



To the kind attention of

Charles Michel
President EU Council

Ursula Von der Leien
President EU Commission

Roberta Metsola
President EU Parliament

Joseph Borrell Fontelles
High Representative for foreign Affairs and Security policies
EU Commission

Stefano Sannino
Secretary General of the EU External Action Service

Paola Pampaloni
EU Commission Director Asia RELEX

Ranieri SABATUCCI
EU Ambassador to Myanmar

H.E Members of the European Parliament

April 12, 2023

Subject - **Trade Union Federations and Labour Organizations in Myanmar Denounce the EU-funded MADE IN MYANMAR project**

Dear representatives of the EU parliament,

1) We, trade union federations and labor organizations representing workers from many different sectors, strongly denounce the European Commission's continuous funding to the **MADE in Myanmar (Multi-Stakeholder Alliance for Decent Employment in the Myanmar Apparel Industry) project**. Previously as the SMART Myanmar project, the renewed project will be implemented by the Sequa gGmbH and the European Chamber of Commerce in Myanmar (EuroCham Myanmar) with the financing of the European Union. We have objected to the SMART Myanmar project for further undermining freedom of association at the workplace under the military coup. We will not participate in the MADE in Myanmar project.

2) Since the coup d'état of the 1st of February 2021, the Myanmar military has been cracking down violently on trade union leaders who continue to exercise their fundamental freedoms and the right to freedom of association (FOA) to defend workers' rights and interests. On the 2nd of March, The Myanmar State Administrative Council (SAC) declared sixteen labour organizations as illegal labour organizations. The SAC has issued arrest warrants against trade unions and labor leaders in their offices, workplaces and homes. Acting in collusion with the military, employers in the garment industry have sent the list of trade union leaders and members together with photos and addresses to the SAC and directly threatened and oppressed workers. More than 300 union members and activists have been arrested and imprisoned under inhumane conditions. Trade unionists are suffering severe torture in prison. At least 53 union leaders and activists have been killed. Many more trade union leaders have been forced into hiding. As a result, workers in Myanmar could no longer be represented by the free and democratic trade unions they have chosen to defend their rights and interests.

3) Across all sectors, and in particular in the garment sector, worker rights violations are rampant, as shown among others by the Business & Human Rights Resource Center's [garment worker allegations tracker](#), which monitors and publishes reports on human rights and labour abuses in the garment sector.

4) In early 2022, the Ethical Trading Initiative (ETI), the UK-based multi-stakeholder initiative whose members include European multi-national brand companies, conducted an independent assessment on human rights and responsible business conduct within Myanmar. The finding of [Myanmar's enhanced due diligence sectoral assessment](#) was published on 12 September 2022. The assessment has considered clear evidence of forced labour and exploitation in the garment sector since the coup such as, long-term depressed wages, forced overtime without pay, revocation of collective bargaining agreements, as well as the inability of workers to exercise the right to freedom of association in accordance with international labour standards, and dysfunctioned labor dispute settlement mechanism. In addition, the assessment finds a significant number of workers in precarious employment, workplace sexual violence and child labour. The military crackdown on civic freedom has resulted in the dismantlement of Myanmar's civil society and tremendous restrictions on the free operation of international organizations on which responsible businesses used to consult and rely on for a sustainable economic transition of Myanmar before the coup. According to this assessment, [ETI has confirmed](#) that basic ETI standards are not being met in the garment industry in Myanmar. It further concludes that the risks for continuous businesses to respect freedom of association and comply with the prohibition of forced labour are the most severe. It is nearly impossible for individuals to act on behalf of workers or provide access to effective grievance mechanisms and/or remedies.

5) The European Commission and the European Delegation to Myanmar have been expressing concerns about continuous job creation for workers, especially women workers in the garment export industry. The truth is that our members are risking their lives to go to work in industrial zones where martial law is applied. There is constant military intervention and repression of worker protests over wages and lay-offs, including showcase killings of worker leaders to stop workers from claiming their rights. Workers who have been falsely associated with anti-military activities or spoken out against rights violations have been intimidated with death threats, kidnapped, or arbitrarily terminated. The employers take advantage of the prevailing political situation to maintain poverty wages and deny workers' rights. Companies cannot exercise due diligence to respect fundamental workers' rights and human rights that

are openly denied by the military regime. No individual or organization can claim to be able to resolve and prevent the above violations because they can only be solved through cooperation with freely established organizations, especially with democratic trade unions in a free political situation.

