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Local Governance Dynamics in South East Myanmar: An assessment for Swiss Agency for Development and Cooperation (SDC)

5 August 2014

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About the authors

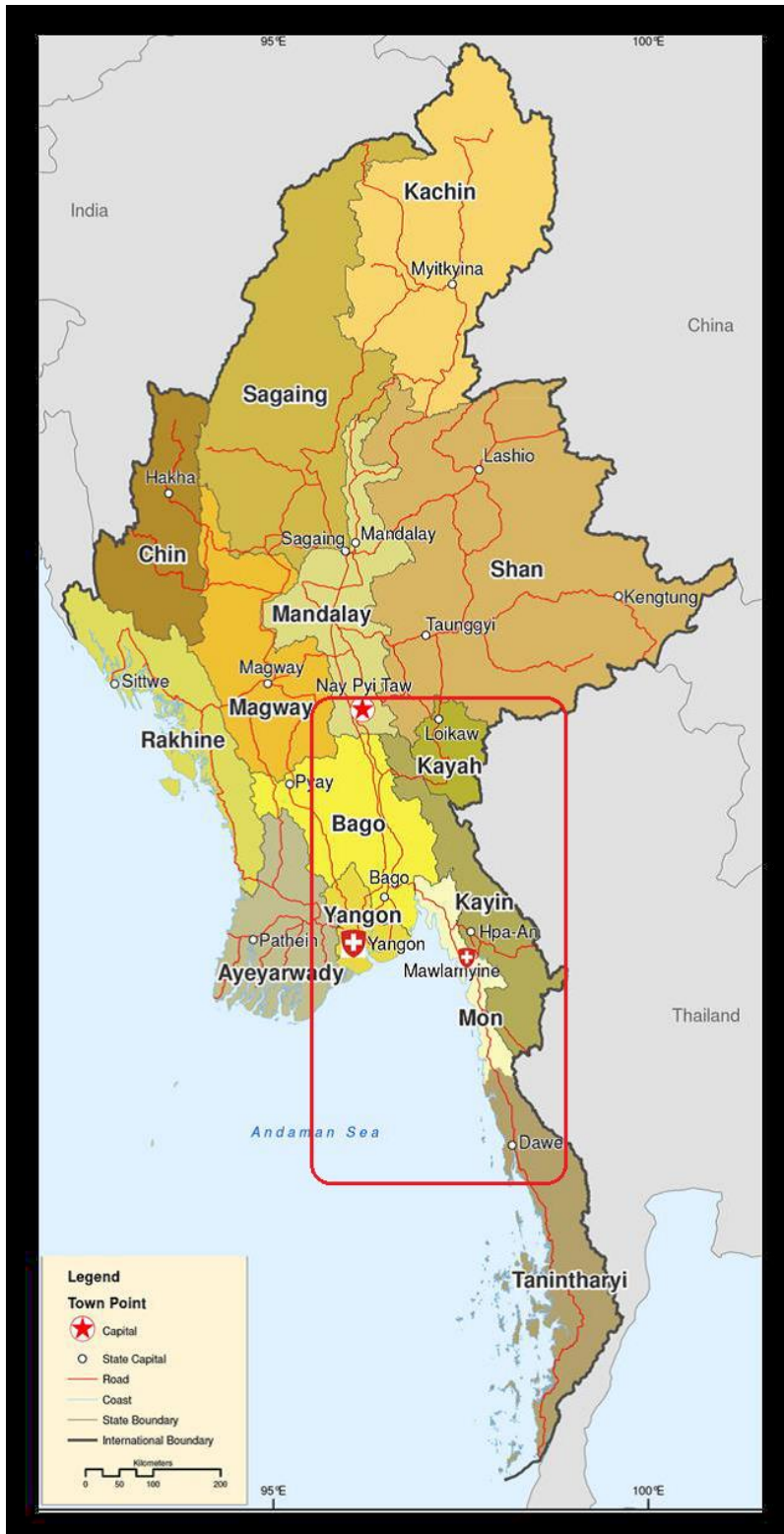
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¹ Both authors undertook this assignment in their capacity as independent consultant and not in their function as affiliated with MDRI-CESD (in the case of Aung Thu Nyien) or other agencies such as VNG International and Action Aid Myanmar (in the case of Susanne Kempel).

Map of South East Myanmar with the geographical focus area of Swiss Development Cooperation (Kayah State, East Bago, Kayin State, Mon State and Tanintharyi Region)

Note: EAGs and many local communities in conflict-affected areas use different territorial designations than those officially recognized by the government, which are used in the map below and throughout the report.



Abbreviations

| | |
|-------------------|---|
| BGF | Border Guard Force |
| CBO | Community Based Organization |
| CLD | Centre for Local Development |
| CSO | Civil Society Organization |
| DDA | Dawei Development Association |
| DRD | Department of Rural Development |
| DKBA | Democratic (Karen) Kayin Buddhist Army (Recently changed as Democratic Kayin Benevolent Army) |
| EAG | Ethnic Armed Group |
| FGD | Focus Group Discussion |
| GAD | General Administration Department |
| GoUM | Government of the Union of Myanmar |
| IHLCA | Integrated Household Living Conditions Assessment |
| IDA | Institute of Development Administration |
| IDP | Internally Displaced Person |
| INGO | International Non-Governmental Organization |
| JICA | Japan International Cooperation Agency |
| KIO | Kachin Independence Organization |
| KDHW | Karen (Kayin) Department of Health and Welfare |
| KDN | Karen (Kayin) Development Network |
| KESAN | Karen Environment and Social Action Network |
| KNU | Karen National Union |
| KPC | Kayin Peace Council |
| KWEG | Karen Women Empowerment Group |
| LA | Local authority |
| PLE | Project for Local Empowerment |
| MDRI-CESD | Myanmar Development Resource Institute- Centre for Economic and Social Development |
| MIMU | Myanmar Information Management Unit |
| MNEC | Mon National Education Committee |
| MNHC | Mon National Health Committee |
| MNRC | Mon National Refugee Committee |
| MPC | Myanmar Peace Centre |
| MPSI | Myanmar Peace Support Initiative |
| MWO | Mon Women Organization |
| NBF | National Brotherhood Federation |
| NCA | Nationwide Ceasefire Agreement |
| NCCT | Nationwide Ceasefire Coordination Team |
| NGO | Non-Governmental Organization |
| NMSP | New Mon State Party |
| NPA | Norwegian People Aid |
| NRC | Norwegian Refugee Committee |
| NSA | Non-State Actor |
| NSAG | Non-State Armed Group |
| PRA | Participatory Rapid Appraisal |
| SDC | The Swiss Agency for Cooperation and Development |
| TBC | The Burma Border Consortium |
| ToT | Training of Trainers |
| UMFCCI | Union of Myanmar Federation of Chamber of Commerce and Industrialists |
| UNDP | United Nations Development Programme |
| UPCC | Union Peace Making Central Committee |
| UPWC | Union Peace Working Committee |
| USAID | United State Agency for International Development |
| VTA | Village-Tract Administrator |
| VNG International | International Cooperation Agency of the Association of Netherlands Municipalities |

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Executive summary

This assessment maps governance dynamics in South East Myanmar and explores ways for the Swiss Agency for Development and Cooperation (SDC) to promote good local governance as part of its pre-programming phase for its local governance domain in Myanmar. It provides an analysis of the current situation in the South East with a particular focus on local governance and as such sets the scene for the programme design phase to follow. The assessment was carried out during March till May 2014 and involved a wide range of stakeholders such as development agencies, civil society, external experts, government departments, local authorities, representatives from ethnic armed groups (EAGs) and local community representatives in Yangon, Nay Pyi Taw, Mon State, Kayin State and Tanintharyi Region.

The South East region of Myanmar has been a zone of low-intensity civil conflict until recently, as ethnic armed groups (EAGs) have for more than half a century fought against the central government for greater autonomy. In conflict affected areas different patterns of relationships exist between the government and EAGs, which can be characterized as 'near devolution', 'military occupation' and 'co-existence'. Local communities have suffered from violence, abuse, displacement and a general lack of livelihood opportunities and basic services. They have developed strong community resilience in the absence of the state and in response to exploitation by armed actors.

Governance structures vary between areas under government control, mixed control and EAG control but tend to be hierarchical, unresponsive to local communities and contested. In government-controlled areas the General Administration Department (GAD) forms the backbone of the administration along with sectorial departments at the township level, which are responsible for delivery of services. EAGs have state-like administration structures and affiliated providers of basic services. However, overall poverty levels are high and local authorities are often perceived as extractive (demanding taxes, support, information etc.) by local communities rather than supportive. The level of social cohesion and social capital is often high within communities despite the instability of armed conflict.

The changing political landscape in Myanmar with new reforms impacts directly on governance aspects, the peace process and associated transitional and convergence issues as well as access to aid and development. A number of decentralization initiatives have been initiated which overall allows for increased funding allocated to the state/region and township level albeit still very limited. It also promotes the establishment of new local development-oriented committees with some public representation, for elections of local leaders in the form of village tract administrators and elections to state/region parliaments – but not to the township level. While important, these initiatives have to some extent a less direct impact on conflict-affected areas (which are not under full government control) where the ceasefires are of more direct significance. The peace process is intertwined with local governance dynamics in the South East insofar as armed ethnic conflict has mainly been fought over claims to governance – and because the peace process sets the parameters for changes to local governance structures and processes at the local level. Of particular importance are the 'interim arrangements' still under discussion between the EAGs and the government, which will guide the administrative control of EAG areas in the long transition process between the signing of a nation-wide ceasefire agreement (NCA) and a future peace settlement – the latter to include an accommodation between ethnic claims for self-determination and the government's emphasis on central control and non-disintegration of the Union of Myanmar.

A process of convergence has begun to take place between service providers in the South East who were previously separated between the government and EAG-affiliated organisations and between those providing support from inside the country and those operating from across the

border in Thailand accessing remote communities in the borderlands. A series of meetings have taken place between actors to discuss how services can be delivered in a more complimentary manner. While the priorities of international development actors are changing to align more closely with the government than in the past, funding for border-based groups have declined. Overall funding flows for humanitarian and increasingly development assistance to the South East have increased in recent years but local actors complain of transparency and tangible impact on the ground. In relation to local governance, very few agencies are engaged specifically in this field despite the opening up of space for such activities.

As for the situation on the ground, a profound lack of trust between communities and local authorities (LAs) and between LAs from different sides is very apparent. This must be addressed for any local governance initiative to take root. Local authorities from both sides suffer from a lack of legitimacy and tend to operate according to top down instructions rather than in response to citizens. Public consultation with communities is very limited, feedback channels are missing and access to information is a new concept to local administrations that are used to a military command structure and a culture of secrecy. This is slowly changing in response to calls from the central government for people-centred development and bottom up planning. In the context of reforms and ceasefires local authorities also tend to make use of less coercive power than in the past. Women remain vastly underrepresented in local decision making bodies. Communities in the South East have very low expectations that local authorities will deliver actual basic services and have few means of engaging directly or indirectly with township authorities. While the village tract administrator and village leaders potentially play a role in facilitating better community access to services, rights and entitlements, they often act as gatekeepers of information. Communities express that the increased stability and absence of armed conflict following the bilateral ceasefires has improved their sense of security, resulted in a decrease in forced taxation, allowed for better ability to travel and access to some government services such as identity cards, land registration certificates and some infrastructure development (schools, health clinics and roads) - although suspicion remains high particular among EAGs that the government is simply trying to expand control by other means i.e. development. At the same time communities face threats related to 'ceasefire capitalism' i.e. a surge of business interests exploiting local land and natural resources with few safeguards for local communities to protect their local livelihoods.

Relations between different government local authorities are plagued by lack of coordination and underlying tensions as to who is (most) in control. This is a reflection of the overall institutional administration system, hierarchical structures, inter-ministerial rivalry and the blurred and often contradictory decentralization processes where local departments refer both to union level and to state/region governments. Relations between local authorities belonging to different EAGs and the government can be described as one of co-existence as well as contestation. The field mission found gradual increasing cooperation (following ceasefires) between the government and EAGs in areas of mixed control or under EAG control, on issues such as land registration, issuing of identity cards, infrastructure development projects (roads, schools, health clinics), combatting crime and narcotics use. Engagement on such issues often takes place between EAG liaison offices and government township departments. Several EAGs have also established more direct and regular contact with the Myanmar Army in local areas to diffuse tensions. It is noticeable that local respondents very rarely mentioned the Myanmar Army as involved in local administrative affairs, which is a huge difference with the recent past (pre-2011). The relations and roles of local civil society and the media at the local level in the South East has also changed given the increase in freedom of expression and association. Horizontal networks are expanding and more groups are working on previously contentious issues such as human rights and political issues. Local media and civil society bring issues to attention of policy makers and the public that would otherwise remain hidden – land grabbing and the negative impact of natural resource exploitation – but some self censorship still takes place. While only a few local groups work specifically on local governance, an increasing number of local groups in the South East engage with local authorities on single-issues and some have established new channels of communication through state/region parliaments/MPs and the local administration.

Local communities' priorities in relation to local governance are vague due to a low expectation that the engagement with local authorities will bring about positive results and a lack of familiarity with rights-based approaches. In general, communities first and foremost stressed a strong need for (continued) security. They also emphasized the importance of improvements in development generally, more specifically local infrastructure. Communities affected by land grabbing emphasized having land title registration and/or more simply access to secure land tenure. Many also stressed the need for improved local employment opportunities (to curb large out migration to nearby countries). Civil society organisations and international agencies stressed the importance of raising awareness of rights, civic education and democratization in general and empowering communities through PRA methods and community mobilization more specifically - and in relation to selected issues (such as land rights in particular – see below). They also emphasized the importance of strengthening the capacity of village leaders and village tract administrators to act as effective and representative leaders in a participatory manner whether for organizing village development initiatives or effectively linking communities and their concerns to LAs at the township level. Government authorities at different levels prioritised training and capacity development in participatory development planning and associated issues at both state/region, township and village tract levels of the administration including the newly established committees aimed at increasing public participation in local development. EAGs stressed that any intervention in this field should take place in both government, mixed and EAG controlled areas – and prioritise cooperation between different stakeholders in order to build trust.

The risk of well-intentioned development and aid projects inadvertently doing harm and fuelling conflict in the South East is real. At a sensitive time of the peace process and in a politicized context, it is crucial that SDC adopts a well-informed and cautious approach sensitive to local conflict dynamics. Standard models for development that prioritize strengthening government structures may not be feasible at this time and risks promoting state expansion by other means which is likely to have a destabilising impact. As such the assessment outlines a number of strategic implications that SDC must take account of when developing the programme for its local governance domain in Myanmar. These include not placing development ahead of the peace process; ensuring that plenty of resources is made available for extensive, genuine and all-inclusive stakeholder consultations; a very transparent approach given the highly political environment; prioritizing building confidence, promoting inclusion and identifying joint priorities; focus on strengthening skills rather than structures; supporting existing and emerging mechanisms, relationships and organisations (rather than introducing a new system); identifying strategic entry points, conducive local environments and potential change makers /change makers; favouring interventions at village, village tract and township levels (which are more generic and less contested); including a focus on advocacy, networking and capacity development at the state/region level; seeking out initiatives that enhance convergence; promoting both general awareness about what constitutes good local good governance as well as a targeted focus on specific entities of local authorities that are key in engagement with the public and have mechanisms open to public participation; placing a strong focus on community empowerment at the core of the programme.

As for modalities, these must be based on a human rights, do-no-harm approach and very conflict sensitive approach guided by a list of key questions to ensure that the programme has agreement with all key stakeholders, meet the priority needs of conflict-affected populations, help build capacity of local actors, provide specific support in line with ceasefires, protect and strengthen the social fabric of communities and be implemented through locally owned local consortia if appropriate. In terms of potential implementing partners, few local organisations work on capacity building specifically for local governance but more are engaged in issues related to local governance and community empowerment such as land issues, community empowerment and natural resource transparency. Less than a handful of international organisations are engaged in local governance in the South East. If international implementing partners are chosen by SDC it is paramount that they work in close partnership with a network of local organisations. In terms of

geographic selection, the mission team suggests prioritising areas in the South East that already have a relative conducive environment for enhancing local governance and where the implementing partners have good relations with key local stakeholders such as or example Mon State and Tanintharyi Region (but not limited to these).

Overall, the types of interventions supported by the SDC local governance domain should focus on developing capacity and promoting linkages and networking. Crosscutting issues must include improving access to information for citizens and promoting inclusion, particularly the role of women in public decision-making. The mission team suggests that SDC considers a phased model that first prioritises enhancing local community capacities, improving local leadership and spaces for engagement between communities, CSOs and local authorities from both sides. Overall, suggested interventions as part of the SDC local governance domain include:

1. Strengthening capacities at the state/region level for policy making and improving resources for good local governance.
2. Strengthening capacities of (selected) township departments and committees for participatory planning, budgeting and engagement with citizens.
3. Strengthening capacities of CSOs/ CBOs to engage effectively on local governance issues.
4. Enhancing community capacities for empowerment, village development and engagement with LAs.
5. Enhancing capacities for representative, inclusive and responsive leadership
6. Supporting spaces for dialogue and engagement between EAG LAs, government LAs, communities and civil society

Synergies exist with other SDC domains in relation to the crosscutting priorities of improved access to information and empowerment of women in public decision-making processes. Potential synergies also exist with the specific domain of Agriculture and Food Security in relation to land tenure rights and with the domain for Promotion of Peace, Democratization and Protection where possible support for improving election processes at the local level could be further considered.

Section 1: Introduction

1.1. Rationale of study

Overall, the purpose of the assessment is to explore ways for the Swiss Agency for Development and Cooperation (SDC) to promote local governance in South East Myanmar, by providing information and analysis of the local governance dynamics in the area informed by the peace and decentralization reforms and the situation on the ground. It also outlines strategic implications and entry points for possible interventions.

The assessment forms a key part of SDC's pre-programming for its local governance domain in Myanmar, which will be followed by a separate programming phase. As such this assessment does not constitute a comprehensive local governance assessment (which would be much larger in scope and methodology) but provides the foundation for SDC's local governance programming in the form of an in-depth context analysis, associated strategic implications and key intervention areas in local governance of the South East Myanmar.

The SDC has set out five key principles for its work on good governance: Accountability, transparency, non-discrimination, participation and efficiency. In terms of a local governance definition, SDC refers to the UNDP's definition stating that local governance comprises *"a set of institutions, mechanisms, processes through which citizens and their groups can articulate their interests and needs, mediate their differences, and exercise their rights and obligations at the local level."*² In addition, the consultants also draw on the definition put forward by Anwar Shah et. al. suggesting that *"good local governance is not just about providing a range of local services but also about preserving the life and liberty of residents, creating space for democratic participation and civic dialogue, supporting market-led and environmentally sustainable local development, and facilitating outcomes that enrich the quality of life of residents."*³

The objective of the SDC Local Governance Domain in Myanmar is: *"Disadvantaged people in rural communities, including conflict-affected and vulnerable populations, have access to better social infrastructures and services and are enabled to hold local governments accountable for these services."* This objective is associated with the following outcome: *"Citizens, in particular women and vulnerable groups, can voice and address their needs, exercise their rights and participate in local decision making."* For this purpose SDC will make available from CHF (Swiss Franc) 1 million in 2014 to CHF 3.5 million in 2017⁴.

