

About: Sale of Telenor's Myanmar division to the company SBP



Dear Sir or Madam,

as reported by Reuters, Telenor's mobile phone division in Myanmar is to be sold off¹. 80% of the shares are to go to the company Shwe Byain Phyu (SBP), which is closely linked to the Myanmar military junta, as Justice for Myanmar has documented².

The sale is also said to include the data of users in Myanmar over the last few years. This could put millions of people at risk because the military can use the metadata of users to draw conclusions about the activities of government critics.

Since 2020, the military in Myanmar has been repressing its own people with massive use of weapons of war and violating international law. Organizations around the world are calling for a stop to the violence and torture and are trying to establish humanitarian aid³.

Already the planned sale of Telenor's Myanmar division to the M1 Group⁴ was widely criticized by 45 organizations from all over the world shortly after it became known⁵. One of the main points of criticism was the potential increased surveillance of the users.

This fear is shared by Mr. Brikke (CEO of Telenor), which is why he argues for Telenor's withdrawal from Myanmar.⁶

Due to M1's corporate history, many civil society actors fear that the protection of users' data is no longer guaranteed after a sale and that surveillance technologies will be installed.⁷

¹ <https://www.reuters.com/business/media-telecom/telenor-investors-scrutinise-myanmar-sale-2022-02-15/>

² <https://www.justiceformyanmar.org/press-releases/new-evidence-of-deep-and-continuing-military-links-to-telenor-myanmar-buyer-shwe-byain-phyu-group>

³ <https://news.un.org/en/story/2022/01/1110792>

⁴ <https://www.reuters.com/business/media-telecom/telenor-sells-myanmar-operations-m1-group-105-mln-2021-07-08/>

⁵ <https://www.accessnow.org/myanmar-telenor>

⁶ <https://www.reuters.com/world/norways-telenor-says-myanmar-unit-sale-came-after-juntas-pressure-surveillance-2021-09-15/>

⁷ <https://www.myanmar-now.org/en/news/telenor-sells-myanmar-operations-to-company-on-dirty-list-for-military-ties>

The possibility of surveillance is now only strengthened by the planned handover of user data to Telenor Myanmar's approved buyer, a joint venture between M1 and the company Shwe Byain Pyu (SBP).

About SBP, which has close ties to the junta⁸, the user's data can be passed on to the military through the "short official channels".

There is therefore a particularly high risk if telecommunications infrastructure, including user data, falls directly or indirectly into the hands of the military.

This can make Telenor Myanmar militarily useful for the interception of communications.

Civil society organizations from Myanmar, as well as organizations worldwide, have repeatedly written letters to the Norwegian government, as Telenor's largest investor, and to the Norwegian Royal Family^{9 10 11 12}.

If not from the press, you are aware of the dangers for Telenor Myanmar users since this last letters. We welcome the fact that investors are already seeking talks with the company management.^{13 14}.

Like you, we believe that Telenor has an obligation to its existing and future customers. It is not only a matter of offering good services, but also of protecting the rights of users, especially as a member of the Global Network Initiative.

In addition to these open letters, several complaints against Telenor are pending at the OSCE National Contact Point in Norway. Besides the accusation of the use of a radio tower by the military in August 2017 as a lookout tower to shoot fleeing Rohingya, there is also a complaint against¹⁵ the sale of Telenor Myanmar to the M1 Group¹⁶.

The Center for Research on Multinational Corporations (SOMO) filed this complaint

⁸ <https://www.justiceformyanmar.org/press-releases/new-evidence-of-deep-and-continuing-military-links-to-telenor-myanmar-buyer-shwe-byain-phyu-group>

⁹ z.B. 12.7.2021: <https://progressivevoicemyanmar.org/wp-content/uploads/2021/07/CSO-statement-on-Telenor-sale-Eng-CEO.pdf>

¹⁰ 31.1.2022: <https://www.accessnow.org/myanmar-telenor-norway-prime-minister/>

¹¹ 12.2.2022: <https://progressivevoicemyanmar.org/2022/02/12/statement-signed-by-694-civil-society-organizations-to-oppose-telenors-irresponsible-management-of-user-data-and-its-plan-to-sell-telenor-myanmar-to-a-military-linked-company/>

