

U.S. DEPARTMENT OF THE TREASURY

Press Center



Treasury Amends Burmese Sanctions Regulations, Identifies Blocked Companies Owned By Designated Persons, And Delists Several Burmese State-Owned Entities

5/17/2016

Regulatory Amendments Support Burma's Political Reforms and Economic Growth; Designations and Delistings Provide Information to Facilitate Sanctions Compliance and Support Broader U.S. Foreign Policy Goals

WASHINGTON – Today, the U.S. Department of the Treasury's Office of Foreign Assets Control (OFAC) amended the Burmese Sanctions Regulations, 31 C.F.R. part 537 ("the Regulations"), and updated the Specially Designated Nationals and Blocked Persons (SDN) List. Specifically, OFAC issued regulatory amendments intended to support trade with Burma; facilitate the movement of goods within Burma; allow certain transactions related to U.S. individuals residing in Burma; and allow most transactions involving designated financial institutions. In addition, OFAC, in consultation with the Department of State, removed seven state-owned enterprises and three state-owned banks from the SDN List. Taken in concert with the regulatory amendments to allow most transactions with designated financial institutions, this leaves few OFAC restrictions remaining related to banks in Burma. To incentivize further democratic reforms and maintain pressure on targeted individuals and entities and the military, certain sanctions remain in place. As such, OFAC identified as blocked and added to the SDN List six companies that are owned 50 percent or more by Steven Law or Asia World Co. Ltd. ("Asia World"), persons who remain on the SDN List. More broadly, these actions demonstrate the Administration's support for continued political reforms and broad-based economic growth in Burma, while also maintaining sanctions pressure where needed, and providing the private sector with further clarity to effectively engage in Burma.

"Burma reached a historic milestone over the last year by holding competitive elections and peacefully transitioning to a democratically-elected government. Our actions today demonstrate our strong support for this political and economic progress while continuing to pressure designated persons in Burma to change their behavior," said Adam J. Szubin, Acting Under Secretary for Terrorism and Financial Intelligence. "These steps will help to facilitate trade with non-sanctioned businesses and, in turn, help the people and Government of Burma achieve a more inclusive and prosperous future."

Amendments to the Burmese Sanctions Regulations

Today, OFAC added a general license authorizing transactions related to U.S. individuals residing in Burma, extended and expanded an existing general license authorizing trade-related transactions, and updated an existing general license authorizing certain banking services. As background, an OFAC license is an authorization to engage in a transaction that otherwise would be prohibited. There are two types of licenses: general licenses and specific licenses. A general license broadly authorizes a particular type of transaction, subject to certain conditions, without the need to individually apply for a specific license.

General license authorizing personal transactions related to U.S. persons residing in Burma

OFAC added a general license that allows U.S. persons to conduct most transactions otherwise prohibited by the Regulations that are ordinarily incident to U.S. individuals residing in Burma. This includes paying rent and other living expenses and buying goods and services for personal use.

This complements the existing exemption in the Regulations for travel to or from Burma and will make it easier for U.S. persons to reside and work in Burma, which will increase opportunities for U.S. and Burmese persons to engage with each other.

General licenses authorizing trade-related transactions

OFAC made two regulatory amendments related to trade-related transactions. First, OFAC extended indefinitely General License 20. Initially issued for a six-month period in December 2015, this general license is now incorporated into the Regulations. It authorizes transactions that are ordinarily incident to exports to or from Burma that are otherwise prohibited involving an individual or company that is designated or otherwise blocked by OFAC's sanctions. Second, to further support trade-related transactions, OFAC expanded this authorization by adding a general license permitting certain transactions incident to the movement of goods within Burma. This includes transactions such as transporting goods from a warehouse in Burma for further distribution to retail outlets in Burma.

Together, these amendments will facilitate commerce into and throughout Burma, in turn bolstering trade and commercial opportunities for U.S. and Burmese exporters.

Updating the general license authorizing certain banking services

OFAC is also updating an existing general license that authorizes most transactions involving all currently designated financial institutions in Burma. Two of the financial institutions that were included in this license – Myanma Economic Bank and Myanma Investment and Commercial Bank – are being delisted today. As engagement with them is no longer prohibited, this authorization is no longer needed and these two financial institutions are being removed from the general license. Concurrently, OFAC is adding to the general license two other Burmese financial institutions that are currently designated – Innwa Bank and Myawaddy Bank – thereby authorizing most transactions involving all Burmese financial institutions once the amendment takes effect on May 18.

This amendment will help encourage trade and increase economic opportunities for the Burmese people.

Removal of state-owned banks and state-owned enterprises

In addition, OFAC today removed seven state-owned enterprises from the SDN List: Myanmar Timber Enterprise; Myanmar Pearl Enterprise; Myanmar Gem Enterprise; No. 1 Mining Enterprise; No. 2 Mining Enterprise; No. 3 Mining Enterprise; and Co-Operative Export-Import Enterprise. In addition, OFAC removed three state-owned banks from the SDN List: Myanma Economic Bank; Myanmar Foreign Trade Bank; and Myanma Investment and Commercial Bank.

These removals support U.S. foreign policy goals and acknowledge the changing circumstances in Burma. The entities being removed are organized under civilian line ministries or no longer exist.


Identifications of Companies owned 50 percent or more by Steven Law or Asia World

OFAC has eased significantly sanctions on Burma over the past four years. The remaining sanctions on Burmese individuals and entities are primarily intended to target those who obstruct political reform in Burma, commit human rights abuses in Burma, or propagate military trade with North Korea.

Also today, OFAC identified as blocked and added to the SDN list six companies that are owned 50 percent or more by persons on the SDN List: Steven Law and Asia World. Steven Law and Asia World were designated by OFAC pursuant to Executive Order 13448 in February 2008 for providing support to the Government of Burma, which was then dominated by the former military regime.

The companies being identified as owned 50 percent or more by Asia World are Asia Mega Link Co., Ltd., Asia Mega Link Services Co., Ltd., Pioneer Aerodrome Services Co., Ltd., Green Asia Services Co., Ltd., and Global World Insurance Company Limited. Shwe Nar Wah Company Limited is being identified for being owned 50 percent or more by Asia World or Steven Law.

Today's action helps clarify that any property or interests in property of the identified companies that are or come within the United States, or that are in the possession or control of U.S. persons, should be frozen, and that it is prohibited for U.S. persons to engage in transactions or to do business with the identified companies. These identifications are not targeted at the Government or people of Burma. They are intended to provide additional clarity for companies and financial services firms doing business in Burma. The U.S. government is committed to updating the SDN List to assist the private sector as it increases its engagement in the Burmese market and seeks to comply with U.S. sanctions.

For the updated Burmese Sanctions Regulations, click [here](#) .

For identifying information related to today's action, click [here](#).

For OFAC's Frequently Asked Questions on the Burma Sanctions Program, click [here](#).

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