



## MYANMAR ENDS OPAQUE BANKING OF PROCEEDS FROM STATE ENTERPRISES

The Myanmar government's efforts to normalize relations with the international community started in 2012. Reforms of state-owned enterprises (SOEs) were part of this process. But not all reforms were positive—an estimated USD 8.6 billion in taxes and other payments collected by SOEs were placed in an opaque fund known as “Other Accounts” at the Myanmar Economic Bank.

In 2016, NRGi published *Gilded Gatekeepers*, the first-ever report on the “Other Accounts.” The report prompted the government to grant permission to NRGi and its local partner, the Renaissance Institute, to research the problem. The resulting analysis led to another NRGi report, *State-Owned Economic Enterprise Reform in Myanmar*. In January 2018, that report was publicly released. NRGi circulated infographics and speaking points to policymakers and journalists; briefed parliamentarians; testified in parliament; and presented to key civil society groups, international financial institutions and international economic advisors.

In June 2019, Myanmar's cabinet issued a directive to abolish the Other Accounts and required all SOEs to transfer revenues to the treasury or Internal Revenue Department. Billions of dollars in natural resource revenues will now likely be channeled through the normal budget process. NRGi's report recommendations were wholly incorporated into Myanmar's sustainable development plan and are guiding the technical assistance plans of donors and international financial institutions.

Government economic advisors now have a more accurate understanding of how the system functions, civil society actors are beginning to challenge the government on economic issues and the media have begun reporting more accurately on SOE activities.