Overall, the mission team focused both on the supply (the state and non-state ethnic armed groups) and demand side of local governance (communities, civil society etc.). This includes structures, engagement and mechanisms between the sub-national government (i.e. state/ region government, township administration, township committees, village-tract administrators, village leaders), the Ethnic Armed Groups' (EAGs) administrations, local leaders, civil society, local media, local MPs/political parties, international agencies and very importantly the local communities.

As a point of departure, the mission team would like to stress that in its view the local governance situation in South East Myanmar is dynamic, transitory and uncertain and that *'Everything is political, particularly local governance'* as emphasized by several key respondents. An undertaking such as this one requires studying the fluid situation on the ground as well as the overall systems, at a time where Myanmar is in the midst of a possibly fundamental transformation process in

² Olesen, Hans Bjorn. (2007) "Decentralization and local governance module 1: Definitions and concepts". SDC Resource. www.deza.admin.ch/ressources/resource_en_167288.pdf

³ Shah, Anwar and Anna Shah. (2006) "The new vision of local governance and the emerging roles of local governments", Local Governance in Developing Countries. Washington D.C.: The World Bank.

⁴ USD 1.1 million to USD 3.9 million; www.oanda.com; 30 May 2014

political, economic, and social aspects while underlying conflict and peace dynamics play out - particularly in the South East Myanmar.

1.2. Report outline

The assessment report is presented in five sections:

Section 1 is an introduction of the report, methodology and some definitions on terminologies, such as 'local governance' and 'local authorities'. We prefer to use ethnic armed groups (EAGs), instead of Non-State Actors (NSAs) or Non-State Armed Groups (NSAGs)⁵. The term Local Authorities (LAs) includes both the subnational governance level (state/region, district, township and in some cases village tract/village authorities) of both the Myanmar state and areas under the administration of EAGs.

Section 2 provides a short background of South East Myanmar, government structures and service delivery, and traditional local governance system.

Section 3 examines the changing landscape in Myanmar such as emerging trends in relation to local governance such as decentralization and good governance initiatives by the Myanmar government; a brief history of the ceasefire and peace processes and their relevance to local governance; transitional and convergence issues;

Section 4 explains the situation on the ground as observed during the field visits and reflected by respondents. This section covers the perspectives of local communities, relations between communities and local authorities (both government and EAGs), relations between local authorities (government and EAGs), and roles of civil society and media. This section also discusses priorities and needs of local communities and local authorities in respect to local governance.

Section 5 outlines strategic implications and approaches are including possible modalities and intervention areas.

The final part of the report includes a list of annexes.

1.3. Methodology

This local governance mission was carried out by two consultants Ms Susanne Kempel and Mr Aung Thu Nyein and overseen by Ms Liliane Tarnutzer and Mr Thet Win Aung of the SDC Health and Local Governance Domain (who also accompanied the consultants for most of the consultation meetings and the field mission).

7 days were set aside for desk review and consultations in Yangon/Nay Pyi Taw, 10 days for the field mission and 6 days for report writing and debriefing.

Consultations in Yangon and Nay Pyi Taw took place during 3 to 15 March 2014. An inception report was submitted to SDC on 20 March 2014. A field visit to Kayin State (Hpaan and Kawkareik Townships), Mon State (Mawlamyeine and Ye Townships) and Tanintharyi Region (Dawei Township) took place during 5-15 May 2014. This was followed by a debriefing and discussion with 30 persons from local and international organisation in Yangon on 29 May – and follow up meetings with SDC colleagues.

⁵ As NSAs and NSAGs can be confused with other community based organizations, civic organizations, and armed militia groups under the control of Myanmar military.

The assessment is qualitative in nature. The consultants collected information and data through in-depth interviews, discussion and FGDs using a semi-structured interview format. Based on the ToR and the initial meetings in Yangon, we used the following interview questions to guide discussions in the field.

1. What are the concerns of local communities in relation to local governance?
2. In what ways does conflict or/and the peace dynamics influence the lives and development of local people?
3. In what ways does the local population engage with local authorities – and with what effect?
4. To what extent do local authorities (duty-bearers) listen to and respond in an accountable manner to the local population?
5. So far, what are the decentralized authority practices at the sub-national level of government?
6. How can service delivery by government departments and others with (EAG administrations, religious and other local groups) to the local population become more accountable, responsive and transparent?
7. Who are key stakeholders and how they play effectively to promote local governance?
8. What strategic approaches should SDC's Local Governance Domain prioritise to be of most value/impact?

The team consulted with 54 government, local and international organizations/departments, including 214 individuals (see annex 2 for further details) which included nine focus group discussions (FGD) with ethnic political party leaders, elected ethnic members of parliament at Union level, with township development committee members in Ye Township, and in the three villages visited (were men and women FGDs took place separately to ensure that women's responses were adequately captured).

The assessment team notes that the terminology "local governance" is quite new to many people, and a challenge particular for rural respondents to understand. The team generally explained that "local governance" includes not only local administration by the Myanmar government and ethnic armed groups, and but also comprises relations between between the administrators, local leaders and local populations.

Overall the missions conducted meetings with concerned ministries and departments (Ministry of Home Affairs, Ministry of Border Affairs, and Ministry of Livestock, Fishery and Rural Development), at Union, state and regional levels. In addition, it consulted with key informants relevant to local governance and peace process (such as UN agencies, INGOs, NGOs, CBOs, EAGs, private sector, independent consultants and research institutions). During the field visits, the team explored the local context of local governance, decentralization and conflict/peace dynamics in 3 states/ regions through key informant interviews with state/region government and parliament members, township administrators, village-tract administrators, township committees, village groups, EAGs officers, CBO/CSOs, private sector, and individual citizens. The field mission included both areas under government control, under mixed control and under the control of EAGs.

The desk review included relevant reports, studies, position papers, online sources, and data from Myanmar Information Management Units (MIMU). It included outlines of other SDC domain, which are still in the preparation process - but not generic SDC information about SDC's approach to local governance in general or in other countries, as this was not made available at an early stage.

Limitations of the mission

The assessment was carried out over a relatively short time frame and thus did not include all relevant key stakeholders. More importantly, the assessment team did not have time to visit East Bago Region and Kayah State. The consultants have - based on discussion with the SDC - given relatively less priority to Kayah State given that SDC's other domains have limited focus on Kayah State, the environment is relatively restrictive and several other agencies are present there already. East Bago was also been given relative low priority for the field mission mainly for logistical reasons as it is not close to other proposed field sites. The sample of villages were chosen with a view to accessibility (and presence of the SDC Humanitarian Assistance programme) so may not be the most representative sample and in any case a very small sample. No visits were made to areas of on-going or recently ended conflict or IDP sites. Moreover, the mission did not include meetings with CSOs based on the Thai-Myanmar border (except a few which are now also present inside government controlled areas), with the service delivery departments of the EAGs nor the top leadership of the EAGs (who were though informed of the mission) but included meetings with EAG liaison officers.

Finally, early on in the process SDC decided in consultation with the consultants to focus primarily on the links and dynamics between communities and LAs (at the township level) – thus less attention was devoted to state/region governments and parliaments, the media sector, rule of law and elections/political parties.

Section 2: Setting the Scene

2.1. Background

Myanmar is a country in mainland South East Asia, neighbouring China, India, Thailand, Laos and Bangladesh, with an estimated population of 60 million people. The South Eastern part of Myanmar borders Thailand and maintains access to border trade and some sea routes. The region is geographically and culturally diverse, with ethnic groups speaking different languages and dialects.

The geographic area of South East Myanmar is a 'general term' used by many international agencies for their operational purposes, rather than by the Myanmar government. The Myanmar Information Management Unit (MIMU) report of October 2013 refers to 'South East Myanmar' as including Southern Shan State, Kayah (Karenni) State, East Bago Region, Kayin (Karen) State, Mon State, and North of Tanintharyi Region. The Thailand-based the Border Consortium (TBC), a major agency providing humanitarian assistance to refugees and internally displaced persons (IDPs) -- uses a similar map. For the purpose of the SDC programming and this local governance assessment, South East Myanmar is defined as above, though excluding Southern Shan State.

The region is mostly rural and underdeveloped due to decades-long conflict, poverty, isolation, repression and mismanagement. The size and population of each state/region ranges from 277,428 (Kayah State) to 2.1 million (Mon State) and approximately 2.4 million (Bago East), with approximately 1.4 million each in Kayin State and Tanintharyi Region. Officially, poverty incidences in Kayah, Kayin and Mon State are relatively lower than the national level with 11.4, 17.4 and 16.3 respectively in these states (compared to the poverty incidence at general level is of 25.6% in 2010), according to official data of Integrated Household Living Conditions Survey by UNDP. Bago region's poverty incidence is just below of the national level at 20.1 % while Tanintharyi Region has one of the highest poverty incidence rates in the country, 32.6%. While the recorded relatively low poverty incidence in Kayin and Mon states may be attributed to the fact that these states maintain access to border trade (which could contribute to higher incomes in the area), it is more likely that the official figures exclude areas under the control of Ethnic Armed Groups (EAGs) which tend to be relatively poor, conflict-affected and with larger pockets of IDPs. This notion is supported by the findings of the Border Consortium's survey on remote villages of South East Myanmar. TBC's survey (2012) found *"59% of households are impoverished while a comparable proportion has recorded inadequate food security."*⁶ The major reasons for impoverishment in rural South East, are subsistence agriculture, conflict, restriction on movement to farms and market, roving military patrols and landmines in contested areas.

Table 1: Administrative units, population and land area of selected states and regions in South East Myanmar⁷

| States and Regions | Structure | | Population Estimates | | | Land Area (Km2) |
|--------------------|-----------|-----------|----------------------|----------------|-----------|-----------------|
| | Districts | Townships | MIMU | Planning Dept. | Mean | |
| Kayah | 2 | 7 | 277,428 | 356,000 | 316,714 | 11,733 |
| Kayin | 3 | 7 | 1,431,977 | 1,816,000 | 1,623,989 | 30,381 |
| Tanintharyi | 3 | 10 | 1,365,46 | 1,714,00 | 1,539,734 | 33,748 |

⁶ TBC. "Changing Realities, Poverty and Displacement in South East Burma/Myanmar", 2012. p. 19, 54-44.

⁷ Myanmar Information Management Unit (2011); Myanmar Statistical Yearbook (2011); and Ministry of National Planning and Economic Development (2011), Quoted from MDRI-CESD and the Asia Foundation. (2013) State and Region Governments in Myanmar. p. 10.

| | | | | | | |
|-------------|---|----|-----------|-----------|-----------|--------|
| | | | 7 | 0 | | |
| Bago | 4 | 28 | 4,848,206 | 6,008,000 | 5,428,103 | 39,404 |
| Mon | 2 | 10 | 2,115,207 | 3,137,000 | 2,626,104 | 12,297 |

Table 2: Poverty incidence in South East Myanmar⁸

| States and Regions | Urban | Rural | Total |
|--------------------|-------|-------|-------|
| Kayah | 2.3 | 16.3 | 11.4 |
| Kayin | 16.8 | 17.5 | 17.4 |
| Tanintharyi | 16.7 | 37.5 | 32.6 |
| Bago | 20.9 | 20.1 | 20.1 |
| Mon | 17.8 | 16.0 | 16.3 |
| Union | 15.7 | 29.2 | 25.6 |

The South East region of Myanmar has been a zone of low-intensity civil conflict until recently, as ethnic armed groups (EAGs) have fought against the central government for greater autonomy since the 1960s. This armed conflict has been labelled the world's longest civil war. Following the 2012 ceasefire and on-going peace negotiations, the South East region remains fragile, with an estimated three million migrants, mostly from the South East, working in Thailand and 119,694 refugees living in 9 camps along Thai-Myanmar border and an estimated 400,000 internally displaced persons (IDPs) staying throughout rural South East – in a mix of makeshift hidden villages, in government relocation camps, with friends and family in towns or in more temporary villages.⁹ Rule of law is still weak in the area, the government military forces have extensively militarized the region in the recent past and EAGs also exercise their power in parts of the region. Additionally, significant in-migration happens into the region, from other parts of Myanmar primarily working in rubber plantations. Until recent years, Myanmar government imposed restrictions on humanitarian access into conflict affected areas, which left local communities receiving very poor or almost no services from the government or external agencies and have had to adapt themselves for survival and livelihoods. Presently, the Myanmar government has lifted some restrictions against international agencies accessing to conflict or post-conflict zones following the ceasefires.

In general, Myanmar has passed through decades of low intensity conflicts with its ethnic nationalities groups. For the experiences of prolonged conflict Mary P. Callahan, a leading scholar on Myanmar, noted a complicated and skewed governance structure in the country: "*Citizens in the ethnic minority states of Burma live under the authority of multiple 'states' or 'state-like authorities' that extract from citizens, both mediate and cause conflict, and provide some services for residents and commercial interests.*"¹⁰ Callahan (2007) posits that "*the mosaics of power in Myanmar (Burma) today are fluid and complex, ... as three patterns of relationship between the national state and locally-based, often non-state actors can be explained: **near devolution, military occupation, and coexistence.***" Callahan provides examples of 'near devolution authority' in the ethnic the Wa regions and to a somewhat lesser extent in the Kokang territory in Shan State. Secondly, she observes that in northern Rakhine State, and in parts of Shan, Kayah, and Kayin

⁸ Ministry of National Planning and Economic Development. 2011. Integrated Household Living Conditions Survey in Myanmar: Poverty Profile. IHLCA Survey (2009-2010)

⁹ TBC. 2013. "Poverty, Displacement and Local Governance in South East Myanmar". p. 1.

¹⁰ Callahan, Mary P. 2007. Political Authority in Burma's Ethnic Minority States: Devolution, Occupation and Coexistence, Policy Studies 31 (South East Asia), Washington D.C.: East-West Center. p. 1

(Karen) States, the junta or (Myanmar armed forces) *Tatmadaw*, and other state agencies constitute dominant power as oppressive as occupying authorities. Third, in parts of border areas where there have been ceasefire agreements, a range of strategic partners - including ceasefire group leaders, business operators, leaders of state-sponsored mass organizations, traders, religious leaders, NGO personnel, and government officials - have achieved varying degrees of a kind of coexistence (and contestation).

Mark Duffield's term "emerging political complex"¹¹ can be used to describe the situation in the South East as *"a set of flexible and adaptive networks that link state and other political authorities to domestic and foreign business concerns (some legal, others illegal), traditional indigenous leaders, religious authorities, overseas refugee and diaspora communities, political party leaders, and NGOs. All of these players make rules, extract resources, provide protection, and try to order a moral universe, but none of them are able, or even inclined, to trump the others for monolithic national supremacy."* (Callahan, 2007: 2-4)¹²

Among communities living in the conflict-affected South East a culture of fending for themselves has emerged in response to this situation. Many prefer being left alone in a situation where outsiders are often predatory. The state may be far away but its intrusion is feared and communities have developed detailed coping mechanisms to survive and protect themselves from intrusion. They sometimes successfully organise among themselves relying on traditional structures in the absence of the state but the lack of stability and peace also prevents them from engaging and organizing effectively in a collective manner beyond the community.

2.2. Governance structures and service delivery

The administration structure of the Union of the Republic of Myanmar is composed of seven states¹³ and seven regions, six self-administered zones and one union-territory. Villages are grouped into village tracts in rural areas and households into wards in urban areas, which grouped together form townships (and sub-townships) where the lowest level of government offices are generally located and thus acts as the main point of service delivery. Districts are composed by a number of townships and sub-townships, which again form states/regions. States/regions have elected parliaments (known in Myanmar as *Hluttaws*) and their own governments but these have limited powers according to the 2008 Constitution. Large areas in Myanmar (bordering neighbouring countries) are under the control of ethnic-armed groups (EAGs) or are mixed controlled areas where both the state and the EAGs assert limited control.

In government-controlled areas, the General Administration Department (GAD) under the Ministry of Home Affairs acts as the backbone of the administration. Thus, at the township level the overall administration (and coordination functions) falls under the authority of township administrators, who are appointed by the GAD and replaced on a three-year basis. In addition sectorial line ministries deliver services and have departments at the township level and refer to the Union level government. While elections take place for the region/state level parliament (which has limited powers) and for the village tract/ward level (which forms the main point of interaction between the state and its citizens), no elected bodies exist at the township or district levels - although this may change in the future.¹⁴ The government line departments at the township level are responsible for delivery of services to the public but are under-resourced, under-staffed and more used to serve the state (i.e. respond to the commands of higher authorities) than the population. As the ministries generally receive their budgets from the Union level – rather than the state/region level – their level of accountability to elected state/region officials is also low. Additionally, the Ministry of

¹¹ Duffield, Mark. (2001). "Global Governance and the New War: the Merging of Development and Security", London: Zed Books.

¹² Callahan, Mary P. (2007). Political authority in Burma's ethnic minority states: Devolution, occupation and coexistence. Policy Studies No. 31 (South East Asia), Washington D.C., East-West Centre.

¹³ 'States' is the term generally used by ethnic-minority dominated areas and 'regions' for Bamar-majority areas.

¹⁴ See annex 6 for a diagram of township and village tract administration structures.

Border Affairs provides targeted infrastructure development assistance to ethnic nationalities area, aiming with peace and stability measures. Apart from schools and some health clinics, government services are very limited. Historically, the population has been more used to the state being extractive (through taxes, in-kind or demands for labour or soldiers) than supportive.

In EAG-controlled areas, the EAGs maintain some level of administrative structure, such as district and townships. They have rather regular processes to elect or select administrators but are also fairly top-down in its structures. EAGs authorities act as 'state-like authorities' that tax citizens, settle conflicts, and provide some services for residents and commercial interests. The provision of social services forms a key part of the governance efforts of EAGs and their relationship with local ethnic communities.¹⁵ Over the years, the EAGs and ethnic organizations have built up their own education and health care structures as major provider of social services in the remote and conflict areas. These have varying degrees of relationships with and dependence upon the EAGs – some can be described as the 'welfare departments' of the EAGs and functions in many ways similar to regular administrative departments of a state structure while others operate relatively independent (but with the acceptance of the EAGs who grant them access to areas of their control).¹⁶ For example the Kawthoolei Department of Health and Welfare (KDHW) - under the KNU - has been providing primary health care to a population of about 500,000 covered by 45 KDHW clinics and additional clinics and mobile health units by the other organisations.¹⁷ The Mon National Health Committee – under NMSP - is working at a smaller scale in its local area. In the education sector, the Mon National Education Committee (MNHC) operated 272 schools.¹⁸ It also runs a large network of Mon language schools with 156 schools, employing 800 teachers and serving 17,000 students¹⁹ while a local education consortium provides support to 1294 schools in Karen-populated areas of the South East. During summer holidays the Mon Literature and Culture Committee, a civil society group, has conducted summer schools for more than 60,000 students in Mon language.²⁰

Following the recent ceasefires, many EAGs open liaison offices in cities close to their areas of control. While the main function of liaison offices is to communicate with Myanmar government authorities and the military, from time to time, they also provide coordination of social services between government departments and EAGs' administration. For instance, the offices provide coordination for issuing of land registration certificates and national identification cards to local people.

