

MONTHLY ARAKAN REVIEW

Monitoring of a brief situation of political tension, economic issues, social issues, and humanitarian issues in Arakan in March 2026.

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Oil Crisis Adds Another Layer To Civilian Hardship in Arakan



Photo Credit to Western News (Civilians Displaced by Armed Clashes in Kyaukphyu)

Executive Summary

- The Arakan Army launched major offensives on strategic junta bases (No. 16 weapons factory, Nat Yay Kan, Dhanyawaddy naval base), inflicted heavy casualties, and seized territory. The junta responded with airstrikes, naval reinforcements, and artillery, but faced troop retreats, defections (35 troops in Kyaukphyu), and low morale. Post-election events saw Min Aung Hlaing elected vice president and the military reaffirm its political role, though the process lacks international legitimacy.
- A severe fuel crisis caused prices to triple in junta-held Sittwe (40,000 kyats/liter) while AA areas remained relatively stable (8,000 kyats/liter). AA expanded economic regulation, taxing cargo routes, restricting medicine imports, and rescuing a sinking cargo boat. Cross-border trade faced seizures by Bangladesh Navy, armed robberies, and new Indian fuel restrictions, though Mizoram signaled willingness to cooperate with AA on the Kaladan Project.
- ULA conducted child vaccination campaigns and launched the Arakan National University, while junta airstrikes disrupted education in regime-held townships (only more than 1,600 students sat for matriculation exams). A severe blood donor shortage emerged in AA areas. AA demonstrated religious tolerance by attending Muslim ceremonies and Eid celebrations. Public safety incidents included petrol pump fires, drownings (at least four deaths), and a house fire.
- Junta airstrikes caused mass civilian casualties, including a horrific POW camp massacre in Ann (more than 116 killed, including two physicians). Landmines and ERW killed or injured civilians across multiple townships, with rising temperatures increasing explosion risks. Over 50 civilians were arrested in Sittwe, and IDPs faced acute shortages of water, food, and shelter in Kyaukphyu, Ponnagyun, and Rathedaung. Local diaspora and monastic networks provided critical relief, but international aid remains urgently needed.

March

A. Politics: Three Key Highlights

Intensified Clashes in Sittwe, Kyaukphyu, and AA Advances on Strategic Junta Bases

Heavy fighting erupted across multiple fronts, including Sittwe (15 locations on 7-Mar), Kyaukphyu (ongoing by 23-Mar), and the Rakhine-Magway border (Nat Yay Kan base from 11-Mar). AA [inflicted](#) significant casualties (e.g., 20 plus junta troops killed near Sittwe on 2-Mar; a captain and 20 others killed at Dhanyawaddy naval base on 6-Mar; a major and six troops killed on 29-Mar). Junta responded with airstrikes, naval reinforcements, and artillery but faced retreats (e.g., near DPA-16 on 30-Mar). AA also seized bunkers (18-Mar) and advanced on key positions, demonstrating growing battlefield dominance.

Junta Airstrikes, Civilian Harm, and Crimes Against Humanity Accusations

The State Security and Peace Commission (SSPC) conducted repeated airstrikes using jet fighters and Y-12 aircraft (Pauktaw on 7-Mar), [bombed](#) the Kacchapanadi Bridge in Kyauktaw (12-Mar), and struck a POW camp in Ann (11-Mar), which AA condemned as intentional atrocity. The junta also ordered the demolition of Muslim villages in Sittwe (30-Mar) as fighting escalated. AA responded by issuing curfews, defense strategies (8-point plan on 14-Mar), and warning residents of intensified airstrikes. These actions reinforced accusations of crimes against civilians and the use of terror tactics.

Post-Election Political Maneuvering and the Junta's Legitimacy Push

Junta-controlled parliament convened on 16-Mar, with Khin Yi as Pyithu Hluttaw Speaker and Aung Lin Dway as Amyotha Hluttaw Speaker (18-Mar). Min Aung Hlaing and Nan Ni Ni Aye were [elected](#) vice presidents on 31-Mar. Junta leader reaffirmed the military's continued political role (28-Mar, Armed Forces Day), rejected exclusion of military from politics (16-Mar), and blamed ethnic armed groups for blocking peace. Despite claims of stability, the process faced widespread rejection as illegitimate.

General Overview

In March 2026, the Arakan Army (AA) intensified military operations across Arakan and adjacent borders, making tactical gains, capturing junta positions, and inflicting heavy casualties. AA also expanded governance functions such as taxation, landmine clearance, crime reporting, and issuing strict penalties for rape and drug offenses, while releasing hundreds of POWs to project legitimacy. The junta responded with airstrikes, naval reinforcements, forced conscription, travel blockades, and propaganda, but suffered low morale, troop retreats, and defections (e.g., 35 troops in Kyaukphyu on 5-Mar). Post-election events showcased the junta's attempt to formalize its rule, though without international recognition.

