



Forays Beyond Home Grounds: Challenges Facing Chinese Private Security Companies in Myanmar

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SYNOPSIS

Since early this year, Myanmar's military junta has allowed Chinese private security firms to operate within the country. However, Chinese private security companies are likely to face challenges in protecting China's projects and personnel in Myanmar, including suspicions about their agendas, insufficient local knowledge, and accusations of lack of transparency and of attention to social and environmental concerns.

COMMENTARY

Private security companies (PSCs) serve as a shield for China's overseas interests, including investments and personnel, particularly given the Chinese government's [reluctance](#) to deploy military forces overseas and its commitment to the [principle of non-interference](#). Although the exact number of Chinese PSCs operating abroad is not publicly disclosed, reports estimate that [20 to 40](#) companies are currently active overseas. However, despite the growing roles they have assumed, the overseas expansion of these companies is not without challenges.

The Development of Chinese Private Security Companies

Chinese PSCs began to emerge in the [1990s](#). Initially, only individuals with military or police backgrounds were [eligible](#) to establish and register such firms. In [2009](#), regulatory changes not only allowed PSCs to carry arms while escorting the transportation of cash and valuable goods, but also removed the requirement that only former security officers were eligible to set up PSCs. Yet, to this day, a large number of the PSCs operating in mainland China have been founded and are managed by

former security personnel, with core staff often recruited from the People's Liberation Army (PLA), the People's Armed Police, and the national police force. For example, [Beijing DeWe Security Service](#) is reported to recruit elite personnel with prior experience in the PLA.

The Belt and Road Initiative (BRI) has served as a [catalyst](#) for the internationalisation of Chinese PSCs as many BRI projects are located in regions with volatile environments, such as Myanmar. Chinese companies involved in the BRI tend to hire Chinese PSCs, and this preference has intensified amid rising tensions with the United States, which have made Chinese state-owned enterprises increasingly [reluctant](#) to work with American security contractors such as Blackwater. Similarly, Russian private military companies have gained little traction, particularly after the mutiny by the Wagner Group's [Yevgeny Prigozhin](#), which rendered such forces especially destabilising and unpalatable from Beijing's perspective.

A Shield for Chinese Overseas Interests in Myanmar

The military coup of February 2021, ongoing civil conflict and rising anti-junta sentiment in Myanmar have significantly increased risks to China's interests in the country, including infrastructure projects, energy pipelines, and Chinese personnel deployed to work on such projects. Over the past years, the regime has [lost control](#) of large areas of territory – from regions near the Chinese border in northern and northeastern Myanmar to Rakhine State in the west – where key Chinese BRI projects are located. Specifically, in [2024](#), anti-regime groups seized a Chinese-owned nickel processing plant in the Sagaing Region. Rebel forces also took control of the China-backed Alpha Cement factory in the Mandalay Region. Additionally, in [May 2025](#), the junta abandoned an off-take station for the Chinese oil and gas pipelines in the Mandalay Region amid resistance group attacks.

China was said to have [constantly](#) pressured the Myanmar regime to ensure the protection of Chinese interests and the safety of Chinese nationals, and was even reported to have [proposed the establishment of a joint security company](#) with the Myanmar regime. Subsequently, in [February 2025](#), the military junta enacted the Private Security Services Law. The law now permits Chinese PSCs to provide security services not only for Chinese projects and personnel, but also for public events involving Chinese citizens or equipment.

However, despite the range of services Chinese PSCs can offer – such as [manned guarding, risk assessments, security technology integration and crisis management](#) – their role remains insufficient to fully insulate China's overseas interests in Myanmar. This is primarily due to a lack of expertise and an inability to address public concerns related to social and environmental issues. Additionally, although Chinese PSCs [primarily focus](#) on protecting overseas infrastructure projects, personnel and investments while avoiding direct combat roles, their operations abroad continue to raise concerns.

Concerns and Gaps

First, the growing presence of Chinese PSCs has sparked concerns about potential violations of Myanmar's sovereignty. For example, despite the stated objective of

safeguarding Chinese investments and personnel, China's proposal to cooperate with the Myanmar military junta to form a joint security company has [raised concerns](#) that Beijing could potentially direct the security company to pursue Chinese state-driven foreign policy objectives while maintaining deniability by avoiding direct involvement. Additionally, the involvement of Chinese PSCs is politically sensitive at the interstate level. It might be interpreted by Myanmar's regime as an [embarrassing admission](#) of its inability to provide even the most basic protection for the strategic and economic interests of its primary ally. Such concerns may complicate the routine deployment of PSCs in Myanmar and potentially lead to misperceptions about China's intentions.

Second, concerns have emerged that Chinese PSCs may adopt increasingly militarised roles when operating abroad. For instance, PSCs remain an [attractive](#) employment option for retirees from the PLA and the PLA Navy. Reports have also suggested that some Chinese PSCs could be involved in [facilitating](#) arms shipments to Myanmar's junta. Critics [argue](#) that these companies are "junta-aligned" and may operate with fewer restrictions or potentially deploy heavily armed personnel. Such views have led to broader concerns that China could eventually [revise](#) its policy of forbidding the use of force by PSCs operating abroad.

Third, Chinese PSCs face challenges related to professionalism and experience. Personnel hired by Chinese PSCs – often retired military members – may face [language barriers](#). In addition, being latecomers in this field and given that many Chinese PSCs operating abroad mainly provide [consulting](#) services, these companies are [perceived](#) as lacking combat experience. Such weaknesses could reduce their ability to protect Chinese projects and personnel, especially in situations that require rapid adaptation to foreign environments.



Concerns over environmental and social impacts have led to the suspension of Myitsone Dam project, which was planned to be built at the confluence of the Mali and N'mai rivers in northern Myanmar.

Image source: [Thawng](#), [CC BY-SA 4.0](#), via Wikimedia Commons.

Finally, while Chinese PSCs are primarily designed to address security-related risks, they are not adequate to the challenge of addressing the [social and environmental opposition](#) that could significantly hinder Chinese projects in Myanmar. For instance, local backlash stemming from environmental harm, community displacement and lack of transparency has led to the suspension of large-scale projects, such as the [Myitsone Dam](#), which remains suspended to this day. Protection of such projects calls

for stronger community engagement and social risk management rather than relying solely on security provisions.

Conclusion

More and more Chinese PSCs are likely to expand overseas in the future, driven by the fact that they are the preferred security providers for Chinese state-owned enterprises, particularly those along the BRI. However, their effective deployment in host countries such as Myanmar still depends on their ability to adapt to the local environment and foster trust with local communities. In this regard, Chinese PSCs could engage more actively in local capacity building, such as implementing joint training programmes with Myanmar's police and security personnel. Instead of relying solely on Chinese personnel, recruiting and training local staff for non-sensitive roles could help ease concerns, improve adaptation in Myanmar and ultimately facilitate their operations.

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