro-democracy leader, Aung San Suu Kyi, and other political prisoners, the establishment of the National Human Rights Commission, new labor and currency laws, and freedom of the press.

Suu Kyi was elected to Myanmar's parliament in 2012. In 2015, her National League for Democracy (NLD) party won a majority. Though banned from holding the presidency under a military junta-drafted 2008 constitution, Suu Kyi was given the formal title of state counselor and became the de facto leader of the country. This past November, her party won an overwhelming 396 out of 476 seats in Myanmar's parliament, after which the former military government under Min Aung Hlaing alleged election fraud and seized control. Suu Kyi and former President Win Myint were arrested in pre-dawn raids. A state of emergency was declared for one year. The sudden seizure of power came after months of increasing friction between the civilian government and the powerful military.

Current Status

On February 11, 2021, the White House authorized sanctions in response to the military coup. The U.S. Treasury Department's Office of Foreign Assets Control (OFAC) named ten individuals and three entities as Specially Designated Nationals (SDNs) pursuant to the Executive Order. At the same time, the U.S. Commerce Department's

Bureau of Industry and Security (BIS) announced new restrictions on certain exports to Myanmar of items that are subject to the Export Administration Regulations (EAR). Prior U.S. sanctions and export controls targeting Myanmar were terminated in October 2016. Since then, the United States continued to maintain targeted sanctions against certain individuals and entities under other sanction programs, including a number of SDNs named under the Global Magnitsky Sanctions program, which allows the executive branch to impose visa bans and targeted sanctions on individuals anywhere in the world responsible for committing human rights violations or acts of significant corruption.

Impact

With financial sanctions on 10 leaders and three military-owned businesses, re-imposed restrictions on U.S. exports, and the diversion of over \$42 million of U.S. assistance, President Joe Biden hopes to send a strong signal to the military to reverse course. The Commerce Department also said it has re-imposed export restrictions on U.S. products to Myanmar's military, security forces and ministries of defense and home affairs. Some exports will be permitted if they receive a license, but the agency is also reviewing additional restrictions, it said, including a ban on U.S. "military end use" and "military intelligence end use" equipment and technology.

Importers from and exporters to the region need to re-examine their products and shipments to ensure they commit no violations of the new orders. Cargo owners should have some time to complete this task, and request licenses if necessary, as the military leaders have closed the airport at Yangon—the main gateway in and out of the country.

RESOURCES:

[Myanmar's Aung San Suu Kyi Detained for Two Weeks](#) (MSN News)
[Biden Administration Announces Sanctions on Myanmar](#) (Steptoe)
[U.S. Hits Myanmar With Sanctions, Aid Cuts, Export Bans](#) (ABC News)