6) In blatant ignorance of the above facts as well as the [Resolution for a return to democracy and respect for fundamental rights in Myanmar](#) adopted by the 109th International Labour Conference and the ILO Governing Body's March 2021 decision to conduct a Commission of Inquiry on serious violations of freedom of association (FOA) and forced labour in Myanmar, **the European Union** has provided EUR 3 million to renew [the MADE in Myanmar \(Multi-Stakeholder Alliance for Decent Work in Myanmar Apparel Industry\) project](#) which is also funded by private sector retailers and fashion brand companies.

7) **The MADE in Myanmar project** is a continuation of the **SMART Myanmar** project and the **SMART Factories** program, which had been running, before the coup, in cooperation with Myanmar trade unions, including some of the organizations co-signing this letter. After the outbreak of the coup, the **SMART Factories** program has shifted to provide management-worker training for the establishment of Workplace Coordination Committees (WCC) in garment factories to replace legitimate trade unions and labor organizations which have been crack-downed by the military. The program has no interest to address our complaints about this or workers' complaints about their rights and working conditions. Nor has it any mandate and authority to address the military and employers' interventions and establishment of the WCCs and yellow trade unions at the workplace. The project has become a tool for protecting the employer's interests and a propaganda project that legitimizes the military-controlled business environment under the SAC. The SAC has, apart from amending domestic laws and setting up military-controlled Election Committees in preparation for a sham election, convened tripartite meetings in February this year, inviting employers' organizations, garment factory management and WCCs to propagate that freedom of association would be respected under its rule. Our members were pressured to attend the meeting and threatened to hold trade union re-elections in order to renew registration.

8) We believe you would agree with us that the claimed objectives of SMART Myanmar / MADE in Myanmar, namely to promote "social compliance, workplace relations, industry level dialogue, bi-partite relations, public highlighted due diligence, knowledge hub, support labor rights organizations and trade unions, set up grievances mechanism", could not be achieved under the rule of the military regime and martial law where legitimate rights, the elected civilian government, independent trade unions and civil society cannot exist.

9) We hold, on the contrary that such a project only greenwashes exploitative business investments under the coup. The project only legitimizes a military-controlled labor relation and social dialogue mechanism in contrary to the 109th ILC resolution to restore democracy to Myanmar, and condemned by independent Myanmar trade unions, labor organizations and our members.

10) The **MADE in Myanmar's** activities are scaffoldings (in Myanmar described as ဒေါက်တိုင်) for the Military regimes' false report to the ILO and the international community.

11) Therefore, the following organizations, which have represented the interests of workers from many different sectors, urge you and honorable Members of the European Parliament to initiate a debate to review the EU's strategies and concrete steps taken to restore democracy in Myanmar.

- a) The European Commission should cease fundings and projects that lend legitimacy of any kind and means to the military junta under the SAC, including the **Made in Myanmar** project. The project is nothing else but an attempt at greenwashing the business environment under the SAC. It has no competence to prevent or mitigate but contributes to labor rights violations under the existing political situation in Myanmar.
- b) The European Commission should suspend the Everything But Arms benefits to Myanmar, whose continuous extension only contradicts every principle that grounds the trade policies of the European Union, given the anti-human crimes that have been committed by the SAC against Myanmar people.
- c) The European Commission's programs should be steered toward supporting the humanitarian and capacity-building programs of the independent trade unions, labor, civil society organizations and the National Unity Government for the purpose of re-building democracy.
- d) Regular review of the scope and enforcement of the EU's economic sanctions should be in place to ensure that the policies are effective and escalating and that European companies are observing the sanction policies and exit responsibly from Myanmar until democracy has been restored.

Thank you for your kind attention. We look forward to receiving a reply from you.

Myanmar Labor Alliance
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