



JOINT MEDIA RELEASE: ACIJ, JFM and Stop Adani urge Adani Group to responsibly divest from their military-linked businesses in Myanmar

May 4, 2023:

The Australian Centre for International Justice (ACIJ), Justice For Myanmar and Stop Adani condemn Adani Ports & Special Economic Zone Limited (Adani Ports) for its continued development of the Ahlone International Port Terminal 2, which provides a revenue stream and a lucrative future asset for the Australian, Canadian, EU, UK and US sanctioned military conglomerate, Myanmar Economic Corporation (MEC).

After announcing in October 2021 an intention to withdraw from the project, Adani Ports has pumped millions of dollars into developing the port and procuring valuable cranes that will ultimately benefit MEC.

Details of Adani Ports' development of the Yangon port after the company announced its intention to withdraw has been revealed in a Justice For Myanmar investigation.

In addition, new evidence from leaked documents shows that following the Myanmar military's illegal coup attempt, Adani Power Limited submitted an expression of interest to a US-sanctioned junta minister for the import of coal into India from the Sagaing Region of Myanmar and to seek cooperation in the development of the coal mining industry in Myanmar. At the time, the junta was waging a campaign of terror against the people of Myanmar in the very region where Adani was seeking to purchase coal. The junta's attacks on the people of Myanmar continue today in Sagaing and across the country, in what amounts to ongoing war crimes and crimes against humanity.

On April 11, the junta carried out a shocking aerial attack against a gathering of people in Pazigy village, Sagaing, killing at least 168 people, including many children. The youngest was a six-month old child.

Leaked documents published by Justice For Myanmar also raise concerns over the propriety of the US\$22 million "land clearance fee" that Adani Ports paid to MEC in 2019. Details of the payment was first reported by ACIJ and Justice For Myanmar in 2021, and now confirmed in new evidence leaked from the Myanmar Investment Commission. The payment is non-standard, grossly inflated, and may amount to a



kickback. Adani Ports should be independently investigated over its payments to MEC, including for land clearance.

The Ahlone International Port Terminal 2 project is a partnership with MEC under a build-operate-transfer deal, which as the UN warned makes Adani Ports complicit in the Myanmar military's ongoing atrocity crimes. Adani Ports' deal with MEC came after the Myanmar military's 2017 campaign of genocide against the Rohingya and was identified by the UN Fact-Finding Mission in their [report](#) on the Myanmar's military's economic interests, which called for all businesses to cut ties with the Myanmar military and its conglomerates.

- In March 2021, ACIJ and Justice For Myanmar published [Port of Complicity, a report into Adani Ports' business in Myanmar](#) that included new evidence of payments to MEC and the company's direct relationship with the war criminal Min Aung Hlaing, increasing pressure on investors. Adani Ports' initial response was to deny the stark evidence of its business relationship with MEC.
- In June 2021, Adani Ports [disclosed](#) that they had paid US\$90 million to MEC.
- In August 2021, ACIJ and JFM wrote to [the US Treasury](#) urging them to reject a request from Adani Ports for a general licence to exempt them from US sanctions on MEC.
- In May 2022, Adani Ports announced that they had signed a [binding share purchase agreement](#) on a "completed project basis", stating that the company would ensure full recovery of its investment. Adani Ports has refused to disclose the identity of its buyer.

Adani Ports' business dealings in Myanmar and Australia have severely damaged the company's reputation. In April 2021, Adani Ports was [removed from the Dow Jones Sustainability Index](#) after human rights and environmental groups submitted a case for review due to Adani Ports' links to the Myanmar port project and the Adani Carmichael coal project in Australia. Adani Ports set up the Bowen Rail Company who will soon begin hauling coal from Adani's mine to Adani's coal port on the Great Barrier Reef, the North Queensland Export Terminal, which is operated by Adani Ports. Investors continue to exclude the company citing environmental and human rights concerns.

In [March 2022](#), Norway's sovereign wealth fund, Norges Bank Investment Management (NBIM) added Adani Ports to its watch list and in February 2023, it dumped it entirely by [divesting](#) from it and other Adani Group companies. Other investors should follow suit.



Justice For Myanmar spokesperson Yadanar Maung said:

“Adani Ports has been duplicitous in its dealings with the Myanmar military from the start, bankrolling a secretive and corrupt military conglomerate that is implicated in international crimes.

“Rather than exiting by the 2021-22 financial year as originally announced, Adani Ports has misled the people of Myanmar and its own shareholders, refusing to disclose the buyer and proceeding to develop a lucrative financial and logistical asset for the Myanmar military as it wages a campaign of terror against the people.

“Adani Power’s attempt to buy coal from the junta would, if successful, amount to misappropriation and help fund the junta’s ongoing war crimes and crimes against humanity.

“Adani’s complicity with the junta’s atrocity crimes and apparent payment of kickbacks has been enabled by the Indian government, which has pursued business and arms sales in a blatant disregard of its international responsibilities. India should change course, stand with the people of Myanmar and impose targeted sanctions and an arms embargo on the junta.”

Rawan Arraf, Executive Director at the Australian Centre for International Justice said:

“Adani Ports has misled the public, investors, creditors, the human rights community, but most importantly the people of Myanmar and their supporters who had welcomed the news of Adani’s announcement to exit Myanmar.

“Adani continued to build the Yangon port to sell an asset which will remain in the hands of the MEC and the criminal junta.

“This dishonest behaviour must be condemned, and we urge investors to take responsible steps and divest from Adani Ports once and for all.

“Governments in Australia have emboldened Adani Group companies through lucrative climate-wrecking licenses, and have failed to take account of Adani’s shady deals with the junta. Sovereign wealth funds like the Future Fund have shown a complete disregard for their human rights responsibilities, and should follow the lead of Norges Bank and dump Adani entirely.

“Those complicit with human rights abuses and international crimes must be held to account.”

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Fahimah Badrulhisham, campaigner with #StopAdani said:

“US short seller Hindenburg recently exposed Adani Group’s accounting fraud, stock manipulation and money laundering.

“Hindenburg has highlighted how Adani Group moves money around its vast corporate empire so that any investment in any Adani company could end up financing Adani’s dirty coal projects and their business with the Myanmar military.

“Adani’s investors like Blackrock and Barclays must do their due diligence on Adani and its immoral business practices that are funding the Myanmar junta’s massacres of peaceful protestors, indiscriminate airstrikes and shelling, torture and the forced displacement of over 1.6 million since February 2021.

“Blackrock and Barclays should stand with the people of Myanmar and for human rights and immediately withdraw their money from Adani Group.”

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