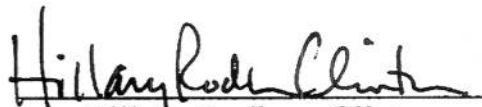


**Determination with Respect to Foreign Governments' Efforts  
Regarding Trafficking in Persons – Burma**

Pursuant to section 110 of the Trafficking Victims Protection Act of 2000 (Division A, Public Law 106-386), as amended (the "Act"), and the Presidential memorandum of delegation signed on February 3, 2012, I hereby determine, consistent with sections 110(d)(4) and 110(f) of the Act, that provision to the Government of Burma of all programs, projects, or activities of assistance described in sections 110(d)(1)(B) of the Act would promote the purposes of the Act or is otherwise in the national interest of the United States.

This determination shall be published in the *Federal Register*, and copies shall be transmitted to the appropriate committees in Congress.

02 | 06 | 12  
Date

  
Hillary Rodham Clinton  
Secretary of State

MEMORANDUM OF JUSTIFICATION  
CONSISTENT WITH THE TRAFFICKING VICTIMS  
PROTECTION ACT OF 2000, REGARDING DETERMINATIONS  
WITH RESPECT TO BURMA

Pursuant to sections 110(d) and (f) of the Trafficking Victims Protection Act of 2000 (Div. A, P.L. 106-386), as amended (the "Act"), and the Presidential memorandum of delegation signed on February 3, 2012, the Secretary has made an additional determination regarding Burma, one of the 23 countries placed in Tier 3 in the Department of State's 2011 Trafficking in Persons Report. The Secretary has determined, consistent with the Act's waiver authority, that the ability to provide the multilateral assistance referred to in section 110(d)(1)(B) to Burma would promote the purposes of the Act or is otherwise in the national interest of the United States.

**Explanation of the Secretary's Determination**

As assessed in 2011, the Government of Burma does not fully comply with the Act's minimum standards for the elimination of trafficking and is not making significant efforts to do so. Trafficking within Burma continues to be a significant problem, as elements of the armed forces engage in the unlawful conscription of child soldiers and continue to be the main perpetrators of forced labor inside the country. Burmese military authorities' use of forced or compulsory labor remains a widespread and serious problem, particularly targeting members of ethnic minority groups.

The Secretary has determined, consistent with the provisions of the Act, that provision of all programs, projects and activities described in section 110(d)(1)(B) would promote the purposes of the Act or is otherwise in the national interest of the United States. This amends the President's determination, with respect to Burma, of September 22, 2011.

Justification: The Secretary's determination with respect to Burma, consistent with the Act's waiver authority, is in the national interest because it will allow U.S. support for certain assistance by international financial institutions (IFIs) to support Burma's reform efforts.

Since formation of the new Burmese government in April 2011 under President Thein Sein, there has been a nascent political and economic opening in the country. Authorities have taken a series of steps to address longstanding concerns of the

United States and the international community, including, but not limited to, releasing more than 500 political prisoners, relaxing media controls, approving new laws to protect workers' rights, allowing for broader political participation, legalizing the freedom of assembly, facilitating humanitarian access to several conflict zones, and engaging in substantive dialogue with pro-democracy icon Aung San Suu Kyi.

Impact of Restrictions: The U.S. executive directors of IFIs currently are required to oppose and make best efforts to deny any loan or other utilization of funds to Burma, with certain limited exceptions and consistent with the Act's restrictions. In accordance with U.S. law, the U.S. executive directors have sought to prevent the IMF and multilateral development banks from undertaking any type of discretionary engagement with Burma, including technical assistance or assessment missions. This waiver enables the United States to support international financial institution (IFI) assessment missions and appropriate technical assistance that do not require a vote from an IFI board.

It is in the national interest of the U.S. government to support such technical assistance and assessments of Burma in order to promote reform, to respond to Aung San Suu Kyi's appeal for such assessments, and to pursue a more comprehensive poverty alleviation effort in Burma – the poorest country in Southeast Asia, with a GDP half that of Laos and Bangladesh. With a determination that the ability to provide the multilateral assistance to Burma is in the U.S. national interest, the United States will not actively oppose IFI assessments and appropriate technical assistance by IFIs such as the World Bank, the IMF, and the Asian Development Bank. Such needs assessments are critical to Burma's economic and political reform efforts, as the country has been isolated for over two decades and its capacity has significantly eroded. Such assessments will identify pressing needs and key impediments to poverty alleviation and democratic transition, and could provide a framework for future IFI technical assistance. The assessments and technical assistance will help support the effort to reduce poverty in Burma and promote reconciliation by enabling authorities and Burma's civil society groups to prioritize and properly sequence programs. The Burmese government and Burmese civil society leaders believe IFI assessments are crucial to provide independent and credible information and analysis, and requested the United States to support IFI needs assessments as soon as possible.

A number of legislative mandates remain in place that direct the U.S. executive directors in the IFIs to vote against any IFI loans or financial assistance before their respective boards for approval. There are a number of separate restrictions as

well, including bans on new investment, imports and exports of financial services, and restrictions on bilateral assistance and arms sales. Additionally, travel restrictions and financial sanctions have been imposed against senior Burmese government and military officials and their immediate relatives, a number of state-owned enterprises, and other individuals and entities affiliated with the regime.