¹² 15.2.2022: <https://www.athanmyanmar.org/subject-open-letter-from-civil-society-organizations-and-myanmar-users-on-telenors-plan-to-sell-its-myanmar-business-to-a-company-affiliated-with-the-military-junta/>

¹³ <https://www.dealstreetasia.com/stories/telenor-investors-myanmar-sale-281562/>

¹⁴ <https://www.reuters.com/business/media-telecom/telenor-investors-scrutinise-myanmar-sale-2022-02-15>

¹⁵ <https://www.oecdwatch.org/complaint/committee-seeking-justice-for-alethankyaw-vs-telenor/>

¹⁶ <https://www.telenor.com/media/announcement/update-on-the-ongoing-oecd-complaint-against-telenor-on-the-sale-of-telenor-myanmar-27-september-2021>

on behalf of 474 civil society organizations from Myanmar¹⁷. The Financial Times reported¹⁸.

In addition, a petition campaign has been launched calling on Telenor to re-evaluate the alternatives to a sale, such as re-licensing, the irretrievable deletion of all user data and the shutdown of the telecommunications infrastructure^{19 20}.

Both a continued Telenor presence in Myanmar and the sale carry risks. We share Mr Brikke's concern that foreign employees of Telenor Myanmar are discouraged from leaving the country^{21 22}.

However, we also share the concerns of local Telenor employees who have asked Telenor's management to stop the sale.²³ These local employees know the situation on the ground firsthand.

It can be assumed that they are very aware of the dangers for themselves and their families. Nevertheless, they argue for a stop to the sale in order to protect the users. Telenor has a duty not only to all its employees, but also to its customers, who have to bear the negative consequences of a sale, including the violation of their rights, without having a real alternative.

The dangers of not protecting user data are not unique to Telenor. Similar dangers exist for the users of all internet service providers in Myanmar, such as MPT, co-operated by the Japanese company KDDI, Qatar's Ooredoo and MyTel, supported by Viettel.

While they have been boycotted by many users since the coup, Telenor enjoys special trust, which is at stake here.

The legal situation in Myanmar exacerbates the situation.

Since the coup, two junta drafts for a so-called cybersecurity law have caused a stir. Neither draft has emerged through legitimate legislative processes, nor are they yet legally enforceable even by the junta's standards.

Nevertheless, there are many reports that, for example, the use of VPN services, which would be banned by the new draft, is already being controlled and punished by the police and military. Fundamental threats to users' data are already inherent in the Telecommunications Act of 2013.

¹⁷ (<https://www.oecdwatch.org/complaint/somo-representing-474-myanmar-csos-vs-telenor-asa/>)

¹⁸ <https://www.ft.com/content/f7631bf8-25b5-48d8-9c15-39650c6b7f85>

¹⁹ <https://actionnetwork.org/petitions/telenormyanmar>

²⁰ <https://www.irrawaddy.com/news/burma/petition-calls-on-norway-to-block-telenor-myanmar-sale-to-junta-linked-firm.html>

²¹ <https://scandasia.com/norwegian-telenor-leader-is-denied-departure-from-myanmar-it-is-very-demanding>

²² <https://www.myanmar-now.org/en/news/norwegian-govt-called-on-to-intervene-as-junta-stops-telenor-execs-from-leaving-myanmar>

²³ <https://myanmar-now.org/en/news/telenor-sale-gets-green-light-from-myanmar-juntas-telecoms-regulator>

Article 40 of the Telecommunications Act, for example, allows authorities to interrogate license holders and gives authorities access to companies' offices and equipment to obtain unspecified information. This problematic legal situation would be significantly aggravated by the new drafts.

For example, the obligation to give authorities access to users' data would be extended to all vaguely defined providers of online services. These drafts make it clear how the junta wants to deal with users and their data.

Given the commitment to users and their rights, it is equally impossible to comply with the junta and put monitoring mechanisms in place. It is equally impossible to leave the country and put users in danger.

We therefore urge you, as an investor in Telenor, to use your existing influence to prevent the transfer of user data to the military in Myanmar. By doing so, you will prevent dangerous situations, cruel torture, and the death of thousands of people.

If you have any questions, please feel free to contact us at any time!

With kind regards

*German Solidarity with Myanmar Democracy e.V.
www.solidarity-myanmar.de*