2.3. Traditional local governance system

The state is to a large extent absent at the village level of society in South Eastern Myanmar. For centuries communities have relied on traditional local governance systems influenced by cultural and religious norms. The level of social cohesion and social capital is often high within communities - despite the constant pressure from armed conflict - with community members interlinked through family relations. Traditionally the village headman is often a hereditary position supported by a group of village elders who hold much influence and respect, which is still the case today. The village leader position has also been integrated into the more formal administration system administered by EAGs of which the village leaders – similar to in government-controlled areas – make up the lowest level of the administration. Leaders from within the religious

¹⁵ Jolliffe, Kim (June 2014). "Ethnic Conflict and Social Services in Myanmar's Contested Region", The Asia Foundation and MDRI-CESD. Yangon. p. 7

¹⁶ South, Ashley. (2011, March). "Burma longest war: Anatomy of the Karen conflict". Amsterdam: Transnational Institute, Burma Centre Netherlands. <http://www.ashleysouth.co.uk/files/TNI-BurmasLongestWar.pdf>

¹⁷ GoUM. (30 September 2013). Health coordination meeting minute between Ministry of Health and Karen Department of Health and Welfare. Nay Pyi Taw. p. 4

¹⁸ Mon National Education Committee, Retrieved online at <http://monedu.org/schools.html>

¹⁹ Weng, Lewp. (10 April 2014). "Mon State to allow ethnic language classes in government schools". The Irrawaddy.

<http://www.irrawaddy.org/burma/mon-state-allow-ethnic-language-classes-govt-schools.html>

²⁰ For a more comprehensive overview of service providers in the South East, see Jolliffe, Kim (June 2014). "Ethnic Conflict and Social Services in Myanmar's Contested Region", The Asia Foundation and MDRI-CESD. Yangon.

community such as the monastery trust board or the church committee also wield influence over both religious and secular matters – with the abbot or the pastor or the priest occupying a central position. In conflict-affected areas, religious leaders have sometimes been able to establish ‘zones of peace’ where armed groups have refrained from violent encounters due to the moral authority of such figures. Dispute resolution often takes place within the community by these groups. Only cases that cannot be resolved locally or criminal cases are referred to higher authorities, the police or the courts. Social welfare associations – most often linked to religious affairs – play a key role in organising social and religious events where the village and neighbouring villages come together. Strong patronage systems exist between community members with the poor relying on the benevolence of the richer, often landholding families who rely on the poor for labour. In terms of decision making at the community level, women, the poor and youth are generally marginalised. Linkages between ethnic minority communities and EAGs tend to be much stronger than between communities and state authorities. This is due that EAGs broadly belong to the same ethnicity as the communities in the areas where they operate, existing networks and patron-client relations between community members and EAGs (often their kin or friends are active members of the EAGs) and the fact that EAGs by some are seen to defend ethnic rights at best and be the lesser of two evils (vis-à-vis the government) at worst. That said, the legitimacy of the EAGs is also contested and in most cases communities simply want to be left alone by any predatory group. Traditional local governance systems often act as a buffer between communities against the state and EAGs in this respect.

Section 3: The Changing Landscape

The political landscape in Myanmar is changing. A new constitution (2008), parliamentary elections although flawed (2010), a new parliament and a president (2011) and the peace process (ongoing) have created the opportunity for a future Myanmar that may break with a long legacy of military rule and armed conflict. The new scenario has resulted in a lifting of restrictions on the media, civil society and political parties as well as an economic opening towards reforms and international investments. However, much remains unchanged. How far the new reforms will go is uncertain. The next big milestone in the horizon is the 2015 parliamentary elections during which the new government's semi-democratic credentials are at stake. The opposition is positioned to win but how free and fair will the contest be and to what extent will the military retreat to the barracks? In the midst of this uncertainty changes to local governance is taking place, which may shape the realities of local people and local power holders for years to come.

3.1. Decentralization and good governance initiatives

The 2008 Myanmar constitution allows for increased decentralization and sets out the parameters for the legislative and executive powers allocated to the 14 states/regions, the six self-administered zones and the union territory of Nay Pyi Taw. The overall administrative structure also includes districts, townships and village tracts/wards. Decentralization as set out in the Constitution's Schedule Two includes a set of legislative responsibilities, a semi-devolved budget (including local taxation) and limited political autonomy at the state/region level.

The new subnational administrative structure at the state/region level is composed of the state/region parliament (the legislature), the state/region government headed by the Chief Minister (the executive) and the state/region high court (the judiciary). This new division of powers between the Union (national) and the state/region level has created a blurry distinction of administrative functions between the two levels. Fiscal decentralization is evolving in a mixed and limited manner (with only 11.8% of the expenditure in the budget assigned to state/region governments in 2014-2015 – albeit an increase in comparison with previous years^{21,22}). While the increased political space at the state/region level is significant, it is also highly constrained. In short, while some elements of decentralization are unfolding in Myanmar and opening up a new space for localized decision-making, it remains a highly centralized country.²³

This issue is of key importance in relation to the democratization process, the peace process and the political dialogue surrounding amendments to the constitution. Importantly, ethnic political parties and ethnic armed groups, including the South East, aspire to a federalised state with much greater powers and responsibilities devolved to the state/region levels than is currently the case – as a mean to realize aspirations for recognition of ethnic rights and a level of autonomy from the Bamar dominated central state. While the broader population in the South East is less occupied with overall political structures, they do express a desire for ethnic self-determination to be respected in general and more specifically that they are allowed to run their own affairs without too much interference from higher authorities.

The current Myanmar government has set out a range of good governance and decentralization measures relevant to the sub-national level. President Thein Sein has in prominent policy statements emphasized good and clean governance as key pillars of the government. Moreover, he has explicitly called for improved performance and better governance at the level of township

²¹ Nixon, Hamish and Cindy Joelene, (June 2014). "Fiscal Decentralization in Myanmar: Towards a Roadmap for Reform", MDRI-CESD and The Asia Foundation. Yangon.

²² 13.68% was proposed during budget discussions, see President speech at Union Finance Commission meeting (1/2014); 7 January, 2014, <http://www.president-office.gov.mm/zg/?q=briefing-room/news/2014/01/07/id-5126>

²³ MDRI-CESD & the Asia Foundation. (2013). State and Region Governments in Myanmar, Yangon. <http://asiafoundation.org/publications/pdf/1249>

and village tract/ward administrators including measures to increase legitimacy and representation of sub-national authorities.²⁴ The President's - and the parliament's - emphasis on good and clean local governance including increased decentralization has been reflected in a number of concrete initiatives. These are also of relevance to the South East insofar that they may open up space for local decision-making and participation in administrative bodies beyond what has been possible so far. To a limited extent they also present an opportunity for LAs – both EAGs and government – to engage on priorities for local development. However, it is important to note that in conflict-affected areas where government presence is mixed, the impacts of the ceasefire and peace processes are often of relative more importance than the largely administrative decentralization reforms, which are outlined below:

*The government's Framework for Economic and Social Reforms*²⁵ launched in early 2013 pays substantial attention to regional development, decentralization and the strengthening of local governance including stressing the importance of “developing a participatory process of local budgeting which should reflect local priorities”.²⁶

The 2013 State and Region Hluttaw Law (an amendment of the SPDC 2010 Region and State Hluttaw Law) includes significant amendments including an allowance for *hluttaw* offices, the possibility of the public attending the *hluttaw* sessions and proposals for a constituency development fund and representative offices.

State and Region Municipal Acts have been passed in a number of states/regions (including in the South East in Mon State, Kayin State and Tanintharyi Region) setting out the functioning of the Development Affairs (Municipal) Committees and associated Offices (which are funded by and under the authority of the state/region governments) and a number of related issues including local taxation.

Under a presidential directive of February 2013²⁷, four different committees are to be set up at the township (and two at the ward/village tract level²⁸) namely the *Development Support Committee*, *The Development Affairs (municipal) Committee*, *The Farmland Management Committee* and the *Management Committee*. These are tasked with improving coordination between government departments at the local level and enhance the participation of the local population (and includes civilian representation) in socio-economic development planning including advising relevant local government department on local development and poverty reduction.^{29, 30}

In 2012 the *Ward or Village Tract Administration Law* was enacted allowing for secret ballot elections of Ward and Village Tract Administrators potentially increasing the legitimacy and responsiveness of the lowest tier of local authorities. These local administrators can play a key role in representing the needs and priorities of local communities to higher officials, which is beginning to take place in the form of local development planning.

²⁴ Speech by President Thein Sein, 26 December 2012, New Light of Myanmar; 27 December 2011

²⁵ GoUM. (January 2013). Framework for economic and social reforms, Policy priorities for 2012-2015 towards the long-term goals of the national comprehensive development plan. Yangon.

²⁶ GoUM. (January 2013). Framework for economic and social reforms, Policy priorities for 2012-2015 towards the long-term goals of the national comprehensive development plan. Yangon.

²⁷ Republic of the Union of Myanmar, The President Office. (26 February 2013). "*Directive for the formation of Township, Quarter (or) Village Tract Development Support Committee*", Order # 27/2013; (unofficial translation)

²⁸ The management and municipal committees do not exist at the village tract level.

²⁹ Speech by President U Thein Sein, Speech in Nay Pyi Taw, President's Office, The Republic of the Union of Myanmar 26 December 2012. Retrieved online at <http://www.president-office.gov.mm/en/?q=briefing-room/speeches-and-remarks/2012/12/26/id-1320>

³⁰ As stated by the President, "[I]n order to promote the local economic development and improvement of living standard, committees are needed to form at the township level and village level. These committees are township development support committee, which includes the elected persons and civil servants, township development affairs committee (municipal) with the elected persons. The village development support committee also need to form with the elected village head." President Office Notification No. 27/2013, Union Government, <http://www.president-office.gov.mm/zq/?q=briefing-room/notifications/2013/02/26/id-2848>

Several different initiatives allocating funding to state/region and township authorities have recently been initiated including the *poverty reduction fund*, *constituency development funds*, and the planned *rural development grant*.

The poverty reduction funds were allocated to the state/region government at a flat rate of 1 billion kyats per state/region in 2012-13³¹ but adjusted in 2014-2015 to reflect different needs (and possibly the bargaining power of different Chief Ministers with the Union Finance Commission)³² The constituency development funds are allocated at the township level through a mechanism overseen by local MPs, civil servants and civilian representatives (kyats 100 million / est. USD 100,000 per township).³³ The planned *rural development grant* forms the centre-piece of the new rural development framework spear-headed by Ministry of Livestock, Fisheries and Rural Development in response to a request from the President's Office and will be allocated at district and village tract level. Funds have already been set aside in the 2014-2015 Union budget for implementation of the 'Emerald Green Project' as it is also known, which is basically a (revolving) local development fund in 1,150 villages of 28 districts - overseen by Department of Rural Development.^{34, 35}

Several of the above initiatives are indirectly related to the government's *8-point poverty alleviation plan* initiated in 2011, which aims to contribute to overall poverty reduction particularly in the rural countryside.

Budgetary and fiscal reform measures (still under development for the subnational level) focused on improving sound public financial management including more effective processes of budgetary management and taxation.³⁶

3.2. Peace process

"The remaining conflicts all have an ethnic character and are rooted in long-standing ethnic grievances and aspirations. And in Myanmar there is not just one non-state armed group but more than a dozen. Please imagine the complexities of any peace process then multiply it by twelve. There are issues of autonomy and self-determination, of power-sharing and resource-sharing, of cultural rights and language policy, of protection against discrimination and security sector reform..."

President Thein Sein, Chatham House, London, 15 July 2013

South East Myanmar has been affected by conflict for more than half a century. These ethnic conflicts have been fought primarily over claims to governance roles.³⁷ Therefore it is absolutely key for any development interventions, particularly in the domain of local governance and specifically in the South East to adequately understand and take account of these underlying conflict and peace dynamics – including how they are unfolding on the ground. These cannot be separated from the development context (and labelled as a separate sphere of 'politics') as they intrinsically influence local perceptions, local dynamics, the prospect for improved security and ultimately development opportunities. In the sphere of local governance, this is particularly so.

³¹ With the exception of Chin State, which was granted kyats 3 billion: MDRI-CESD & the Asia Foundation. (2013). State and Region Governments in Myanmar, Yangon. <http://asiafoundation.org/publications/pdf/1249>

³² For example Shan State receiving 4 billion kyats and conflict-affected Rakhine and Kachin receiving 14 billion kyats and 15 billion kyats respectively. Source: MDRI-CESD and The Asia Foundation. (June 2014). "Fiscal Decentralization in Myanmar". Yangon.

³³ Zaw, Htet Naing. (6 December 2013). "Thein Sein slams Myanmar parliament's development fund plan", Irrawaddy. Retrieved online at <http://www.irrawaddy.org/law/lawmakers-allotted-5000-local-development-projects.html>

³⁴ Communication by Rural Development Department, meeting with mission team on 14 March 2014.

³⁵ Ministry of Livestock, Fisheries and Rural Development. Republic of Union of Myanmar. (October 2013). "Highlight of Strategic Framework for Rural Development".

³⁶ GoUM. (January 2013). Framework for economic and social reforms, Policy priorities for 2012-2015 towards the long-term goals of the national comprehensive development plan. Yangon.

³⁷ Jolliffe, Kim (June 2014). "Ethnic Conflict and Social Services in Myanmar's Contested Region", The Asia Foundation and MDRI-CESD. Yangon.

Ignoring or not adequately ensuring that local governance interventions are not just informed by but based on national level and local level peace and conflict dynamics comes with a high risk of doing harm and undermining a historic opportunity for local populations to benefit from peace, security and human rights.

Soon after Myanmar's independence in 1948, the Karen armed insurrection broke out against the central government in 1949, calling for greater autonomy and self-determination. The Karen insurrection of 1949 was followed by the Mon ethnic armed movement in the same year. Other armed groups also formed mainly along ethnic lines to maintain their identity or ideology. In the 1980s and early 1990s, the government launched several offensives against ethnic armed groups' strongholds in order to weaken their strength and resources.

A round of ceasefires were initiated just after the military coup in 1988, and resulted in ceasefire agreements with 17 major ethnic armed groups and a number of groups by the mid 1990s. Most of the ceasefire agreements were unwritten – with sceptics accusing the government of seeking to end fighting with the armed group with the intention of extending its presence into the ethnic areas under the name of border area development programs. In exchange for the ceasefire agreements, the groups were allowed to retain their arms and territories and given business concessions. In 2009, the junta forced the armed groups to transform to Border Guard Forces (BGF) under the command of the military, which some smaller groups accepted (including in the South East parts of the Democratic Karen Buddhist Army (DKBA). After instatement of a new quasi-civilian government after general elections in 2010, the government embarked on a new round of peacetalks with the ethnic armed groups.

In 2012, President U Thein Sein reached out to the ethnic armed groups through a 3-phased peace plan. This plan sets out that the ethnic groups negotiate for state-level ceasefire in the first phase, then reaches a union-level ceasefire agreement, and finally political dialogue will be convened with the ethnic groups and the government with a view to obtaining sustainable peace. President office minister No. 4, U Aung Min initiated most of the current ceasefire deals with ethnic armed groups. Up to date, 14 out of 17 major Ethnic Armed Groups (EAGs) signed bilateral ceasefire agreements with the government and 11 of these are making headway in negotiations collectively towards further agreements at the union level. The ceasefire with the KNU was a landmark milestone given that the KNU had not previously signed a ceasefire. Nevertheless, ethnic armed groups in northern Myanmar, such as the Kachin Independence Organization (KIO) and few others have yet to sign ceasefire agreements with the government.

The terms of the bilateral ceasefire agreements include cessation of hostilities from both sides, some agreements on troop deployment, opening liaison offices, and assistance to conflict-affected communities. As part of the union-level agreements (which are yet to be signed in the case of most groups and have been superseded by the discussions over a nationwide ceasefire agreement), the two sides have discussed to initiate confidence building, implement regional development projects in education, health and communication, and initiate political dialogue at a later stage.

The government's strategy has (since 2013) moved from dealing with individual ethnic groups to seeking a joint agreement with all ethnic armed groups to sign a nationwide ceasefire agreement (NCA), which will be followed by formulation of a framework for political negotiations (which will include political parties and civil society organization) and finally a political dialogue (government, armed organizations, political parties and civil society organizations).

Most recently, the negotiations have shifted to working on a single-text document for the NCA by ³⁸ an 18-member group composed of 9 members from the military, the parliament and the government and 9 members from the EAG side. At the decision-making level the negotiations are

³⁸ Burma News International. (2014). Deciphering Myanmar's Peace Process 2014: A Reference Guide. BNI. (2014). p. 4-5.

led on the ethnic side by the National Ceasefire Coordination Team (NCCT) and on the government side by the Union Peace Making Central Committee (UPCC) and the Union Peace Working Committee (UPWC) – supported by the Myanmar Peace Center (MPC).

The differences between the previous ceasefire and the renewal effort for peace by the new government is a level of general openness, the government's reforms, and collaboration with international agencies. Nevertheless, negotiations are proceeding gradually and slower than anticipated – mainly due to lack of trust on both sides. It must be recognized that these negotiations touch on some of the most fundamental issues related to Myanmar as nation state and the accommodation between conflicting visions of the state should be constituted. While the Myanmar government has wanted to delay such political negotiations till after the signing of a ceasefire, EAGs are concerned that efforts for political resolution will be marginalised.³⁹

One of the outstanding issues in the NCA talks revolve on the surface around questions of terminology but reflect deep-seated difference, for example of the term of *Panglong* spirit, a genuine federal union, federal army, as well as revolution, the recognition of the 2008 constitution etc. Troop deployment and Code of Conduct during ceasefires are also challenges still to be tackled. Another key outstanding issue is the status, control and administration of the areas currently under the authority of the EAGs, which is of particular relevance to local governance dynamics (see below for further).

The conflict environment that local communities have been subjected to for more than 60 years have profound impacts on human security, livelihoods, health, education and local governance regimes. High levels of human rights abuses by all sides (particularly the government's armed forces), systematic extortion, frequent displacement etc. have resulted in an atmosphere of fear, a view of outsiders as potential abusers and avoidance of the state and/or armed groups. As expressed by one of the interviewees: *"They [local communities] see the state as the army, a foe, rather than a friend who has been missing". They do not trust the state. [...] Development actors do not comprehend the scale of the 'state of absence'. The state has never been there before. It is not about re-introducing the state but introducing it for the first time – when the state is equated with the enemy.*"⁴⁰ In this environment, development actors may want to consider ways of strengthening community resilience first and foremost rather than promoting a stronger state.

3.3. Transitional and convergence issues

Interim arrangements

Local governance and decentralization issues are at the heart of the 'interim (or transitional) arrangements' - one of the more contentious issues yet to be settled as part of the NCA negotiations. The EAGs have proposed withdrawal of government forces near EAG controlled areas and official acknowledgement that the EAGs can maintain authority and continue to administer the areas they currently operate in. This until a mutually acceptable political solution is found as to the status of these areas within the Republic of the Union of Myanmar - a process, which is likely to take years, possibly decades.

Previously, the Myanmar government recognized the ceasefire EAG's areas under the name of 'special regions' and the EAGs were allowed to retain their arms and territories. Nevertheless, the concessions granted to the groups were asymmetrical. In the latest round of negotiations, the EAGs seek somewhat similar arrangements but this time officially recognised as part of the NCA and maintained until a final political settlement. But the government and the army are finding it

³⁹ Ashley South, *From Peacemaking to Peacebuilding? Governance and Political Legitimacy in the Myanmar Peace Process* (Steinberg, forthcoming)

⁴⁰ Interview with Richard Horsey (March 2014).

challenging to agree to these terms arguing that they are not in agreement with the 2008 Myanmar constitution - and out of concern that they may set a precedence for future constitutional or 'on-the-ground' arrangements. Whatever the final wording (if one is found, it is likely to be sufficiently vague to accommodate both sides) the 'interim arrangements' are likely to set the parameters for the role of local authorities on the ground and their engagement with local communities for years to come.

