

For Immediate Release: Over 200 CSOs call for IFI loans to Myanmar to be frozen and reassessed

Two hundred and eighteen civil society organizations from Myanmar and globally have urged International Financial Institutions (IFIs) to immediately freeze loans and other financial assistance to the country amounting to an estimated US\$11 Billion. In a joint letter led by 120 civil society groups in Myanmar, signatory organizations demanded that IFIs recall loans linked to the junta and military companies, and reassess engagement to ensure they do not benefit the junta that overturned the elected government in the 1 February 2021 coup d'état. The letter emphasized the need for IFIs to stand with the civilian population instead of the Myanmar junta, military (Tatmadaw)-linked companies, or their cronies.

The letter sent to the World Bank Group, International Monetary Fund, Asian Development Bank and the Asian Infrastructure Investment Bank on Wednesday 17 February, demanded that the IFIs:

- Immediately halt lending obligations, suspend disbursements, pending grants and loans across all sovereign and non-sovereign operations, until conclusive confirmation that these do not legitimize military rule.
- Recall loans linked to the military junta, its businesses, military-linked crony companies, or companies linked to individuals who have been internationally sanctioned.
- Reassess efficacy of loans to ensure they safeguard the rights of communities and their environment, and protect civil space.
- Stand in solidarity with Myanmar people
- Respect calls to the international community to condemn the coup and military violence, and align with strong targeted sanctions against the military and its cronies
- Work together to issue a joint IFI statement that states unequivocally IFIs will not compromise development support in Myanmar by working with the junta, including on COVID-19 response
- Closely monitor private clients and public projects to ensure respect for labor standards
- Arrange a conference call between involved IFIs, Myanmar Civil Society Organizations, the Committee Representing Pyidaungsu Hluttaw (CRPH), ethnic political parties, and ethnic leaders

As of February 2021, the following project finance (combined amount of current and pipeline projects with IFI commitments via loans, grants, guarantees, financial intermediaries, other financing modalities), support to COVID-19 response, and other financial transactions, totaling slightly more than US\$ 11 Billion, have been noted:

- World Bank (IDA): 41 projects, roughly US\$4 billion
- International Finance Corporation (IFC): 38 projects, roughly US\$850 million
- Multilateral Investment Guarantee Agency (MIGA): 9 projects, roughly US\$1.22 billion
- Asian Development Bank (ADB): 97 projects, roughly US\$2.7 billion
- Asian Infrastructure Investment Bank (AIIB): 1 project, US\$20 million

- International Monetary Fund (IMF): US\$689.24 million for outstanding loans and purchases
- Consolidated COVID-19 response support from World Bank(\$818.53M), ADB (\$394M) and IMF (\$356.5): roughly US\$1.6 billion

These loans are particularly concerning because they are likely to embolden the military junta to escalate its crackdown on the Civil Disobedience Movement, ongoing attacks against civilians in ethnic zones, and its highly militarized COVID-19 pandemic response, which all pose threats to regional human security and stability.

The letter and the list of signatories is available at <https://tinyurl.com/4qdraff5>

For further information, contact:

- Frederick, Campaign Coordinator at IFI Watch Myanmar, myanmarcscontact@gmail.com
- Debbie Stothard, Coordinator at ALTSEAN-Burma, debbie@altsean.org

Spokespersons:

- Paul Sein Twa, Co-Founder of KESAN and Salween Peace Park, paulkesan@gmail.com
- Maw Htun Aung, Executive Director of Another Development, matthewvcf@gmail.com