

Contact: Zo Tum Hmung Mobile: 443-936-8616 zotumhmung@burmari.org

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Analysis of the Fiscal Year 2026 Congressional Appropriations for Burma

Background:

Burma is currently facing compounding crises. Four years of sustained conflict since the 2021 military coup has resulted in 3.5 million IDPs and 15 million people facing acute food insecurity. This has been exacerbated by a once-in-a-century earthquake¹ that killed at least 3,800 people and has left 6.3 million people in urgent need of support².

The military regime's hold on power has weakened, but it has grown increasingly violent. Within six weeks of the earthquake, the State Administrative Council (SAC) had conducted at least 741 airstrikes³, including on schools, killing at least 22 children, and on churches on Palm Sunday⁴. Most recently, the junta bombed a school⁵, killing at least 22 children. The vast majority of the airstrikes came after the military and resistance forces announced a ceasefire in early April. The junta now controls just 21 percent of the territory of Burma⁶ and the resistance movement continues to make steady progress along multiple war fronts despite Chinese and Russian interference on behalf of the junta.

The crisis has led to growing numbers of refugees, including Rohingya, who are fleeing Burma and straining refugee camps in Thailand, Bangladesh, India, and the surrounding region.⁷ Living conditions for these refugees are dire, with scant access to basic needs, education, and medical care, and facing growing security challenges.

American Interests:

¹ US Geological Survey. "2025 M 7.7 Mandalay, Burma (Myanmar)". April 3, 2025

² UN OHCHR. May 2, 2025

³ Su Mon Thazin Aung. *Fulcrum*. May 30, 2025

⁴ Baptist Standard. "Palm Sunday airstrikes hit Ukraine, Myanmar and Gaza". April 14, 2025.

⁵ NHK. "Myanmar military's airstrike on school kills at least 20 students". May 12, 2025.

⁶ BBC Research: Soldier-spies in Myanmar help pro-democracy rebels make gains.

⁷ UNHCR. "Myanmar Situation". 2025.

With increased U.S. support, the resistance movement could oust the Myanmar military and pave the way for a transition to a stable federal democracy. By contrast, if the U.S. withdraws its support, China could dominate Burma, allowing it to extract critical minerals and extend its maritime influence into the Indian Ocean for the first time.

The military coup has also spurred a massive expansion of illicit industries in Burma. Burma has become the global epicenter of cyberscam operations run by Chinese organized criminal organizations, costing Americans \$6 billion in 2024 alone. It has also become the world's leading producer of methamphetamines and opium America's drug crisis.

Important American values are also at stake. Burma, which was the site of the Rohingya genocide and decades of violence against Christians, has been designated a "country of particular concern" for religious freedom violations every year since 1999. According to the NUG's Ministry of Human Rights, SAC has destroyed 435 religious buildings, including Churches and monasteries, since 2023. In conducting these war crimes, "the SAC has relied on assistance from abroad, importing approximately \$1 billion in weapons, the majority from Russia and China". 14

Policy Considerations:

For the reasons outlined above, Burma has received bipartisan support for stabilization efforts for decades. This was manifest by the BURMA Act of 2022 and President Trump's continuation of the national emergency declaration with respect to Burma which began under President Biden.¹⁵

The BURMA Act was historic legislative action that established a clear statement of policy, authorized new sanctions, expanded appropriations for Burma and called for greater policy coherence within the U.S. Government and with U.S. partners.¹⁶ The Act specifically identifies key resistance organizations as U.S. partners in Burma, including the NUG, CRPH, EROs and CDMers, and the Myanmar military as explicitly not eligible for assistance.

Previous Fiscal Year Appropriations for Burma have been:

⁸ USIP. "How China-Backed Scam Groups Threaten U.S. Interests". March 2025.

⁹ Grant Peck. "Southeast Asia's illicit methamphetamine trade is at a record high, the UN says". May 28, 2025.

¹⁰ UN Office of Drugs and Crime. "<u>Myanmar remains the world's leading source of opium and heroin</u>". December 12, 2024

¹¹ US Department of State. "International Religious Freedom Report". 2023

¹² Since passing the <u>International Religious Freedom Act of 1998</u>, religious freedom has been consistently identified as an core American value.

¹³ NUG MOHR Data Dashboard

¹⁴ US Commission on International Religious Freedom. 2024

¹⁵ Federal Register. "Continuation of the National Emergency with Respect to the Situation in and in Relation to Burma". February 4, 2025.

¹⁶ H.R. 7776 – James M. Inhofe National Defense Authorization Act for Fiscal Year 2023

- FY 2022 and 2023: \$136,000,000¹⁷ ¹⁸ (FY22 and FY23 didn't include clear budget allocations, but identified support categories)
- FY 2024: \$121,000,000¹⁹ (FY24 included clear budget allocations)
- FY 2025: about \$121,000,000 (Continuing Resolution)

Recommendations for FY2026:

Burma is not mentioned in the FY 2026 budget text, nor did it come up in Secretary Rubio's testimony before the Appropriations Committees in the Senate²⁰ or House²¹. Nonetheless, the White House's FY26 budget proposal²² outlined severe cuts to the State Department and USAID – a decrease of \$2.46 billion from FY25 enacted levels. Nearly all traditional foreign assistance accounts for Burma are either eliminated, consolidated, or redirected through broader vehicles aligned with the Administration's "America First" priorities. This includes the elimination of the Economic Support Fund (ESF), Democracy Fund (DF), and Development Assistance (DA), with activities formerly funded under these accounts now falling under the new America First Opportunity Fund (A10F).

Based on the ongoing crisis and U.S. interests, we urge the U.S. government to appropriate not less than \$121 million for assistance for Burma in Fiscal Year 2026, consistent with the BURMA Act and prior appropriations legislation. These funds should be strategically allocated to address the urgent humanitarian needs caused by conflict and the earthquake, support the democratic movement with nonlethal assistance, and counter the negative influence of the junta, China and associated criminal elements.

Non-lethal assistance for the resistance movement paired with sustained pressure on the SAC in collaboration with India and other regional partners will weaken the junta to the point where it will come to the negotiation table from a position of weakness. This is one of the viable pathways to long-term stability and self-reliance for Burma.

Specific recommendations for the allocation of these funds include:

Issue	Amount
Humanitarian assistance, earthquake recovery and cross-border programs in Thailand and India	\$75,000,000
Technical support and non-lethal assistance, including communications equipment (radios, satellite phones, non-military drones, etc.), medical supplies, and technical support	\$25,000,000

¹⁷ Congressional Research Service. "Burma: Background and Issues for Congress". March 22, 2024

¹⁸ SFOPS FY2023 —https://www.congress.gov/117/plaws/publ103/PLAW-117publ103.pdf#page=596

¹⁹ Chin Association of Maryland. "<u>Analysis of the U.S> Appropriations Bills for Fiscal Year 2024</u>". August 21, 2023.

²⁰ https://www.appropriations.senate.gov/imo/media/doc/secretary_rubio_testimony_52025.pdf

²¹ https://www.appropriations.senate.gov/imo/media/doc/secretary_rubio_testimony_52025.pdf

²² Fiscal-Year-2026-Discretionary-Budget-Request.pdf

Support for Deserters (relocation assistance, food, shelter, education for children, social integration support) and communities affected by their presence	\$1,500,000
Accountability and justice for Rohingya and other minority groups	\$1,000,000
Atrocity prevention and accountability, including the documentation and preservation of evidence, and transitional justice programs	\$7,000,000
Local governance/federalism programs, including at the state and local levels	\$10,000,000
Support for current and former political prisoners	\$1,500,000