Convergence issues

As outlined in section 2, EAGs, their associated departments and local organisations (with some international support) have for decades provided aid and assistance to local communities in the armed conflict-affected parts of Myanmar - particularly to areas difficult or impossible to access from 'inside Myanmar' in the South East – but more easily accessible cross-border from Thailand. Significant assistance has also been provided to refugee camp communities in Thailand, which maintain close links with communities and EAGs in conflict-affected areas in Myanmar. In recent years, some (but far from all) of these service providers and local organisations have become more independent of the EAGs. In addition, international agencies have reduced their financial support to border-based and cross-border assistance (see below for further).

At the same time initial contacts and discussion of issues of joint concern have taken place between health and education departments from 'both sides' possibly leading to a measure of convergence.⁴¹ For example, meetings have taken place between the Kayin State Health Department and the Kawthoolei Department of Health and Welfare (KDHW).⁴² In 2012, border based ethnic health organizations formed the Health Core Convergence Group (HCCG) to prepare existing networks for future possibilities to work together with state and national government health agencies, and international donors.⁴³ In the education sector, various 'convergence meetings' between education actors in EAG-authority/border areas, and local and international education groups from inside the country have taken place although less so in terms of formal discussions with government. Recently (April 2014), the Mon State parliament passed a law allowing for the first time for teaching of ethnic languages in government schools – a long-time demand by the EAGs and local civil society groups who run many Mon language schools and summer schools. As such Mon State will be the first state in the country to formally allow the teaching of ethnic languages at government schools during the school year (which has informally taken place for some time).⁴⁴ Unfortunately, the Mon National Education Committee (which represents a model for mother tongue education insofar it uses the government curriculum with Mon Language for teaching during the early years), which is well positioned to serve as a model for convergence and mother tongue education is severely under-funded by internationals.⁴⁵ In 2012, the Kayin Chief Minister also allowed for Mon language classes at government schools during summer holidays.⁴⁶ Similar developments allowing for ethnic language teaching have taken place in Tanintharyi Region and Bago Region - but seemingly not requiring new legislation.⁴⁷ For a much more in-depth overview and analysis of the convergence initiatives, please see the recent report on ethnic conflict and social services by Kim Jolliffe for the Asia Foundation and MDRI-CESD.⁴⁸

⁴¹ Jolliffe, Kim (June 2014). "Ethnic Conflict and Social Services in Myanmar's Contested Region", The Asia Foundation and MDRI-CESD. Yangon.

⁴² Ibid. p. 4.

⁴³ <http://www.burmapartnership.org/2013/03/building-trust-and-peace-towards-a-federal-union/>

⁴⁴ Weng, Lewp. (10 April 2014). "Mon State to allow ethnic language classes in government schools". The Irrawaddy.

<http://www.irrawaddy.org/burma/mon-state-allow-ethnic-language-classes-govt-schools.html>

⁴⁵ Lall, Mary and Ashley South. (August 2013). "Comparing Model of Non-State Ethnic Education in Myanmar: The Mon and Karen National Education Regimes", *Journal of Contemporary Asia*. London: Routledge.

⁴⁶ Weng, Lewi (22 March 2012). "Community group takes over 100 schools in Mon State". *The Irrawaddy*.

http://www2.irrawaddy.org/article.php?art_id=23263

⁴⁷ Personal communication by Ashley South, May 2014

⁴⁸ Jolliffe, Kim (June 2014). "Ethnic Conflict and Social Services in Myanmar's Contested Region", The Asia Foundation and MDRI-CESD. Yangon.

3.4. Aid, development, actors and access

Overview of humanitarian assistance to the South East Myanmar historically

In the past, the Myanmar government was restrictive in terms of dealing with EAGs and international agency access to border areas and IDPs through Yangon offices, meanwhile cross-border assistance from Thailand has played a pivotal role to provide emergency relief and health and education services to populations living in the remote South East. Thai border based agencies, such as The Border Consortium (TBC) - formerly known as Thai-Burma (Myanmar) Border Consortium (TBBC) - and others have provided food, shelter and capacity building support to refugees in Thailand and IDPs through cooperation with community based organizations (CBOs). In many cases, these agencies collaborate with the EAGs or their health and education departments, at least for their approval and taking care of security. According to TBC's 2013 program report, apart from humanitarian assistance to the refugees, CBOs assisted almost 100,000 people in conflict-affected areas of South East Burma/Myanmar during 2013. Relief assistance included cash transfers for 42,000 impoverished civilians in remote rural areas and food assistance for 13,000 internally displaced persons in camps adjacent to the Thailand border.⁴⁹ Limited grassroots development works has also been carried out, particularly in relation to natural resource-related and environmental issue. INGOs and international agencies in Yangon have also assisted to the communities in conflict-affected areas, mainly on humanitarian and limited in fashion.

In addition, to the relief-focused support, international agencies have since the early 1990s supported advocacy efforts by exile Myanmar groups on the Thai-Myanmar border. These have generally focused on bringing about awareness of the human rights and political situation in Myanmar through media, campaigns, seminars, reports etc. The changing role of local civil society and the expansion of political space is covered in section 4.4.

New and planned inflows of international assistance

The role of international agency assistance in the South East has shifted somewhat since after the 2010 elections and ceasefire agreements with EAGs. A move to conduct activities from 'inside the country' rather than 'from the border' has been notable, with donors reducing funding to border-based groups and refugee camp assistance. Increased access to the area has resulted in a number of agencies expanding into the South East backed by donor interest. According to MIMU, as of April 2014, a total of 104 organizations reported projects under implementation across the South East. The majorities are NGOs (90 agencies, 17 of whom are border-based). In terms of project spread, 53 agencies reported activities in Kayin, followed by Mon (49 agencies), Shan South (42), Kayah (40), Bago East (38), Tanintharyi (35), and a lower reported concentration in Shan East (15 agencies).⁵⁰ There is likely to be underreporting of specific activities of field-based local NGOs and CBOs.

Activities tend to be both humanitarian assistance focused and increasingly with a development component focusing on health, education and infrastructure. While many agencies (including SDC and JICA for example) are planning new programs and have allocated large sums of funding, most are still in the programme design phase with relatively little increased assistance trickling down to the local level yet. Meanwhile international agencies are also gearing up in preparation for the expected – but so far limited spontaneous – refugee and IDP returns. In preparation for this mine risk education and tentative plans for demining are taking shape. Very few international agencies focus specifically on local governance in the South East including citizens empowerment and social accountability - and even less (3-5 agencies) on advocacy or capacity development of duty

⁴⁹ TBC. 2013. "Program Report", Bangkok.

⁵⁰ Retrieved online at

http://www.themimu.info/sites/themimu.info/files/documents/Overview_and_VT_Map_of_the_April_3W_SouthEast_13May2014.pdf

bearers such as local authorities. The work that does take place on the supply side focuses on improving the accountability, transparency and participation capacities of LAs in relation to citizens, particularly in relation to planning and budgeting – and implementation of small community grants aimed at small-scale infrastructure. (See annex 5 for an overview of agencies involved in local governance related activities in the South East). Support to improving EAG mechanisms and service delivery is extremely limited while there is some focus on piloting initiatives that create fora for communities and LAs to communicate and engage. Joint projects between LAs from both sides are still few and far between. Meanwhile, the Myanmar Peace Support Initiative (MPSI) works to assist both the government and EAGs in the peace process and supporting ceasefire implementation through facilitating small pilot community projects that aim to build trust and confidence.⁵¹ The reasons for the lack of donor support is a mix of a caution among donors to be seen to provide support to illegitimate armed groups, a sense that too much support in the past went to border-based groups with a risk of creating donor dependency, a standard development practice of wanting to strengthen the capacity of the state (particular at a time when many want to 'reward' the Myanmar government for its reforms and position agencies for a future with a strong focus on building government capacities, which may be seen as at odds with supporting other actors) and a lack of flexibility to fund uncertain pilot projects at a time where many are under pressure to scale up.

Several local NGO representatives warned during the field mission of potential redundancy, waste and ineffectiveness of the international projects as part of the larger inflows and scale of funding to the South East. They complained of a pervasive lack of transparency as to the allocation of international assistance to the area and questioned how much reaches local communities. These perceptions should be taken seriously by international actors (many of whom publicly advocate good governance measures) as this may otherwise lead to a 'backlash' against international agencies, even if unfounded.

Among some but not all local stakeholders there is a suspicion that international donors are happy to support the government but are unwilling to engage constructively with EAG (and ethnic civil society group) systems of service provision and respond to the expressed requests of these groups – unlike the response to priorities set by the government.^{52, 53} A leading experts on ethnic politics and assistance to conflict areas in Myanmar characterizes international support to the conflicted-affected areas and the peace process for a lack of direction and strategic drift. *"Donors seem largely content to provide funding channelled through traditional – and generally government-controlled – structures. This is an easier approach than seeking out appropriate local partners on the ground...."*⁵⁴ A recent report asserts that in some conflict-affected areas confidence in the peace process is being undermined by conflict-insensitive expansion of government services and as well as international projects at a time when funding to ethnic service providers linked to EAGs have received drastic funding cuts due to changing donor priorities.⁵⁵ This is particularly problematic in a context such as conflict-affected areas of South East Myanmar where the problem is not simply a failing or a weak state that needs 'strengthening' *"but rather an urgent need to re-imagine and negotiate state-society relations – and in particular mend relationships between the Burman majority and ethnic nationality communities."*⁵⁶

Huge questions remain as to the feasibility and sensibility of expanding assistance at a time where the ceasefires are still up for discussion, territorial control is unclear and conflict dynamics are still at play.

⁵¹ The Myanmar Peace Support Initiative. (March 2014). "Lesson Learned from MPSI's Work Supporting the Peace Process in Myanmar: March 2012-May 2014. Yangon, Myanmar:

⁵² South, Ashley. (6 Jan 2014). Inside the peace process. *The Myanmar Times*.

⁵³ SDC's Humanitarian Assistance Domain is one of the few donors who operate both in government-, mixed and EAG-controlled – and the Domain for Promotion of Peace, Democratization and Protection is engaged in efforts supporting the peace process. Norway is also actively supporting efforts in conflict-affected areas and peace-related initiatives.

⁵⁴ South, Ashley. (6 Jan 2014). Inside the peace process. *The Myanmar Times*.

⁵⁵ Jolliffe, Kim (June 2014), Ethnic Conflict and Social Services in Myanmar's Contested Regions. The Asia Foundation and MDRI-CESD.

⁵⁶ South, Ashley. (6 Jan 2014). Inside the peace process. *The Myanmar Times*.

Section 4: The Situation on the Ground

4.1. Relations between communities and local authorities

'Trust' is a critical issue for cooperation within communities, as well as between communities and local authorities. This is understandable as many communities have lived through decades-long conflict and persistent power abuses by authorities. They prefer to live in peace away from any authorities. During the field mission, the team found that the local populations are often reluctant to deal with local authorities due to a 'culture of silence', a profound fear of raising their concerns (and the consequences hereof) and the lack of expectations that LAs will be able to support communities in any meaningful manner. But the situation seems to be slowly improving following ceasefire agreements with the EAGs and the general atmosphere of reforms. Nevertheless, local communities face new fears and challenges in a situation where both the state and non-state actors including powerful business interests continue to seek control over and access to the areas where communities reside and the resources they rely on.

Local Authorities

Local authorities on both sides suffer from lack of legitimacy. Government civil servants including township administrators are generally viewed by local citizens (and often region/state parliament and government as well) as 'external agents of the central government', unlikely to share local concerns. They are unelected and posted to different localities around the country on a rotational basis. Although the township administration plays a dominant role in the local administration (in government-controlled areas), it has limited capacity to effectively respond to local demands. Different stakeholders stressed, that local officials tend to practice bureaucratic routines, follow top-down orders and are unfamiliar with participatory processes. This is particularly so for the General Administration Department (GAD) which has a dominant position as the backbone of the administration at the local level. Many government officials still maintain antagonism against the CBOs/CSOs, or at least remain suspicion of their activities. While EAG local officials have been exercising their power and providing services in some limited areas, they continue to be illegal in the eyes of the state (as per the illegal organisations law) and not officially elected. Moreover, they have also subjected communities to abuses and extortion of 'taxes'.

At the village tract level (in government areas) some changes have taken place over the last few years in response to the new law, which stipulates that the village tract administrators must now be indirectly elected through a ballot system. While the mission team did not have sufficient time to evaluate the extent to which these election had been conducted in a free and fair manner⁵⁷, several respondents stressed that administrators must now listen more to the local community members and cannot rule with force. However, public consultation between administrators and the public is still limited. The administrators meet with the township administration on a monthly basis and are thus able to pass information between communities and local authorities. In reality this communication is very top down in nature.⁵⁸ Village tract administrators have a mixed position but are generally viewed by communities as either representing communities or the administrator's own interests – and much less so as an agent of state.⁵⁹ It is common for conflict-affected areas to appoint several village leaders at the same time, each assigned to deal with different authorities (for example one for government, one for KNU and one for DKBA).

At the state/region level, some institutions are more open than others, for example respondents reported that Mon State and Tanintharyi Region officials tend to be more flexible and cooperative in working with local communities and civil society (due in part to the attitude of the Chief Ministers). As an example the Tanintharyi Region *hluttaw* (parliament) invites CBOs

⁵⁷ For further, see forthcoming (2014) research of Kempel, Susanne, on "local governance". Action Aid Myanmar.

⁵⁸ For more on the role of local leaders, see Kempel, Susanne and MDR. (2014). "A View from Below". UNDP.

⁵⁹ Ibid (2014; 2012)

representatives as observers during parliamentary sessions and they can raise questions to the government indirectly through the members of parliament. Yet, the channels of communication are still personalized and ad hoc.

Overall, access to information for citizens is largely absent – not just in practice but the general concept seems alien to local authorities even those who are relatively positive towards engaging with local communities.

Women in Local Governance

In Myanmar, women are hugely underrepresented within local leadership and local governance. Overall in Myanmar, women account for less than 3% of MPs at state/region level, no women take up positions as township administrators and only 0.11% of village tract administrators are female. Women generally have a secondary role in EAGs and within political parties. In civil society women have a relative strong position with high participation and occupying many leadership positions. Barriers to women's participation in local governance include a lack of experience and specific skills, low bargaining power within households, time constraints and restrictions on women's travel, a lack of confidence, traditional norms that ascribe authority and power to men and a general lack of confidence of female leadership.^a

In the South East, the team found very few women in leadership positions at all administration levels. While women leaders seem to be appreciated for their emphatic (non-confrontational) manners, as stated by one respondent, men often seem to distrust their capacities. While the KNU constitution prescribes a quota of 30% women (for positions in leadership bodies) it is not enforced. Women's groups have also complained about being marginalised from the peace process. In prolonged conflict areas under EAG administration women sometimes take over village leadership positions (as they are perceived as less confrontational by warring parties from both sides and therefore subject to less abuse than male village leaders) but female leadership does not seem to be sustained when armed conflict is reduced. Some respondents explain that this is due to that in 'peace time' village leaders have to take on a more development-focused role, which requires some local travel and managing community infrastructure project, perceived as a role more fit for men. Research into these dynamics has been extremely limited.

^a Women's Participation in the Subnational Governance of Myanmar (June 2014), Paul Minoletti, MDRI-CESD and The Asia Foundation; www.asiafoundation.org/publications/pdf/1368

Communities

On the demand side, the local populations generally have low expectations with regards to services from the state and EAGs, as the state has been largely absent coupled with a legacy of extortion and corruption in the areas and instances where it has reached local communities. Generally, relations between communities and LAs are characterized by a profound 'power distance' and 'power imbalance' which is both accepted and even expected by the less powerful. Effective communication mechanisms between the LAs and the communities are largely absent. Township authorities usually share information to the public through the regular township committee meetings, which are held once or twice a month and - in government-controlled areas - attended by the village tract administrators. The village tract administrators thus become important gatekeepers who more often than not keep information to themselves. Very limited upward flow of communication from communities to LAs takes place – when they do the village tract administrator or village leader tend to be the channel of communication. After the ceasefires, LAs in EAG-

controlled areas have extended their outreach and conduct more consultation meetings with their constituencies than previously, according to local respondents.

There are few instances where communities organize themselves to advocate directly with LAs. Some smaller civic advocacy groups have been trying to bridge the gap – through organising public stakeholder consultations (on improving health services in Mon State for example) - but the predominantly low expectations towards LAs, paired with a sense of fear, distrust and little awareness about the potential role of the state as service provider and guardian (when in effect it has served as a perpetrator or exploiter in the past), effectively prevent communities from demanding better services, more information, rights and entitlements.

Changing trends in local administration

Villagers report that following the ceasefires security and stability had improved and thus opportunities to travel and engage in diverse livelihoods have increased. Similarly, people are more aware of their rights, and tend to raise more issues and complaints to the LAs who have become more accessible to them. There are now elected members of local and national parliaments and elected village tract administrators (VTAs), and visits to the village for consultations and official purposes have increased. Initial research into the VTA elections (which are stipulated in the 2012 Ward and Village Tract Administration Law) shows that the implementation of a system of electing VTAs through secret ballots is more mixed in the South East than in areas where the government is more firmly in control. While citizens generally prefer that they are able to elect their own local leaders and that local leaders are more responsive during the new government and after ceasefire fires, voter education is extremely low which means that the poor, youth and women continue to be marginalised from public decision-making including local election processes. Hence many still prefer that local leaders are selected in village mass meetings than in (perceived) non-transparent election processes.⁶⁰

Places close to towns have been changing more than remoter rural areas. People dare to organize in larger and more public gatherings to promote social and cultural initiatives whereas in the past they risked that government authorities accused them of anti-government activities. Presently, CBOs can organize workshops and trainings quite easily if the state Chief Minister approves of their request. The villagers in mixed administrative areas report that they now feel safe to pay 'taxes' to both sides, whereas previously they could have been charged with contacting illegal or insurgent organizations. The 'tax' collections from both parties - government forces as well as EAGs - tend to be more voluntary in manner, rather than coercive - and both authorities use less sanction (punitive power) than before. During the civil war period, every month soldiers used force (for porters and money) but this is no longer the case. Government authorities are also implementing more projects, mostly on infrastructure development but many of these are still top-down in manner, weak in locally-sensitive selection criteria and frequently perceived to be aimed at securing the army with better access to areas that were previously not under government control (rather than improving infrastructure for the benefits of the local population).

⁶⁰ Kempel, Susanne. (Forthcoming report, 2014). Local Governance. Action Aid Myanmar. Yangon.

Township committees

Under a presidential directive from February 2013¹, four different committees are to be set up at the township (and two at the ward/village tract level) in order to check-and-balance the power of the township administration, to improve coordination, and to enhance public participation in developmental works. The four committees include the Development Support Committee, the Development Affairs (Municipal) Committee, the Land Management Committee and the Management Committee.