Civilian harm, sexual violence cases, and Rohingya militant activity (ARSA) added to the complex humanitarian landscape. Overall, AA continued consolidating control, while the junta relied on air power and political theater to counter mounting losses.

B. Economic Downfall: Three Key Highlights

Severe Fuel Crisis and Price Volatility Driven by Iran Conflict and NUG Restrictions

The escalating Iran conflict triggered a major fuel supply shock in Arakan. Prices [tripled](#) in Sittwe (reaching 40,000 kyats/liter on 6-Mar), while AA-held areas maintained relatively stable prices (8,000 kyats/liter) due to different supply chains. Panic buying doubled prices in AA areas by 11-Mar. NUG imposed permit requirements for fuel shipments to Arakan/Rakhine, Chin, and Kachin (9-Mar), further straining supplies. India's Lawngtlai district restricted fuel sales (19-Mar), and Mizoram border curbs (28-Mar) deepened concerns.

AA Expands Trade Regulation, Taxation, and Licensing Regime

AA designated medicine as a restricted commodity [requiring](#) licenses for import/sale (16-Mar). Authorities collected 500,000 kyats per cargo boat on the Kyaukphyu-Myebon route, prompting calls for review (16-Mar). AA also rescued a sinking cargo boat in Paletwa (2-Mar), demonstrating maritime oversight. Merchants complained that high taxes were driving up commodity prices (9-Mar), while AA moved to stabilize markets amid shortages (7-Mar).

Cross-Border Trade Disruptions and Seizures

Bangladesh Navy [arrested](#) 10 Muslims transporting cement from Arakan near St. Martin's Island (9-Mar). An armed group robbed a cargo boat in waters near the Bangladesh border (22-Mar). Mizoram government insisted on good ties with AA (12-Mar) and eyed resumption of the Kaladan Project under AA control (14-Mar), while also vowing to crack down on fuel smuggling into Myanmar (23-Mar). Bangladesh seized 3,000 liters of acid bound for Myanmar (29-Mar).

General Overview

In March 2026, Arakan's economy faced intersecting pressures from global geopolitical shocks (Iran conflict), internal regulatory changes (AA licensing, NUG permits), and cross-border dynamics. Fuel prices skyrocketed unevenly—severe in junta-held Sittwe, more stable but rising in AA areas—prompting panic buying and trader appeals for intervention. AA expanded its economic governance, taxing cargo routes, restricting medicine imports, and conducting maritime rescues, while merchants blamed high taxes for inflation. Cross-border trade with India and Bangladesh faced seizures, robberies, and new restrictions, though Mizoram signaled willingness to cooperate with AA on major projects like Kaladan. Agriculture saw struggling onion farmers requesting

technical support (23-Mar), though onion cultivation succeeded in Kyauktaw by month's end (31-Mar). Counterfeit currency (21-Mar) and rising cash withdrawal fees (27-Mar) added to financial instability. Overall, AA continued consolidating economic control amid fuel shortages, while junta-held areas suffered more acute disruptions.

C. Social Crisis: Three Key Highlights

AA Expands Healthcare Delivery and Vaccination Campaigns Amid Shortages

AA [conducted](#) a third round of vaccinations for minors in Maungdaw (4-Mar) and continued child vaccinations across Arakan (25-Mar). AA's health department restricted non-nurses from selling injections (6-Mar), tightening medical oversight. However, a severe blood donor shortage emerged in AA-controlled areas, causing difficulties for patients (13-Mar). Ann residents called for improved healthcare services (28-Mar), highlighting persistent gaps despite AA's efforts.

Education Disrupted by Junta Airstrikes, But AA Launches New University

Junta airstrikes severely [disrupted](#) education in Arakan (11-Mar), with only more than 1,600 students sitting for matriculation exams in the three regime-held townships (Sittwe, Manaung, Kyaukphyu) (12-Mar). In contrast, AA launched the Arakan National University on 20-Mar to expand higher education access in its controlled areas. An education campaign was also launched to support internally displaced children (24-Mar). ICFAI University in India's Mizoram announced it would accept Myanmar students for the 2026 academic year (10-Mar), offering an external option.

Religious Observances and Interfaith Engagement Under AA Administration

AA authorities demonstrated religious tolerance by [attending](#) the Muslim Wa Pheik (Wafaa) ceremony in Mrauk-U (17-Mar) and recognizing Eid celebrations of Muslims in the Arakan region (22-Mar). A Holey festival (Holi) was also held in Mrauk-U District (4-Mar). These events signaled AA's efforts to maintain social harmony and engage with religious minorities amid ongoing conflict.

General Overview

In March 2026, AA continued building civilian administrative capacity in health and education despite resource constraints. Vaccination campaigns progressed, but blood shortages and calls for better services revealed systemic challenges. Education faced a stark divide: junta-held areas suffered severe disruptions and low exam participation due to airstrikes, while AA launched a new university and IDP education programs. Religious events—Holi, Eid, and Muslim ceremonies—were observed with AA participation, reflecting an inclusive governance approach.