Of the newly established committees at the township level, the municipal and the development support committees have a majority of civilian representatives (non-government), less oversight by the GAD (relative to other committees) and engage directly with the public. Their legitimacy is also contested as often no detailed regulations exist guiding the selection/election process of the civilian/public representatives (representing respected elders, farmers, civil society, the business sector, workers, social sector and academia).¹ Hence they are frequently appointed by the township administrator in consultation with influential local elites, rather than genuine elected representatives of these interest groups. That said the committees have started functioning and allocating small grants (constituency development grants and poverty reduction funds – the latter in some areas only) to communities. While a number of checks and balances (in terms of sign off on fund dispersal, joint decision making on fund allocation, monitoring etc.) exist between the committees, the MPs (involved in the allocation of the constituency development funds) and the township administration a basic understanding of participatory processes and what constitutes bottom up planning is missing. The committee members play mostly a consultative role in planning with some limited oversight functions. The mission team had limited time to adequately assess the functioning of the committees but clear opportunities for capacity development are obvious. At the village tract level in the South East government controlled areas the village tract level, the committees mandated by the President's directive largely exist in name only.¹ In areas under EAG control the government-mandated designation of administrative boundaries and its associated bodies are of much less relevance to the local population than elsewhere, which calls for that support for complimentary and/or interim administrative arrangements in these areas.

Township development affairs (municipal) committees

The municipal committee (four of its 7 members are public representatives) oversees the municipal offices covering urban areas which play an important role collection of certain local taxes and fees, issuing business operating licenses construction permits, and delivery of services such as water, sewage, garbage collection, as well as urban road maintenance and electricity. Municipal offices are fairly unique as they are largely self-funded through the collection of taxes and fees – and importantly funded by and (as the only significant administrative unit) under the authority to the state/region.¹

Development support committee

The development support committee (7 members of which 6 are from the public – with one GAD representative) is tasked with advising on implementation of socio-economic development affairs in coordination with township departments. This includes development plans, promotion of economic development and businesses, coordination for education, health and human resource development, participation in rural area development and poverty reduction, international assistance. In practice they play a key role in managing small grants schemes related to constituency development funds and – in some areas – poverty reduction funds.

The land management committee

The farmland management committee (all four members are government staff) is tasked with approving, issuing and announcing land use certificates; land dispute settlement; submitting compensation requests for confiscated land; investigating lack of land utilization and related matters in cooperation with the Settlement and Land Records Department. It has been accused of being biased towards large business interests and bureaucratic with limited scope for citizens to have their voices heard. In most cases, decisions on large-scale land allocations to companies are decided at a higher level than the township.

The management committee

The management committee (the nine members are government staff only) is the main coordination body between different township level line departments and the various committees. It is also tasked with collecting data for national planning, balancing budgets, reporting progress of rural development and poverty reduction agendas and good governance, coordinating international assistance, and dispute resolution.

4.2. Relations between different government local authorities

Lack of coordination and underlying tensions between different government local authorities play out at the township level of local governance in Myanmar. This is a reflection of the overall institutional administration systems and the blurred and often contradictory decentralization processes and hierarchical structures. Several respondents reflected on the background and impact of this in government-controlled areas - without clear suggestions as to how to improve these issues apart from devolving further powers to local bodies.

The fact that township and district administrations are not elected (although plans exist to change this in the near future - if approved) adds an additional layer to the complexity and deepens the rift between the bureaucracy (generally adhering to the union level) and local power holders such as the state/region parliament and governments along with elected MPs, local CSOs and business interest groups. This can be coined as 'the fight over who rules the township'. A significant other layer of complexity relates to the fact that EAGs use different township designations and administrative systems, which is something that government respondents did not reflect much on and tends to view as a political issue to be dealt with as part of the peace negotiations and possible constitutional amendments.

Inter-ministerial rivalry exists both at the Nay Pyi Taw level (including the attitude, aptitude and adaptability of different ministries to take forward local governance reforms) as well as at the state/region level. The GAD has since 2011 been taking over increasing functions, which adds to the existing pressures of its staff^{61, 62} Many other departments, state/region governments, CSOs, political party representatives and individuals consulted for this report viewed the GAD as bureaucratic, relatively unresponsive to local needs and adhering to very hierarchical structures and a security-and-control ethos, which many view as impeding implementation of governance reforms (although this may be improving). At the state/region level, an uneasy dynamic exist in many places (such as Tanintharyi) between the GAD on one side - and the state/region parliament and state/region government on the other side – with on-going struggles over who is in control. Sometimes the GAD's presence, particular in ethnic areas is viewed as 'uninvited foreign visitors' whereas the state/region parliaments and governments view themselves as 'the rightful locals' (being elected locally). One of the Speakers of Parliament in the South East recalled the GAD stating to senior elected members of the region parliament "We have been here for 60 years – you are here for 5 years. We will remain here long after you have gone."⁶³

4.3. Relations between local authorities (government and EAGs)

Mary Callahan (2007) noted "three patterns of relationship between the national state and locally-based, often non-state actors in Myanmar as: *“near devolution, military occupation, and coexistence.”* In the case of South East Myanmar, as far as observed by this mission to Kayin, Mon and Tanintharyi, it could be suggested that the situation is one of "coexistence as well as contestation".

The interviewees described a complex situation of governance in the South East as: government controlled, mixed controlled, and EAG controlled areas. The cooperation between the government and EAGs varies between the different regions, leadership attitude and influential personalities. In Mon State and Tanintharyi Region relations are reportedly more flexible and supportive than other areas, particularly Kayin State where a very mixed situation exists.

⁶¹ MDRI-CESD and the Asia Foundation. Forthcoming report. (2014). The General Administration Department: An Overview of the Administrative Backbone of Myanmar. Yangon.

⁶² Interview with Ye township administrator (May 2014)

⁶³ Interview with Tanintharyi *hluttaw* Speaker U Htin Aung Kyaw (May 2014).

The field mission found gradually increasing cooperation (in the wake of ceasefires) between the government and EAGs in areas of mixed control or under EAG control, such as land registration, infrastructure development projects (roads, schools, health clinics), crime and issuing of national identity cards. In addition, the EAGs cooperate with the government authorities in anti-drug measures as they have agreed in State/Union ceasefire agreement and in Mon State, the NMSP exchanges information with the government officials to tackle gambling at local festivals.⁶⁴ In such cases of cooperation, the government relevant departments or the township administrator tend to communicate through the EAGs' local liaison offices first and then plan the activities/actions after approval.

There is though a prevalent concern among EAGs of government encroachment into ethnic controlled areas in terms of administration in the name of development and investment - while the government is keen for a peace dividend (or just expanded control) to be visible to local communities and external actors. Increasing government presence in mixed areas was also observed by the mission team. A KNU liaison officer explained it as "*a tug-of-war*"⁶⁵ while other EAG representative (NMSP) viewed it as less problematic and emphasized the increased support communities were receiving.

Even though there is a working relationship between the government and the EAGs, trust building is still an extremely important issue for the future, as is common in what is not yet a post-conflict situation but can rather be described as an early conflict resolution context. The ethnic armed group leaders show their suspicion of government extension of its administration into their areas, as well as competing to gain control in mixed administrative areas. An EAG leader put it he understands *Na-ta-la* (Border Area Development department) may need to monitor the project development in ethnic area, but sometimes people feel it is encroachment.⁶⁶ An NMSP officer phrased concerns directed at the international agencies as "*Please provide assistance to us – and at the same time watch, monitor and pressure [the government] or it will go back to the situation of 60 years.*"⁶⁷

In Mon State and Tanintharyi Region, only few EAG groups, mainly NMSP and KNU, are operating, but more groups are competing for influence and power in Kayin State. In order to tackle the on-going clashes between the Kayin groups, six Kayin armed groups have formed a 'Karen (Kayin) armed group solidarity committee' in May 2013, to solve problems and ease tensions that occur amongst the groups.

Several EAG have direct and regular contact with the Myanmar army in their regions. For example, the KNU, DKBA, KPC, BGF 1022 representatives hold regular meetings with government and military officials. Ministry of Border Affairs Lt Gen The Naing Win met with Kayin armed groups for the first time in September 2013.⁶⁸ However, it is observed that the Myanmar military following the new government and ceasefires seems to have very limited direct intervention in civic administration and to an extent in relation to dealing with business interests in the concerned areas. At the same time local military units of the EAGs are closely and increasingly involved in exploiting local business opportunities.

Despite the relatively stable ceasefire in South East Myanmar, many villagers are still reluctant to work as headman, partly due to fear of being caught between the warring parties and the conflicting agendas of extractive authorities and the well-being of the community.

⁶⁴ Interview with NMSP official at Ye Township (May 2014)

⁶⁵ Interview with KNU Liaison office in-charge, Hpa-an. (May 2014)

⁶⁶ Interview with NMSP official at Ye Township (May 2014)

⁶⁷ Interview with NMSP official at Ye Township (May 2014)

⁶⁸ Burma News International. (2014). Deciphering Myanmar's Peace Process 2014: A Reference Guide. p. 48, 52.

4.4. Relations and roles of civil society and media

One of the most noticeable impacts in the South East of the reform process - apart from the ceasefires and the peace process – is the increased freedom of expression and freedom of associations, which has resulted in a resurgence of civil society organisations, particularly those working on previously contentious or sensitive issues such as human and political rights. Horizontal networks are expanding and solidifying too linking local groups in the South East to the wider civil society movement in Myanmar across ethnic divides. Networking usually happens along specific issues such as land grabbing and the adverse impacts of economic development activities. Several local groups that used to operate from Thailand have migrated their offices to Myanmar and now work in EAG-, mixed and government-controlled areas. At the same time, local groups already based inside the country have expanded their work due to the improved access and political space. In the South East, particular in Kayin State where Christian church-based groups have long-established networks, groups with a Buddhist background (often with a secular approach) have become more active and vocal over the last few years. Local groups that are often community-based focus on advocacy, community empowerment, awareness raising on rights and civic education. However, the space is still restricted and organisations are still testing the boundaries of what is possible. While networks are expanding many local organisations still work in relative isolation.

The enhanced space for civil society is accompanied by relaxed restrictions on the media. In the South East ethnic-based media organisations previously in exile are now reporting from and have offices inside the country (with many retaining offices in Thailand at the same time). New locally based journals and newspapers have also appeared such as the Thanlwin Times and the Tanintharyi News, which report on local news and in local languages. However, they remain underfunded (without the financial backing by influential business men who have dominate the national media) and struggle with accessing the many media-focused capacity development activities on offer in Yangon. Along with the wider media environment they do bring issues to public awareness that would otherwise not be reported (and have close links with activist civil society groups) but also apply self-censorship when it comes to topics such as the military and high-level corruption. Media organisation also struggle with accessing information from local authorities and military sources which are – like the most government-related institutions – are unfamiliar with releasing information publicly

While only a few local groups work specifically on local governance, an increasing number of local groups in the South East engage with local authorities on single-issues and some have established noticeable new channels of communication through state/region parliaments/MPs⁶⁹ and the local administration. A few public consultations have taken place between LAs, CSOs and communities and the government. LAs are generally described as ‘a *little* more responsive than before’. Some groups have also had limited success in influencing the policies of EAG leaderships who are now more free to consult with communities and civil society. The interaction is however still restricted by the illegal associations law (under which association with EAGs is illegal), which - albeit being implemented in a much less restrictive manner since the ceasefires - is still in effect and has a chilling effect particularly on more open, official and systematic engagement. Nevertheless, local civil society and media play an absolutely key role in bringing issues of public interest into the public domain and thereby giving voice to local communities and placing pressure on LAs and companies to act in accordance with the interests of the public.

Overall, the relations between local civil society and LAs (from either side) can be characterized as *personal* rather than *institutional*, *ad hoc* rather than *systematic*, *informal* rather than *formal*.

⁶⁹ In Tanintharyi Region for example, civil society (and political parties not represented in the region parliament) have observer seats in the region parliament – and are able to informally suggest questions to be raised in parliament through the Speaker of Parliament.

In terms of priority and capacity development needs, local civil society and media express and interest in training in human rights, community empowerment and the role of civil society and media in promoting good local governance. Skills building in advocacy and networking is also relevant.

4.5. Priorities of local communities in relation to local governance

Overall community members consulted for this report had very low expectations in terms of service delivery from the state or EAGs. Generally, access to information, understanding of structures of government LAs at township level (including the new development committees), consultation and influence on local agenda, decision making and/or priority setting vis-à-vis local authorities (government and EAG) is extremely low at present. Expectations or demands for this to improve were almost absent. This reflects a culture of 'absence of the state' at best and 'fear of the state' at worst at the local community level, which to some – albeit relatively less extent - also extends to the local authorities of the EAGs. In terms of local governance, which by the mission team was explained to communities as focusing on 'the relations between local communities, local leaders and local authorities', communities struggled to identify ways in which this can be improved. This again reflects lack of familiarity with rights-based approaches and empowerment/participatory models; coupled with an environment in which decision-making is often left to local elites or respected persons and where power is structured along hierarchical lines. Moreover, local communities are mainly familiar with a development concept focused exclusively on improvement in infrastructure i.e. the school, health clinic, road and water supply.

Communities first and foremost stressed a strong need for (continued) security understood as absence of armed conflict and associated abuses such as forced portering, forced labour and the like. Secondly, they stressed the importance of improvements in development generally, more specifically local infrastructure. Thirdly, communities affected by land grabbing emphasized having land title registration and/or more simply access to their land by whatever means available (see below). Fourthly, improved local employment opportunities are sought after (also to stem large out-migration to Thailand) by local communities

In relation to communities and improved local governance, civil society organisations and international agencies stressed the importance of raising awareness of rights, civic education and democratization in general and empowering communities through PRA methods and community mobilization more specifically - and in relation to selected issues (such as land rights in particular – see below). They also emphasized the importance of strengthening the capacity of village leaders and village tract administrators to act as effective and representative leaders in a participatory manner whether for organizing village development initiatives or effectively linking communities and their concerns to LAs at the township level. Without this and organised community-based groups (of which there are relatively few at the village level) other activities (such as advocacy, access to information, claiming rights, services and entitlements etc.) are likely to have relatively little effect.

Land rights and local communities

Land rights issues have risen to the forefront of conflict between local communities, business entities, ethnic armed groups and the government in South East Myanmar. A broad range of respondents consulted during this mission, emphasized that conflicts over land grabbing is one of the most contested and widespread issues in the South East at present. For the last few decades large tracts of land have been confiscated by the military, the government and increasingly by private companies for a range of purposes – most of these related to expansion of agribusiness ventures such as rubber and palm oil plantations but also to infrastructure projects, hydro power dams, logging and mining.

Local communities have received no or very little compensation. In the South East this problem is compounded by contested control of territory, large numbers of refugees and IDPs (who are likely to return to claim back land), the presence of land mines (which when cleared will open up for new land claims), the existences of natural resources (timber and minerals) and the use of customary land tenure and shifting cultivation, which is not recognized by Myanmar statutory law. The ceasefires and nascent peace process have already opened up new areas for commercial use, which by some has been coined 'ceasefire capitalism'.

While the faulty view that economic development will simply solve many of the long-held ethnic grievances (which has dominated the government narrative) seems no longer to take centre-stage in high level negotiations between the government and EAGs at the local level economic development and 'peace opportunists' with for-profit interests are rapidly flooding into the area, grabbing land and shoring up interests during this uncertain transition period with support from both locals EAGs and local government actors resulting in negative consequences for local communities and setting the scene for exploitative processes going forward. As such local conflicts over housing, land and property rights are expected to increase in the near to medium future^{b, c}

In response to these pressures local communities and civil society in the South East (and elsewhere across Myanmar) are increasingly organising and using protests and the media to draw attention to their claims with mixed results. New land laws passed by the parliament in 2012 do not provide sufficient protection for smallholder farmers. Local administrations have begun to implement a process of land registration and issuance of land certificates to farmers, which has been gaining ground in the South East. Interestingly, in some mixed and EAG controlled areas in the South East quite close cooperation has developed between township authorities (the Land Records Department and the Land Management Committee) and some EAGs, particularly the NMSP which has facilitate granting of land certificates to local farmers – whereas in other areas such as those under KNU influence, the KNU has insisted on adhering to its own land registration policy and issuing its own certificates while denying government township authorities access. One KNU liaison officer described this as a 'tug of war' between the two sides. In any case, it is very uncertain that the new land laws will protect the rights of local communities, particularly those practicing customary law arrangements. Experiences from neighbouring other countries demonstrate that a range of other measures must be supported for local communities' land tenure arrangements to be genuinely supported and protected.

^a Kevin Woods (2012). "The Political Ecology of Rubber Production in Myanmar: An Overview". Global Witness

^b Displacement Solutions for NPA (2014). "Land Rights and Mine Action in Myanmar – Do No Harm: Proposals for a set of eight core principles and a 14-step sequencing process of land rights-sensitive mine survey and clearance in Myanmar."

4.6. Priorities of authorities in relation to local governance

Union level priorities

At the Union level of the respective ministries, departments and offices involved in improving local governance and decentralization there is an increasing understanding of and interest in the need for capacity building for good local governance. This refers to the President's Office, Department of

General Administration (under Ministry of Home Affairs), Department of Rural Development (under Ministry of Livestock, Fisheries and Rural Development) and Department of Planning (under Ministry of National Planning and Economic Development). The Ministry of Border Affairs is though more focused on the provision of infrastructure to the border areas than 'softer skills' (which is also reflected in that the Department of Rural Development has now been moved to Ministry of Livestock, Fisheries and Rural Development). The need for capacity development reflects that the departments, which are used to a top down command structure and unfamiliar with approaches related to accountable, transparent and participator governance - are under increasing pressure to deliver on the high-level reforms emphasizing people-centred approach, bottom up planning, decentralization, clean and good governance. The above-mentioned departments and offices are increasingly engaging with international agencies on capacity development agendas in relations to local governance and decentralization and take part in the government-donor Public Administration Working Group. However, thus far only very limited capacity development for government staff has taken place – and even less so at the local levels.

In meetings with key departments in Nay Pyi Taw and others consulted for this report, it is clear that not only capacity development for good local governance is needed but importantly or part hereof also a shift in attitude – and associated behaviour - for government staff to begin viewing themselves as public servants accountable and responsive to the population (rather than only to higher officials). Transforming decades of embedded attitudes is no easy task – but without this a purely technocratic approach to improving local governance is likely to fail. Inherent tensions within the governmental institutional set up also influences the space for local governance reforms and must be taken into account when designing capacity development interventions.