Public safety incidents included petrol pump fires in Taungup, injuring two minors (5-Mar), a house fire in Mrauk-U (30-Mar), and multiple drowning deaths (at least four in March, including three schoolgirls and one child), raising concerns about water safety and emergency response. Overall, AA demonstrated governance ambitions in social sectors, but faced humanitarian challenges from conflict, accidents, and medical shortages.

D. Humanitarian Crisis

Mass Civilian Casualties from Junta Airstrikes, Including POW Camp Massacre

Junta airstrikes caused devastating civilian losses throughout March. On 2 March, over 25 Arakanese merchants [were killed](#) in Mindon Township (Magway Region), with the death toll rising to 34 by 5 March. A single-month report on 7 March documented 39 civilians killed and 45 injured across multiple townships. The most horrific incident occurred on 11 March, when junta forces bombed a POW camp in Ann Township, killing 116 prisoners of war, including two physicians (12 March). Advocacy groups reported that 63 women were killed in junta attacks during February alone (10 March). Since the 2021 coup, nearly 1,300 civilians have died and over 1,950 injured in Arakan (16 March).

Landmine and Unexploded Ordnance (ERW) Casualties Surge Amid Rising Temperatures

Landmines and ERW killed and injured civilians across multiple townships. In the two months prior to March, three civilians died and six [were injured](#) (6 March). Children playing with an RPG bullet in Gwa caused one death and two injuries (9 March). Additional incidents included a woman injured in Minbya (20 March), a grandfather killed in Myebon (20 March), a man losing his leg in Taungup (24 March), and two injured along the Bangladesh border (31 March). By 25 March, five casualties were recorded in March alone. Rising temperatures increased the risk of spontaneous explosions (23 March), prompting calls for international aid to address the landmine crisis (23 March).

Severe Humanitarian Needs and Displacement Across Arakan

IDPs faced acute shortages of food, water, shelter, and medical care. Sittwe residents [struggled](#) with funeral costs (160,000 kyats per head) and nutrition-related deaths (2 March). Kyaukphyu IDPs faced drinking water shortages (19 March), while Ponnagyun and Kyaukphyu camps saw water scarcity by 23 March. Zedipyin Camp in Rathedaung faced extreme hardship (16 March). Over 50 civilians were arrested in Sittwe (23 March), while three IDPs sheltering in Ayeyarwady were sentenced to five years in prison over alleged AA links (20 March). AA arrested approximately 600 SSPC staff and civilians in Ann, though 68 were reportedly to be released (30 March). Local and diaspora humanitarian groups stepped in, donating over 6 million kyats for victims of the Ponnagyun bombing (3 March, 10 March), 4 million kyats to Mrauk-U Hospital (26 March), and providing free water distribution in Ponnagyun (30 March).

General Overview

March 2026 witnessed an intensifying humanitarian catastrophe in Arakan, driven overwhelmingly by junta airstrikes that deliberately targeted civilians, POWs, and medical facilities. The Ann POW camp massacre (116+ killed) emerged as the single deadliest atrocity of the month, alongside rising civilian death tolls from Mindon, Kyaukphyu, Paletwa, and other townships. Landmines and ERW added a persistent, hidden threat, killing and maiming farmers, woodcutters, children, and the elderly. Displacement continued, with IDPs facing acute shortages of water, food, and shelter, particularly in Kyaukphyu, Ponnagyun, and Rathedaung. Civilian arrests by both the junta and AA further deepened insecurity. While international aid agencies (UNHCR, WFP) engaged, local monastic networks, diaspora groups, and civil society organizations provided critical emergency relief, donating millions of kyats, distributing water, and supporting reconstruction. Arakan remains one of Myanmar's most severe humanitarian crises, with urgent needs for mine clearance, medical care, and civilian protection.

About the Report

This report is part of the CAS's monthly series, which delves into four key areas of the state of Arakan. The first section addresses political concerns, including the armed revolution, junta activities, and issues of political freedom. The second examines the state's economic climate, focusing on rising prices, declining demand, foreign direct investment, and border trade. The third and fourth sections cover social and humanitarian issues, respectively; these include education, health, migration, and the internally displaced persons (IDP) population.

Key data in the report are sourced from local media outlets, such as DMG, Western News, among others. The aim of this report is to shed new light on the situation for observers endeavoring to comprehend the dynamics at play in the region.

About Center for Arakan Studies (CAS)

The Center is an independent, non-partisan research institution established in December 2021 by a group of young professionals, including journalists, political analysts, researchers, and social workers. The Center aims to promote understanding of human rights, political, economic, and social dynamics in Arakan and related issues within Myanmar and beyond. Through rigorous research and reporting, the Center seeks to address the policy gaps with analysis and recommendations to support democratic change and collective solutions.

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