Nevertheless, respondents stressed a number of generic areas for capacity development relevant for this report. During consultations in Nay Pyi Taw, senior department staff emphasized that capacity development in local governance for government staff must take part “at the earliest time possible in every mechanism of local development” and that Training of Trainer (ToT) trainings are important in order to promote local level extension and ensure that a pool of competent local trainers are available, which is currently a problem. Such trainings should be extended to CSOs also.⁷⁰ More concretely, the General Director of the GAD stressed the need for upgrading the GAD's training school for administrators - IDA (Institute of Development Administration) – with a focus on curriculum development but also stressed that this should be done in a coordinated manner among international development partners. He did not rule out expansion of IDA trainings to the local level.⁷¹ Currently only higher level officers participate in months-long trainings at the IDA with limited training for mid- and lower level staff – and no localised or extension training centres exist at the state/region. The GAD GD also touched upon the village tract administration level as an area for possible capacity development support, which has also been stressed by Ministry of Planning in the recent past.⁷²

State/region level priorities

In relation to capacity development for local authorities, state/region level government and parliament representatives stressed the need for “seriously considering the peace process for any capacity building for local government.”⁷³ Without going into details in terms of training needs, the Kayin Chief Minister stressed that “*local governance is a political issue*”. He highlighted the importance of capacity development initiatives in relation to decentralization, that these should be suited to the local context - and warned against the risk of unrest and adversary relations: “*Decentralization is a complex idea that focuses on bringing government and citizens closer together. Academics should be flexible in relation to understanding local characteristics as ideas should bring citizens and government closer and promote more effective services. If there is not a*

⁷⁰ Meeting with Department of Rural Development, Nay Pyi Taw; 14 March 2014

⁷¹ Meeting with Department of General Administration (GAD), Nay Pyi Taw; 14 March 2014

⁷² Communication to the lead consultant; 2013

⁷³ Meeting with Kayin State Chief Minister, Hpaan; 9 May 2014

close relationship between citizens and government then it [local governance and decentralization] is difficult to promote. Capacity building is important and should come first! If we decentralize and allow citizen engagement in an extreme manner, the people will be against the government."^{74, 75}

The Speaker of Tanintharyi Parliament also expressed strong support for local governance capacity development and emphasized that this should be targeted at the administrators at village tract, township and district levels. Any training should as a first step take the form of broad capacity development and introduction to key concepts related to 'people-centred development'. This should as a second step be followed by a training on specific subjects such as planning and budgeting.⁷⁶

This mission did not in detail look into how the function of the *hluttaws* and MPs at the state/region level can be improved. Many of the problems at this level relate to the overall structure, responsibilities and functioning of the state/region parliaments for which there is no easy 'capacity development fix'. However, it is clear from a few interviews that *hluttaw* MPs are in need of training and support in how to design and formulate bills (a Kayin State MP asserted that he – a lawyer – is the only one among his colleagues who have actually submitted bills to parliament - apart from government ministries who have drafted the rest).⁷⁷ Few resources – physical and human – exist to support the MPs in their work and none of them have prior experience as MPs. One respondent suggested establishing local resource centres or think tanks that can support MPs in policy-making and bill drafting in a non-partisan manner. Access to information from the state/region parliaments to the public is limited – often not even laws are published in easily accessible places. Tanintharyi Region parliament has set an interesting precedent for civil society and political parties that are not represented in parliament to attend parliament sessions as observers. The public (effectively CSOs) also submit questions informally through the Speaker of Parliament who – if he deems them relevant – passes them on to MPs for discussion in parliament. On a separate note, the relationship between elected representatives and their constituencies is another area that warrens further research and support.

Township level

At the (government) township level, the mission team identified a lack of understanding of good local governance concepts (accountability, transparency and participation) and particularly tools relevant for participatory planning, administration and budgeting. Practices related to access to information for the public are largely absent including feedback mechanisms. Formal complaints mechanisms do exist but are of limited knowledge and use to the public. The township committees and their village tract counterparts (of which the development support committees and the municipal committees are those with a relative high representation of civilians and where capacity development has the highest potential in terms of impact) have very limited exposure to project cycle management and small grants management, which is very relevant to their functions. However, several checks and balances and financial procedures exist for the township small grant schemes (constituency development funds etc.). That said township level committee members did generally not clearly express capacity development needs on their own behalf. The mission team is of the opinion that this to a great extent relates to that the members are relatively unfamiliar with these concepts and tools. One prominent member did though stress, the importance that communities know PRA methods and clearly articulate their village plans and priorities to the village leaders who is in a position to communicate and link these with the township committees.⁷⁸

In relation to EAGs, liaison officers consulted during the field mission highlighted training of village leaders but otherwise did not specify local governance capacity needs. They did though stress the importance that any interventions in this field should focus on cooperation and take place in both

⁷⁴ Meeting with Kayin State Chief Minister, Hpaan; 9 May 2014

⁷⁵ UNDP has recently conducted a workshop on local governance and decentralization in Kayin State, which the Chief Minister also attended.

⁷⁶ Meeting with Speaker of Tanintharyi Parliament, Dawei; 15 May 2014

⁷⁷ Meeting with Kayin MP

⁷⁸ Interview with Min Zaw Oo, Member of Karen Literacy Organisation and Member of Hpaan Township Development Support Committee, Hpaan, 11 May 2015

government-controlled, mixed-controlled and EAG-controlled areas. According to interviewees the EAG administration also has a hierarchical structure and lack many of the same understanding and tools identified above for local government officials. They are increasingly familiar with community consultations now that freedom of movement is less restricted (NMSP states they carry these out on a bi-annual basis) but decision-making is still closed and top down. This is compounded by the fact that no administrative trainings schools exist for the bureaucracy of the EAGs. In addition MPSI has argued for support to the liaison offices generally and for the need of fora and pilot projects where LAs from different sides and communities have the opportunity to come together and consult – such spaces have been largely and pervasively absent over the last half-century.⁷⁹

Village tract administrator and village leader level

The village tract administrator (in government areas) and village leaders (in EAG and mixed controlled areas) are positioned in between the state (/the EAG) and the community. Respondents referred to them as often taking the lead in village development initiatives - and a link through which information from authorities reaches the village. In the cases where the communities engage with government and township authorities (requesting repair of the school for example) it is often the village tract administrator / village leader who takes the lead. However, it is also clear from respondent interviews that the administrators/leaders sometimes keep information to themselves or a limited group “some information cannot be known to villagers”⁸⁰ - and decision-making is often closed. *“Villagers have no knowledge of what proposals are submitted [to the township development support committee], the tradition is whatever the village headman does is right so people just follow, previously when EAGs take taxes people did not dare not to raise questions as they believe he is doing something good... culturally people dare not raise questions.”*⁸¹

Village tract administrators / village leaders consulted for this report did not clearly articulate what local governance improvements they would like to see or in what ways they could improve their capacity. Some of them have attended shorter induction courses at the township level upon appointment. However, numerous respondents stressed the great potential for enhancing the skills of these administrators/leaders in ways that would enhance their capacity to act as effective and responsive representatives of community interests vis-à-vis higher authorities. They pointed to leadership training and participatory skills for local development initiatives.

In general CSOs highlighted that capacity development of local authorities should focus on all of the above – particularly aiming to change the mind-set of the GAD and working with local leaders and administrators closest to the people. They stressed the importance of working with empowerment of communities so that they can engage meaningfully with authorities to protect their rights and effectively access services and entitlements.

⁷⁹ The Myanmar Peace Support Initiative. (March 2014). "Lesson Learned from MPSI's Work Supporting the Peace Process in Myanmar: March 2012-May 2014. Yangon, Myanmar:

⁸⁰ Focus Group Discussion with villagers in Kyone Long village, Kayin State, (May 2014)

⁸¹ Interview with Min Zaw Oo, Member of Karen Literacy Organisation and Member of Hpaan Township Development Support Committee, Hpaan, 11 May 2015

Section 5: Strategic implications and approaches

5.1. Strategic implications and approaches

The risk of well-intentioned development and aid projects inadvertently doing harm and fuelling conflict in the South East is real. Some actors are of the opinion that it is too early to expand local governance initiatives in the South East at this time and that it should only be embarked upon once local stakeholders actively request such initiatives as a priority. Others argue in favour of carefully strengthening local community resilience to withstand the intrusion of authorities and companies from outside. At the same time, it can also be argued that it is overdue that international development actors begin to work with existing and emerging local structures - community, government, EAG or otherwise – to build skills for improved local governance, improve trust, improve local service delivery and help to protect the rights of citizens. The reflections and recommendations outlined below seek to offer a calibrated and balanced response in a sensitive context where SDC must tread carefully but also has an opportunity to explore effective ways of improving local governance for the benefit of the local population.

Strategic implications

The analysis provided in this report points to a number of strategic implications for the future SDC local governance programme in South East Myanmar:

1. The dynamic, transitory and uncertain political situation in Myanmar as a whole and in the South East in particular is likely to have direct but often unforeseen or 'hidden' impacts on local governance dynamics. This calls for *an approach that is highly flexible, very adaptive, extremely context-sensitive* and focused first and foremost on 'the approach' rather than 'building a system'. Having an extremely good understanding before programming is paramount but (as expressed by a key informant) *"Don't have a pre-cooked plan, even if it is a good plan!"*
2. The pervasive underlying conflict and peace dynamics at play in the South East calls for a *very conflict-sensitive approach* to local governance throughout programme design, implementation and evaluation. This entails *not placing 'development before the peace process'* i.e. don't push too fast and pre-empt political negotiations, which risks doing harm both on the ground and in relation to the overall peace process. In more pragmatic terms it also means ensuring *plenty of resources for extensive, genuine and all-inclusive stakeholder consultations* including communities, civil society and government authorities but just as importantly EAGs, political parties and religious leaders.
3. *'Everything is political, particularly local governance'*. This assertion comes with a risk of SDC or its implementing partners being viewed inadvertently as 'taking sides' in a politicized context - even over issues that may at first seem innocent or insignificant. This calls for *SDC to be very transparent in its approach* to local governance by consulting with key power holders very early on and throughout the process, releasing information to all stakeholders (in a medium understood by them) and allowing for genuine feedback influencing programme design.
4. The fundamental and pervasive lack of trust between communities and local authorities – and among different local authorities – calls for *an approach that focuses on building confidence over time, promoting inclusion, identifying joint priorities* and working together to achieve common and/or complimentary goals.

5. The transition process calls for caution against a purely technical approach and technocratic interventions as one risks purely strengthening structures that are likely to be changed (and thus setting up a bigger problem in the near future). Instead the focus should be on *strengthening skills, mechanisms and services that are useful whatever the system*.
6. Rather than focusing on introducing new systems, *focus on what is already there and what is emerging* – in government and EAG-controlled areas - including traditional mechanisms, existing and emerging new relationships and organisations already present on the ground. Work with them in ways that promote inclusion, participation, transparency and accountability.
7. While selecting intervention areas based on need has important merits, for a local governance programme to be successful in the given context, it is important *to identify strategic entry points, conducive local environments and potential change makers / champions*.
8. As for recommended levels of operation for SDC, the lower the level, *the more generic and the less contested it becomes, which favours a focus on township, village tract/ village levels (in both government, mixed and EAG-controlled areas)*. At the same time, *new space is opening up for influencing policy debates and decision-making at the region/state level*, which suggest an added focus on advocacy, networking and capacity development at this level.
9. The fragmented but changing context suggests a focus on *enhancing emerging convergence processes and strengthening networks*.
10. The general lack of capacity among local authorities in relation to good local governance - particularly in relation to participation, transparency and downwards accountability - calls for a both *general focus* (promoting general awareness about key concepts) and a *targeted focus* in order to have an impact (focusing on the entities of local authorities that are key in engagement with the public and have mechanisms open to public participation).
11. The pervasive sense of distance between communities and local authorities (although this gap is slowly closing), the lack of awareness of rights, entitlements and services among community members and the relative low level of community organising, suggest that the SDC programme must place a *strong focus on community empowerment at the core* of its programme.

The above requires that SDC in Myanmar as an a priori needs to be clear on to what extent and in what ways it is comfortable with supporting interventions that relate directly to EAGs. Restrictions on direct funding may apply and flexible models may need to be considered. It is important that internal discussions on these issues are taken forward early in the process.

5.2. Modalities and key intervention areas

Modalities

During the programming design phase further attention needs to be given to what implementation modalities and implementing partners will be most effective and appropriate.

These must of course be based on human rights and do-no-harm approaches which must be articulated in practice.

A number of considerations when planning and implementing projects in conflict-affected areas have been put forward for aid partners by MPSI. SDC should pay close attention to these when preparing and implementing its programme⁸²:

- Does the project have agreement (at least in principle) from Government, Ethnic Armed Groups and communities?
- Does the project build trust and confidence in the ceasefire and peace process through meeting the priority needs and concerns of the conflict-affected communities?
- Does the project help build the capacity of local actors to articulate and address their needs and concerns?
- Does the project provide practical support to specific, agreed elements of ceasefire/peace agreement implementation?
- Does the project protect the social fabric that connects CBOs to communities? Does the project incorporate safeguards against disempowering, over-whelming or bypassing local stakeholders?
- Have you considered if the project could be planned and implemented through a locally owned CBO consortium approach? – Would this be appropriate?

Implementation partners

A number of local groups, NGOs and individuals are emerging who work specifically at local governance in the South East. These are relatively few - about 1-3 per state/region if a narrow definition of local governance is adopted i.e. including capacity development of local authorities – but a plethora of groups – 10+ per state/region work on issues related to local governance and community empowerment such as land issues, community mobilisation, natural resource transparency etc. None of these work to scale or across areas with the possible exception of Paung Ku and KDN who do not (yet) specifically include capacity building of LAs.

In terms of international NGOs, Action Aid Myanmar has worked in parts of the area for some time on these issues. Other organisations (in addition to the World Bank and UNDP) have more recently begun work either on networking, research or capacity development of CSOs/ CBOs and LAs in relation to local governance such as The Asia Foundation (in cooperation with MDRI-CESD) and VNG International (in cooperation with several local organisations).

In any case, if international implementing partners are chosen it is paramount that they work in close partnership with a network of local organisations to ensure long-term sustainability, an in-depth understanding of the evolving local context and importantly building capacities among this crucial group - with a view to multiplication and upscale only after having identified and piloted initiatives that actually work in the local context (rather than implementing slightly adjusted project models from elsewhere). In some cases, it may be necessary to cultivate over time the emergence of truly local actors with whom international organisations can work. International development actors must take time to understand the strengths and weaknesses of these groups, including their affiliations with the local political landscape.⁸³ Local CSOs/ CBOs should not be viewed simply as stakeholders or implementers but as key to successful implementation. Any program design must

⁸² The Myanmar Peace Support Initiative. (March 2014). "Lesson Learned from MPSI's Work Supporting the Peace Process in Myanmar: March 2012-May 2014. Yangon, Myanmar: p. 68-70.

⁸³ These networks often act as advantage at the local level. While some civil society groups have closer links with particular EAGs, few have particular close links with particular political parties.

pay adequate attention to this and include adequate resourcing for this (human, financial and time-wise).

Furthermore, government and EAG authorities must be viewed as key partners for any programme in this field and SDC should go to great lengths to ensure that measures are built in from the outset to maximise ownership of programme interventions by these actors. The programme must include interventions in both government-controlled, mixed and EAG controlled areas in a manner sensitive to the situation and preferably in an integrated manner where feasible (which will not always be possible, desired or feasible). That said, it is important that SDC clarifies internally the extent to which it is acceptable that SDC – as a Swiss government entity – is comfortable working with ethnic armed groups and set out a specific *modus operandi* (which may exclude funds transfer to these groups but accept forms of indirect support to communities in these areas and capacity building related to good governance of local administration).

Finally, local communities must be at the heart of any intervention that aims to improve local governance. Local governance should not just be improved for the sake of it but be viewed as a mean to improve the well being of local people – through better services, stronger community cohesion, better abilities for communities to prioritise and fulfil own goals (including those of the most marginalised groups). As such ways should be sought to ensure that community members are not just appropriately consulted but have direct input to and a genuine sense of participation in and on-going input into programme interventions.

Key possible intervention areas

Geographic intervention areas

In terms of geographic selection, the mission team suggests prioritising areas in the South East that already have a relative conducive environment for enhancing local governance i.e. areas where both local authorities (government and EAGs) and CSOs/ CBOs have relative good and stable relations and express an interest in promoting local governance. These include Mon State and particularly Tanintharyi Region. However, there is a risk that ignoring areas where conditions are currently less conducive such as parts of Karen State will simply result in that these areas are left further behind in this respect. It is also important to note that the situation varies within states/regions subject to who is in local control.⁸⁴ Caution should be taken to not 'get ahead of the peace process' which in practice means that in some localities interventions should be delayed - or only some of those interventions suggested below should be prioritised such as those focusing on community strengthening.

In an environment where authority is highly personalised and institutions are yet weak, it is important to identify local champions for good governance at all levels. However, there is also a risk of overreliance on personalities who may fall out of favour or change positions, which may lead to a significant shift in what is possible in the given environment⁸⁵

Other factors to consider are the availability of experienced implementing partners on the ground (which does not differ significantly between the states/regions in the South East) and importantly avoiding duplication with other larger local governance programs (such as UNDP's local governance programme that has Mon State as a priority area). It is also important to consider synergies with other programs, existing activities by potential implementing partners and with other SDC programs – many of which are still under development.

⁸⁴ For example areas under KNU brigades 1, 3, 5 located in eastern Bago and northern Kayin States are less conducive to cooperation while Brigades 2,4, 6 on Kayin State, Mon State and Northern Tanintharyi enjoy better relations with government authorities. In Kayin State, the Kayin Chief Minister is perceived as relatively more security-focused and more controlling vis-à-vis CSOs and NGOs than in Mon State and Tanintharyi Region.

⁸⁵ Such as experienced in Tanintharyi Region when the Chief Minister was replaced in November 2011.

Given that the mission team has not visited Kayah State and Bago East as part of this assessment it is hard to comment in any detail on their suitability as key geographic intervention areas for the SDC local governance programme. There is though a sense that many actors are already present in Kayah State, which may lead to 'over-crowding'.

On this basis the mission team recommends that SDC does not strictly predefine geographic intervention areas (i.e. exclude any areas) in the South East,

As stated above, both government-controlled, mixed-controlled and EAG-controlled areas should be considered with a view to promoting a balanced approach in a contested political setting. Sub-areas with high levels of localised conflict, displacement and/or difficult working conditions, should be avoided and/or postponed.

Levels of interventions

The analysis points to that interventions should be focused on engagement between LAs and communities at the township and village tract/village levels and prioritise empowerment of citizens as well as capacity development of LAs. Interventions supporting advocacy, networking and capacity building in relation to decision and policy making at the state/region level could also be considered.

Types of interventions

Interventions should generally focus on developing capacity and promoting linkages and networking. Issues of particular priority are: Empowerment of citizens (demand side) and enhancing participation, accountability and transparency of LAs (supply side). Crosscutting themes are improving access to information and promoting inclusion, particularly the role of women in public decision-making. As youth and the poor are also marginalised from decision-making, SDC should as a crosscutting measure support efforts to empower and nurture community organising and the emergence of leaders from these groups.

Due to the complex local governance context and the risk of adversely strengthening government structures at a time of sensitive negotiations between EAGs and the government coupled with possible future reconfigurations of administration structures, SDC should consider phasing interventions with an early priority on building local community capacities, improving local leadership and spaces for engagement between communities, CSOs and local authorities from both sides (interventions 4 to 6 below). The below interventions are relevant to actors, groups and authorities in government-, EAG- and mixed-controlled areas.

0. Strengthening capacities at the state/region level for policy making and improving resources for good local governance.

Activities:

- Supporting the establishment of local training or resource centres/units on local governance accessible to LAs, CSOs/ CBOs, MPs/political parties, and the public.
- Training of trainers programmes to build a pool of local trainers on governance within and outside of the administration. (This could be linked to the GAD IDA training school or under the authority of state/region governments)
- Awareness-raising about the role of MPs (for MPs and associates) and skills building in areas related to their position.
- Workshops and on-the-job training in researching and formulating bills (for various stakeholders).
- Improving access to information through tools and mechanisms.

1. Strengthening capacities of (selected) township departments and committees for participatory planning, budgeting and engagement with citizens.

Activities:

- Workshops familiarising participants with key elements of good local governance (including the role of the public servant)
- Training sessions on participatory planning and budgeting linked to the annual planning cycle.
- Training sessions on project cycle management, small grants management and basic PRA methods.
- Introduction to and piloting of a series of public consultations between LAs, CSOs/ CBOs, communities and other key interest groups.
- Introducing and piloting measures to enhance access to information and outreach to the public in a systematic manner (public consultations, feedback and complaints mechanisms, improving channels of communications including village tract administrators and village tract committees)
- Networking and exposure visits between LAs in different parts of the area and overseas (Asia)

2. Strengthening capacities of CSOs/ CBOs to engage effectively on local governance issues.

Activities

- Workshops familiarising participants with key elements of good local governance (including the role of CSOs/ CBOs in promoting good governance)
- Training sessions on engagement and advocacy on local governance.
- Networking and exposure visits among CSOs/ CBOs.
- Supporting workshops, consultations and joint seminars for CSOs/ CBOs, LAs and other key local stakeholders (political parties, business groups etc.) on issues of local priority (land, natural resource management, transparency in relation to economic development etc.)
- Activities to improve CSOs/ CBOs abilities to directly engage on public policy and decision-making.
- ToT trainings to create a pool of local resource persons/trainers on local governance.

3. Enhancing community capacities for empowerment, village development and engagement with LAs

Activities

- Workshops introducing communities to key concepts related to local governance and community empowerment (rights, entitlements and services – accountability, participation, transparency, gender mainstreaming).
- PRA processes through which communities identify key issues of concern and priority to them including mapping available resources (human, financial, in-kind including networks)
- Empowerment activities focused on organisation, mobilization, inclusion and representation within the community.
- Activities to improve community resilience and advocacy with LAs and others.
- Networking and exposure visits.

4. Enhancing capacities for representative, inclusive and responsive leadership

(This should first and foremost be targeted at village tract administrators and village leaders – but SDC should consider an advanced level programme for different levels of the local

administrations including EAGs. This could also be extended more broadly to CSOs/ CBOs, political parties and other key local interest groups. Any programme should have a strong focus on empowering women in public decision-making.)

Activities

- Modular training programme for village tract administrators and other local leaders on key concepts of good local governance and specifically different types of leadership and management practices.
- Specific sessions on issues of relevance to the target group (self-identified) such as mobilization of resources, participatory leadership, action planning, consultation, articulating needs and priorities to authorities etc.
- Action and peer learning
- Networking and exposure visits establishing a network/resource of representative, inclusive and responsive local leaders.

6. Supporting spaces for dialogue and engagement between EAG LAs, government LAs, communities and civil society

Activities⁸⁶

- Trainings in communication, negotiation and conflict resolution methods.
- Dialogue meetings between communities and between communities, CSOs and LAs.
- Initiatives that identify areas of possible convergence between LAs from both sides.
- Identifying and piloting small-scale projects that aim to build trust at the local level
- Documentation of lessons learned

Synergies with planned and existing SDC programs

Given that several SDC programs are still in the formulation phase it has not been straightforward to identify obvious synergies although they do exist. More time should be devoted to this during the review of this draft report and/or the programme formulation phase. SDC is a unique position to be able to integrate synergies into programmes at the outset and this should not be missed. However, it requires closer joint discussion and planning by the different SDC domains.

In relation to local governance the mission team suggest that all SDC domains carefully considers the key strategic implications outlined above and review in what ways the intervention types outlined above are applicable to specific domains.

Cross-cutting:

Moreover, the SDC local governance and the different domains should consider integrating components of '*improved access to information*' into programs. It was evident during the mission that all government departments display a severe lack of basic understanding of the importance of access to information in a democratic society and lacks tools to improve this in practice. As a result citizens are left in the dark as to decisions and plans affecting their lives. SDC domains can integrate improved access to information by working with government and other counterparts to bring about increased understanding and promote implementation of concrete and pragmatic practices and tools (such as publishing new laws/directives/regulations in ways that reach the public, establishing effective feedback mechanisms, making programme information available in easily understandable mediums, promoting a customer friendly approach, help desks, out reach to

⁸⁶ This could also entail supporting the establishment of development platforms in the South East but this needs further investigation as some state level authorities in the area have insisted on taking the lead on development coordination (with mixed results), which such an initiative could be perceived as competing with. More relevant would be supporting local learning or resource networks for local governance, transparency and accountability.

citizens etc.) Another crosscutting theme related to local governance is *empowerment of women in public decision-making*. As evident in this report, women are absent from such processes at present and a concerted effort must be made to change these dynamics. The SDC local governance domain is well placed to take a lead on this in cooperation with other domains by identifying specific ways in which female leadership can be promoted within all domains.

Specific domains:

More specifically, the mission team found the highest scope for potential synergies with the SDC Myanmar Agriculture and Food Security Domain, particularly the Community-Led Coastal Management in the Gulf of Mottama Program and in relation to land tenure issues such as possibly supporting specific interventions with the land management committees, in relation to customary land tenure and complaints mechanism in relation to land confiscation. The Coastal Belt Management Programme has identified the need for supporting community-based fisheries associations at all levels (from village to state/region and union level), which may be a good match for the Local Governance Domain Programme. The Agriculture and Food Security Domain is also in the process of formulating a land governance program as well as program for Strengthening Smallholder Rubber Farmer Production, which will have land rights education and land tenure security as a major component, and will need to draw on/support the new land management committees.

Synergies also exist with the Domain for Promotion of Peace, Democratization and Protection in terms of supporting engagement between LAs, CSOs, political parties, private companies and communities. In this context support to election committees formed at the local level by the Union Election Commission in cooperation with the GAD should be explored further along with voter education and election monitoring of both village tract elections and parliamentary elections (scheduled for late 2015 / early 2016). While no other international agency has thus far supported such initiatives at the village tract level (and SDC would thus fill an important gap which is well-linked with local governance), several institutions such as IFES and International IDEA have plans in cooperation with local civil society and government partners for wider election support. These potential synergies outlined above needs to be explored in more depth.

The SDC Humanitarian Assistance (HA) Programme has established impressive relations with both government and EAG LAs in the respective operation areas, which is unique vis-à-vis other donor agencies, and a presence on the ground with communities. However, activities and village project committees are at the moment very infrastructure and strictly implementation focused. For a local governance project to add value a rethink of the HA programme needs to take place - prioritising local resources, local capacities, a human-rights based approach and placing empowerment of communities at the heart of it. This may not be feasible or desirable within the current HA programme.

Annexes

Annex 1: ToR

Annex 2: Meeting list

Annex 3: Fact sheet

Annex 4: Risk analysis

Annex 5: Overview of all relevant stakeholders with their key objective and working fields

Annex 6: Township and village tract government administration structure

Annex 7: Key resource documents

Local Governance Assessment Mission Myanmar
Terms of reference

1. Country context

Myanmar is in the midst of a fundamental transformation process. Economic and fiscal reforms that promote a market driven economy have been initiated; the political climate of a formerly authoritarian ruled state is slowly transforming, and the peace dialogue is expected to result in a nation-wide ceasefire agreement in early 2014. These changes are hoped to pave the way for a comprehensive and inclusive political dialogue leading up to the 2015 national elections, which will be an important milestone and indication of the Government of the Union of Myanmar's (GoUM) commitment to democratic reforms.

Based on the administrative structures outlined in the 2008 constitution, a series of decentralization efforts have been initiated, fuelling the dialogue on the potential political and administrative set up of Myanmar, including deliberations on federalist structures. The most notable development in the realm of political decentralization includes the establishment of parliaments and governments at region and state levels thus creating space for dialogue at local level. However, political autonomy is limited by the centralized executive appointment process and accountability lines tend to be upwards. Fiscal powers at subnational level are restricted by small budgets, limited authority on local tax collection and budget allocation and the centralized review budget process. Administratively, accountability and reporting lines remain ambiguous for newly decentralized departments and responsibilities of state/region governments and Union Ministries tend to overlap. The sectors Health and Education have so far been excluded from the decentralization agenda.

While there are indications that the GoUM increasingly promotes a more people centred approach to planning and development, citizen-state relationships are still characterized by top down relations, little dialogue and the general absence of an effective check and balances' system. Consequently, Myanmar remains at the bottom of Transparency International's Corruption Index 2013, ranking 157th out of 177 countries. The role of women in local administrations sub-national parliaments, as well as in ward and village level leadership positions is extremely limited and mirrors the scarce presence of women at central level government and parliament.

In conflict affected areas local administrations and services run by non-state armed groups, often relying on customary laws, have emerged over the years, some of which enjoy considerable support from local communities. Pursuing a national decentralization agenda without taking into account such localized forms of governance might negatively impact the peace process. Likewise is the outcome of the peace process likely to influence the administrative structure of the state government and the characteristics of local governance systems in states and regions where ethnic armed group are active. It is expected that the ongoing administrative reform process provides opportunities to broaden and deepen stakeholder dialogue on local governance issues and reconstitute trust in government institutions.

Of late, President U Thein Sein has expressed his readiness to support amendments to the Constitution which provides for opportunities to address constitutional limitations to the decentralization reform process.

A range of international organisations is supporting the GoUM's administrative reform process, most notably the UNDP/UNCDF through their nationwide Local Governance Programme (2013-

2015, Budget USD 59 Mio) which will provide much needed baseline data on stakeholders at sub-national level.

2. Swiss Engagement in Myanmar

Switzerland has been engaged in Myanmar in the field of humanitarian aid for over 20 years. In response to the political opening and substantial democratic reform process in recent years, Switzerland opened an integrated Embassy in late 2012 to contribute to the transition of Myanmar towards a peaceful and more inclusive, equitable society in political, social and economic terms and a democratic government.

The Swiss Agency for Development and Cooperation (SDC) works along four different domains as outlined in the current Swiss Cooperation Strategy (2012-2017): (i) employment and vocational skills development; (ii) agriculture and food security; (iii) health, social services and local governance; and (iv) promotion of peace, democratization and protection. Gender equality, good governance and climate change and disaster risk reduction are applied and mainstreamed in a context-specific manner in all four domains.

Building on its experiences in humanitarian aid interventions, SDC will focus its support in southeast Myanmar. The ethnically diverse region has witnessed some of the longest running armed conflicts in the country. Its population has suffered from widespread human rights violations, loss of assets and very poor government infrastructure and services, resulting in large numbers of internally displaced people, refugees and the emergence of public services provided by ethnic groups. SDC is concentrating its operations in Mon, Kayin, Kayah, Bago East and northern part of Tanintharyi regions (see Annex A for a map).

3. Swiss Local Governance Portfolio

Switzerland pursues an integrated approach to governance and service delivery at sub-national level by addressing health, social services and local governance under one single domain. This is also reflected in the domain's objective as per the Cooperation Strategy:

“Disadvantaged people in rural communities, including conflict-affected and vulnerable populations, have access to better social infrastructures and services and are enabled to hold local governments accountable for these services”

The empowerment dimension is reaffirmed in the outcome statement for local governance:

“Citizens, in particular women and vulnerable groups, can voice and address their needs, exercise their rights and participate in local decision making”.

The financial volume foreseen for the local governance portfolio will increase from CHF 1 Mio in 2014 to CHF 3.5 Mio in 2017.

While Switzerland is yet to develop its Local Governance Portfolio based on a comprehensive assessment of the state of local governance and decentralization in Myanmar some selected initiatives are already supported:

- Support to the Myanmar Information Management Unit (MIMU) and contribution to the 2014 Population and Housing Census of Myanmar to establish an updated and accurate database and enhance access to information
- Contribution to Paung Ku to strengthen Civil Society Organisations and promote pluralism

4. Purpose of Mission

The main purpose of the mission is to provide SDC with **comprehensive information on challenges and opportunities in local governance in selected areas in southeast Myanmar based on the current state of the peace and decentralization process. The assessment shall also provide recommendations for SDC for strategic interventions in local governance in focus areas of the southeast in order to consolidate Myanmar's peace process, contribute to the decentralization reform agenda and promote the country's democratic transition** **Potential strategic areas of engagement include, but are not limited to:** service delivery, capacities of sub-national administrations, capacities of citizens to participate in local governance process and hold duty bearers accountable, community-based NR management, land governance and promotion of good governance.

The following working hypothesis shall be validated:

Myanmar's socio-political landscape has long been characterized by fragmentation, conflict and authoritarian rule. The peace process and the associated political and economic reforms will fundamentally change citizen-state relationships and will promote a more inclusive nation-state building towards democratic governance with the 2015 general elections being an important milestone. The decentralization reforms and increased responsibilities of sub-national governments provide new opportunities to increase citizen-state engagement at local level, build local actors' capacities and enhance citizens' space and voice in local governance processes. After six decades of authoritarian rule the GoUM and local communities are committed to engage in participatory political processes and contribute to a new configuration of power relations in Myanmar.

The mission should take into account the following:

- Potential synergies within the domain *Health, Social Services and Local Governance* must be explicitly addressed and built upon, including from a sector perspective.
- Synergies and complementarities with other domains, particularly community-led management of natural resources under *Agriculture and Food Security*, and initiatives to promote nation-building and civic/voter education under the domain *Promotion of Peace, Democratisation and Protection* shall be explored.
- Given the fragile and dynamic context of Myanmar and the ongoing peace process, aspects of conflict sensitivity need to be explicitly addressed in the assessment and strategic recommendations.
- Adopt a Human Rights Based Approach and gender equality to aspects of people's empowerment and increased citizens' participation in local governance.
- The needs and rights of vulnerable groups shall be given special attention.
- Consider support strategies for right holders (demand side) as well as duty bearers (supply side) at sub-national level. Assess the potential of engaging young adults (18-35) as primary stakeholders.

5. Specific objectives of the mission:

The mission should provide a thorough analysis of governance and political economy issues at local level and make recommendations on strategic entry points and niches for a SDC Local Governance Programme.

1) Local governance context assessment and political economy analysis in the southeast

- a. Analyse policies and strategies related to local governance and decentralization (include sector policies where relevant)
- b. Assess the state of decentralization and local governance at state/region and township levels in the southeast (practice oriented) including in areas where non-state actors govern.
- c. Assess the form, scope and concept of citizen's participation in local governance procedures and processes, formal and non-formal.
- d. Identify challenges and best practices in local governance related to capacities, power sharing, accountability, participation and inclusion from the perspective of different stakeholders (local communities, union and sub-national governments and parliaments, non-state armed groups, CSOs, CBOs, media, political parties, private sector (if relevant))
- e. Identify and map specific localized forms of governance in non-state armed groups' controlled areas in the southeast
- f. Assess impact of peace process on local power relations and governance practices

2) Map of local governance stakeholders (who does what, where)

- a. Map development projects and strategies in the field of decentralization and local governance by national NGOs, bi- and multi-lateral organisations in proposed areas for engagement in SE.
- b. Identify interests and capacities of local CSOs and CBOs to partner with SDC on a local governance project
- c. Assess the state of technical and policy dialogue between government and other stakeholders with regards to local governance

3) Recommendations for Swiss Engagement

- a. Provide recommendations for strategic interventions in local governance in focus areas of the SE based on a comprehensive context analysis.
- b. Include recommendations on potential working strategies and cooperation modalities
- c. Include recommendations on how to promote downward accountability and a Human Rights Based Approach (from a local government and a citizens' perspective)

6. Methodology

The assignment consists of two parts using different methodologies:

PART A: Literature review – implementation schedule and modality

- Desk study of existing relevant documents: legal framework, relevant sector policies, strategies and interventions by other development partners, assessments, reviews and reports, selected newspaper articles etc.
- Interviews with stakeholders in Yangon (and possibly Naypyitaw and Chiang Mai): CSOs, bi- and multi-lateral development agencies, research institutions, sub-national governments

- Develop implementation schedule for field visit with proposed areas of engagement, methodology and interview partners.

PART B: Field visits to focus areas in the southeast - validation of working hypothesis

- Qualitative interviews/focus group discussions/dialogue with stakeholders from state governments, communities, CBOs and CSOs to validate working hypothesis in proposed areas of engagement
- Consultations with non-state armed groups on their vision of local governance in NSAG area
- Assessment of actors' capacities at local level as well as interest to engage with SDC

7. Deliverables

PART A:

An **inception report** in English proposing a detailed implementation schedule, methodology, target area for field visit and final report structures to be submitted to SDC for approval.

PART B:

A **final report** in English, maximum 25 pages (plus annexes)

The following annexes are required:

- Risk analysis of the proposed engagement (thematic and geographic area, strategic partners)
- Analysis of potential synergies within and amongst SDC domains
- Inventory of all relevant stakeholders with their key objective and working fields
- Inventory of key resource documents
- List of interviewees

8. Reporting

A formal debriefing session will be held by the consultants at the Embassy of Switzerland in Yangon to present the draft findings and recommendations. The final report will incorporate feedback from the debriefing session as well as written feedback received by the consultants and will be submitted in electronic form to SDC according to the agreed upon time schedule.

9. Estimated duration of consultant mandate

The consultants are required to commit up to 23 working days for the assignment.

| | Stock taking, desk review and inception report | Field visit and data collection | Report writing and debriefing |
|--|--|---------------------------------|-------------------------------|
| International consultant (Team Leader) | 7 days | 10 days | 6 days |
| National consultant | 7 days | 10 days | 6 days |

10. Proposed time frame

| Date | Process |
|---|--|
| 25 th Feb to 7 th of March 2014 | Stock taking, desk review, stakeholder meetings Yangon |
| 9 th March 2014 | Submission of inception report |
| 1 st and 2 nd week of May 2014 | Field visit |

| | |
|-----------------------------------|--|
| 3 rd week of May | Report writing |
| 4 th week of May | De-briefing and presentation of draft report |
| 1 st week of June 2014 | Submission of final report |

11. Requirements for international consultant (team leader)

- An advanced university degree in political science, public administration, public policy or any related field.
- 7 to 10 years of previous experiences in the field of decentralization and local governance with a focus on community empowerment
- Track record in project design, programming and budgeting
- Sound knowledge of Myanmar's political landscape including peace process, local and central level administrative structures, current state of service delivery and decentralization reform agenda.
- Experience in conflict sensitive program design, gender analysis and social inclusion.
- Excellent analytical skills and report-writing skills.
- Proficiency in English (written and spoken)

12. Requirements for national consultant

- A master's degree in political science, public administration, international development, public policy or any related field.
- 5-7 years of previous experience in community development and/or local governance
- Sound knowledge of Myanmar's political landscape including peace process, local and central level administrative structures, current state of service delivery and decentralization reform agenda
- Track record in project management and programme design
- Working experience with international donors/missions in Myanmar
- Knowledge and/or experience in conflict sensitive program design, gender analysis and social inclusion
- Good communication skills
- Proficiency in English (written and spoken)

13. Key resource documents

- UNDP (2012): Democratic Governance in Myanmar: Situation Analysis
- UNDP (2013): Democratic Governance in Myanmar: Current trends and implications
- GoUM (2012): Framework for Economic and Social Reforms
- The Asia Foundation (2013): State and regional governments in Myanmar
- SACO (2013): The Political Economy Analysis in Myanmar
- ...

14. Annexes

Annex A: Map of Southeast with geographical focus area of Swiss Cooperation
Annex B: Swiss Cooperation Strategy Myanmar (2013-2017)
Yangon, 10.2.2014

Annex 2: Lists of stakeholder meetings

| No | Date | Agency Name | Person | Meeting Place |
|-----|-----------|--|---|---------------|
| 1. | 3/3/ 2014 | Myanmar Peace Support Initiative (MPSI) | Matt Maguire, Josephine Ross | Yangon |
| 2. | 3/3/2014 | Independent Consultant | Richard Horsey | Yangon |
| 3. | 4/3/2104 | Centre for Local Development (CLD) | Alan Smith and U Hla Myint Hpu | Yangon |
| 4. | 4/3/2014 | Karen Development Network (KDN) | Alan Saw Oo and colleague | Yangon |
| 5. | 4/3/2014 | AusAid | Jhelum Tini Chatterjee | Yangon |
| 6. | 5/3/2014 | SDC Domain for Peace, Democratization and Protection | Claudine Haenni (Peace & Human Rights Advisor) | Yangon |
| 7. | | Political and Economics Affairs Swiss Embassy | Corinne Henchoz | Yangon |
| 8. | 5/3/2014 | SDC Domain for Land and Natural Resource Management | Karin Eberhardt | Yangon |
| 9. | 5/3/2014 | SDC Domain for Vocational skills development / Gender Focal Person) Director of Cooperation | Carin Salerno Peter Tschumi | Yangon |
| 10. | 5/3/2014 | SDC Humanitarian Aid | Bernhard Huwiler | Yangon |
| 11. | 7/3/2014 | Norwegian Refugee Council (NRC) | Kelly Flynn and Hege Mørk | Yangon |
| 12. | 7/3/2014 | Norwegian People's Aid (NPA) | Andreas Ingegard | Yangon |
| 13. | 10/3/2014 | Mon National Refugee Committee (MNRC) | Nai Kasauh Mon | Yangon |
| 14. | 11/3/2014 | UNHCR | Simon Russell | Yangon |
| 15. | 11/3/2014 | Loka Ahlinn | Aung Aung Oo and Htun Lin Oo | Yangon |
| 16. | 11/3/2014 | National Brotherhood Federation (NBF) | Focus Group Discussion with 18 representatives from different ethnic political parties. | Yangon |
| 17. | 12/3/2014 | UNDP | Christian Hainzl Anki Dellgas | Yangon |
| 18. | 12/3/2014 | Swiss Embassy (Head of Political and Economic Division) | Ms. Corinne Henchoz | Yangon |
| 19. | 13/3/2014 | Pyidaungsu Institute (PI) | Sai Win Latt and Cherry Zahou | Yangon |
| 20. | 13/3/2014 | Paung Ku | Dr. Kyaw Thu | Yangon |
| 21. | 13/3/2014 | USAID- OTI | Chris Wyrod and Leslie Maccracken | Yangon |
| 22. | 14/3/2014 | Department of Rural | Deputy Director General U | Naypyitaw |

| | | | | |
|-----|-----------|--|---|------------------------|
| | | Development, Ministry of Livestock, Fishery and Rural Development | Khant Zaw and 3 officers | |
| 23. | 14/3/2014 | General Administration Department, Ministry of Home Affairs | Director General U Hla Htun Aung and 4 officers | Naypyitaw |
| 24. | 14/3/2014 | Department of Progress for Border and National Races, Ministry of Border Affairs | Director General U Htwae Hla and 5 officers | Naypyitaw |
| 25. | 15/3/2014 | Focus Group Discussion with national MPs from Mon, Kayin, Chin and Rakhine State | 9 MPs (Union Parliament) from Mon, Kayin, Chin and Rakhine State | Naypyitaw |
| 26. | 5/5/2014 | SDC HA Mawlamyaing team | Mark Haeussermann Min Oo Tan Gabrielle Wilhelm | Mawlamyaing, Mon State |
| 27. | 5/5/2014 | Mon State Government | U Zaw Lin Htun (State secretary) and 2 officers | Mawlamyaing, Mon State |
| 28. | 5/5/2014 | Ramonya Peace Foundation & New Mon State Party | Nai Lawe Oung Nai Soiha Min Aung Zay (Ramanya Chairman) Nai M Saik Chan (NMSP) | Mawlamyaing, Mon State |
| 29. | 6/5/2014 | Mon Human Right Group | Mi Myiny Myint Mon (Chairman) Nai Sawar Mon (Coordinator) Mi Hong Sar Htaw | Mawlamyaing, Mon State |
| 30. | 6/5/2014 | Mon Women Organization (MWO) | Mi Khun Chan Naw (Chairman) Mi Sar Yar Poine | Mawlamyaing, Mon State |
| 31. | 6/5/2014 | Salween Times Newspaper | Ko Kyi Zaw Lwin U Min Myo Tit Lwin U Min Min Nwe U Min Aung Htay Ko Ko Zaw | Mawlamyaing, Mon State |
| 32. | 6/5/2014 | Mon State Border Area Development Department | U Khin Maung Kyi | Mawlamyaing, Mon State |
| 33. | 6/5/2014 | Ye Township (GAD) | Township administrator | Ye Township, Mon State |
| 34. | 7/5/2014 | Kyone Long village | Focus Group Discussion with 14 men and 15 women | Ye Township, Mon State |
| 35. | 7/5/2014 | Ye Township 4 committee members | Meeting with Ye Township committee members from 4 committees (15 members/ officers) | Ye Township, Mon State |
| 36. | 7/5/2014 | MACADO (Ye) | Legih Rot (Coordinator) | Ye Township, Mon State |
| 37. | 8/5/2014 | NMSP (Ye District Office) | Nai Banyarlae | Ye |

| | | | | |
|-----|-----------|--|---|---------------------------------------|
| | | | | Township, Mon State |
| 38. | 8/5/2014 | NMSP (Ye Township Office) | U Nai Pan and colleague | Ye Township, Mon State |
| 39. | 8/5/2014 | Wei Zin Village | Focus Group Discussion with 7 men and 6 women | Ye Township, Mon State |
| 40. | 9/5/2014 | Paung Si Arr Mann Group | U Htay Aung (Chairman) U Ohn Than (Accountant) Daw Nyo Nyo Aye Daw Yin Shein | Ye Township, Mon State |
| 41. | 9/5/2014 | Kayin State Government | Chief Minister U Zaw Min and 10 officials | Hpa-an, Kayin State |
| 42. | 9/5/2014 | Karen National Union (KNU- Liaison Office) at Pha-an | Major Saw Shee Sho | Hpa-an, Kayin State |
| 43. | 9/5/2014 | Karen Development Network (Hpa-an) | U Kyawzwar | Hpa-an, Kayin State |
| 44. | 9/5/2014 | Millennium Centre, Hpa-an | A Pu Lay, Ko Kyaw Swar | Hpa-an, Kayin State |
| 45. | 10/5/2014 | Kawt Ka Mar village | Focus Group Discussion with 15 men and 10 women | Kawkariak Township, Kayin State |
| 46. | 11/5/2014 | Member of Kayin Culture and Literacy Organization, Member of Hpa-an Township Development Support Committee | Min Zaw Oo | Hpa-an, Kayin State |
| 47. | 11/5/2014 | Karen Women Empowerment Group (KWEG) | Ma Cynthia (Area Manager) | Hpa-an, Kayin State |
| 48. | 11/5/2014 | Karen Environment and Social Action Network (KESAN) | Saw Hein Zaw (Program Coordinator) | Hpa-an, Kayin State |
| 49. | 11/5/2014 | Community Management Centre | Saw Glesto | Hpa-an, Kayin State |
| 50. | 11/5/2014 | Spirit in Education Movement (SEM) | Nan Mya Thidar | Hpa-an, Kayin State |
| 51. | 11/5/2014 | Education Gathering Group | Saw Thar Lu Lu (Coordinator) | Hpa-an, Kayin State |
| 52. | 11/5/2014 | Hlaing Bwae MP (Phalom Sawow Democratic Party) | Saw Mahn Aung Lin | Hpa-an, Kayin State |
| 53. | 14/5/2014 | Dawei Research Association | U Zaw Tura | Dawei, Tanintharyi Region |
| 54. | 14/5/2014 | Dawei Development Association (DDA) | U Thant Sin | Dawei, Tanintharyi Region |
| 55. | 14/5/2014 | Dawei Lawyer Group | Ma Tin Tin Thet Ma Ei Ei Moe | Dawei, Tanintharyi Region |
| 56. | 14/5/2014 | Leading member of Tanintharyi Kayin Peace Support Consortium | Rev. Thein Khin | Dawei, Tanintharyi Region |

| | | | | |
|-----|-----------|---------------------------------------|--|---------------------------------|
| 57. | 14/5/2014 | UMFCCI (Dawei) | U Ye Htun (President) U Kyaw Oo (Secretary) | Dawei, Tanintharyi Region |
| 58. | 14/5/2014 | KNU (Liaison Office) at Dawei | Lt. Col. Hsar Pe Tu | Dawei, Tanintharyi Region |
| 59. | 15/5/2014 | Speaker of Thanintharyi Parliament | U Htin Aung Kyaw | Dawei, Tanintharyi Region |

Annex 3: Fact sheet on State/ Regions in Southeast Myanmar

According to MIMU, as of 23 October 2013, there are 2,471 total village tracts in Southeast Myanmar. NGOs/ INGOs have reported activities in 64%.

Kayah State

Capital: Loikaw

Township: 7 (Wards and Village-Tracts: 106)

Area: 11670 sq.km

Population: 277,428 (MIMU, 2011)

Major ethnic groups: Kayah, Kayin (Karen), Padaung, Bamar, Shan

Comment: This state is also sharing border with Thailand.

Bago Region

Capital: Bago

Township: (Wards and Village-Tracts: 106)

Area: 39,404 sq.km

Population: 4,848,206 (MIMU, 2011)

Major ethnic groups: Bamar, Kayin (Karen), Mon, Shan,

Comment: Bago East basically means, Shwe Gyin, Kayuk Kyi, Htantabin townships.

Kayin State (Karen State)

Capital: Hpa-an

Township: 10 (410 Wards and Village-tracts)

Area: 30031 sq.-km

Population: 1,431,977 (MIMU 2011)

Major ethnic groups: Kayin (Karen), Bamar, Mon, Pa-O, Shan, Rakhine, Padaung,

Comment: This state is also sharing border with Thailand.

Mon State

Capital: Mawlamyine

Township: 10

Area: 12155 sq.-km

Population: 2,115,207 (MIMU 2011)

Major ethnic groups: Mon, Bamar, Kayin (Karen), Pa-O,

Comment: This state is also sharing border with Thailand and the Andaman Sea.

Tanintharyi Region

Capital: Dawei

Township: 10

Area: 16,735.5 square miles

Population: 1,365,467 (MIMU 2011)

Major ethnic group: Bamar with smaller Mon, Karen, Rakhine, Shan, Bamar-Thai, Kayin, Salone, and Malay populations.

Comment: Tanintharyi Region is a coastal region in the southernmost part of Myanmar, bordering Thailand to the east and the Andaman Sea to the west. The Karen National Union is active in this region and maintains a liaison office in Dawei, the region's capital city, and controls areas north and east of Dawei close to the borders with Mon State and Thailand. According to the UNDP IHLCA, the poverty incidence value of Tanintharyi Region is 33%, the joint-third highest poverty incidence in the country. (UNDP Myanmar, 2011), despite the region's abundance of ecological diversity and natural resources. Tanintharyi Region is a particularly important area as it hosts the

site of the proposed Dawei deep seaport project and a Special Economic Zone (SEZ) project, which intendeds to become the “economic gateway of the region”.

Annex 4: Risk and Opportunities

Possible scenarios

The best-case scenario: The government and EAGs reach a Nationwide Ceasefire Agreement (NCA) and proceed to peaceful political dialogue and settlement. At the national level, the political situation remains stable with accommodation between leading political parties, the army and the ethnic groups for a gradual transition to democracy. Civil society and the media enjoy increased political freedoms. Democratic institutions and practices take root. At the local level communal relations improve (and there is an absence of religiously-motivated violence), communities are empowered and development indicators.

The worst-case scenario: The ceasefires break down with resumption of fighting in ethnic areas. Political instability increases in relation to the 2015 elections with the army re-asserting itself and political freedoms being restricted. Religiously motivated violence breaks out on a wide-scale. Economic development is stifled. Conflict and fear takes hold again at the local level.

The most likely scenario: Gradual change continues but with ongoing contestation between power holders. The NCA process moves forward in a slow and incomplete manner but with cooperation between parties at both sides. The planned peace and political process begins in a more concerted manner but faces large challenges. The political situation is mixed at the national level with a new government in place (early 2016), which struggles to assert its power but is able to govern. The army gradually retreats into the barracks as long as its economic and fundamental interests are not threatened. At the local level relations between communities and LAs - and between LAs – gradually improve and more cooperation takes place in a context that may be stable but still contested.

Risks/ challenges – relevant to local governance

- A fluid, dynamic and uncertain environment.
- Lack of trust at all levels.
- Development initiatives undermining the peace process (viewing development as non-political and over-reliance on state structures).
- State intrusion to the local (promoted by development agencies) undermining traditional governance systems and community resilience.
- Business/investment having a negative impact on local livelihoods, particularly in relation to land and natural resource management.
- Still restricted political space and over-reliance on personal relations.
- Still limited decentralization
- Top-down attitude among local authorities
- Weak capacity for local governance
- Lack of information, consultation and feedback mechanisms

Emerging trends and opportunities – relevant to local governance

- Union government's general reform initiatives support for good local governance.
- Strong support/push from state/region governments/parliaments, leading political parties and ethnic groups towards more devolution of power to sub-national levels.

- The general population and grassroots CBOs/ CSOs increasingly demand better services at local level and more transparent, accountable administration of public lives.
- Increased access for international and local agencies to work on local governance and civic education and rights etc.
- As political environment and peace process opens up, the local communities, especially people from conflict and post-conflict areas enjoy more freedom of movement and potential improved access to state services.
- Increased cooperation and convergence between local authorities from both sides.
- Increasingly grants from the state budget as well as from the international assistance are directed to the local level.

Annex 5: Overview of relevant local and international stakeholders

A total of 11 UN agencies, 41 INGOs and 17 national NGOs, 7 border based organizations are recorded as active in Southeast Myanmar in different fields of work by MIMU (as of 23 October 2013).

Only a few organizations are engaged in governance issues in the South East. Only one organization is recorded as working on promoting transparency and accountability, and two as working on media and flow of information. Nine organisations are working to strengthen civil society while four organizations are working on human rights issues.

| Sub sector (Governance) | No. of project | No. of organization | No. of Townships | No. of Village Tracts/ Towns | No. of Villages/ Ward |
|---|----------------|---------------------|------------------|------------------------------|-----------------------|
| Economic development policy/Planning | 4 | 3 | 11 | | |
| Human Rights promotion and advocacy | 7 | 4 | 10 | 22 | 48 |
| Institutional strengthening and public admin reform | 5 | 4 | 19 | | |
| Media and flow of information | 3 | 2 | 5 | | |
| Strengthening civil society | 16 | 9 | 74 | 81 | 104 |
| Transparency/ Accountability | 1 | 1 | 15 | | |
| Sector total | 30 | 16 | 78 | 101 | 152 |

Source: 3W_Myanmar, MIMU.

MIMU records the agencies working on governance issues in Southeast are; Norwegian People's Aid (NPA), World Vision (WV), and SCI/FLD in Tanintharyi region; NPA, PTE, SCI/FLD, WV in Bago (East); MC, PACT, Action Aid Myanmar (AAM,) SCI/FLD, NPA in Kayah State; ADRA, Kayin Development Network (KDN), SCI/FLD, NPA, and UNDP in Kayin State.

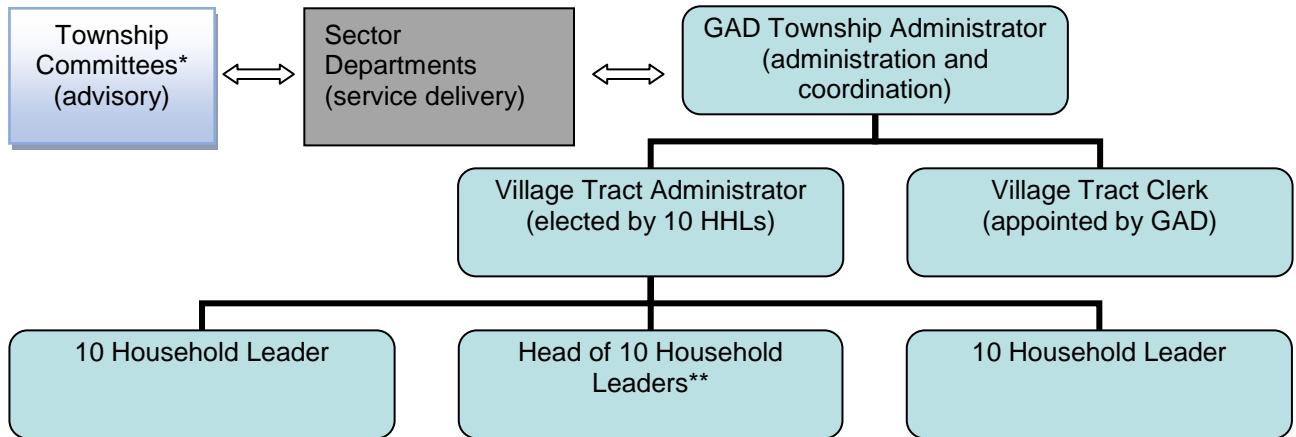
According to the desk review, interviews, and field visits; these stakeholders are particularly actively in promoting good local governance in Southeast Myanmar (note: the list is not exhaustive)

| No | Name of agency | Activities |
|----|---|--|
| | UN and International Agencies | |
| 1. | ActionAid | The central approach of ActionAid in Myanmar is supporting local organizations through intensive training and deployment of 'change-makers' (youth leaders) in target communities. This is a non-prescriptive, needs/rights driven program, where potential achievements are diverse and span a range of areas including social cohesion, community capacity building and organizing, education, health, livelihoods, infrastructure, environment, and women's empowerment, with an equally wide range of activities within each thematic area. ActionAid also engages LAs in planning, budgeting and social accountability initiatives in Kayin and Kayah States. |
| | Myanmar Peace Support Initiative (MPSI) | MPSI was launched in 2012 to lead international support to the peace process. This Norwegian supported initiative aims to support ceasefire agreements through small-scale projects that build trust between communities, government authorities and ethnic armed groups. In The |

| | | |
|----|--|---|
| | | South East, MPSI has facilitated projects in Kayah State, Kayin State, (East) Bago Region, Mon State and Tanintharyi Region. http://www.mpsi.com.my |
| 2. | The Asia Foundation | The Asia Foundation conducts research and issues publications, especially on sub-national governance and decentralization in Myanmar in cooperation with Myanmar Development Resource Centre- Centre for Economic and Social Development (MDRI-CESD). http://asiafoundation.org/country/overview/myanmar |
| 3. | VNG International | VNG International (VNGi) is the International Cooperation Agency of the Association of Netherlands Municipalities, which manages local governance and decentralization projects in developing countries. VNGi is planning a larger capacity development project for local governance in Tanintharyi Region in cooperation with Loka Ahlinn Development Network and the Tanintharyi Region Government. VNGi has launched a fiscal decentralization training program for state/region governments in cooperation with The Asia Foundation and MDRI-CESD covering Tanintharyi Region and Shan State among other areas. http://www.vng-international.nl |
| 4. | UNDP | The UNDP has in 2013 launched its comprehensive programmes promote Local Governance (Pillar 1) and Democratic governance (Pillar 3). These cover a wide range of activities. While UNDP's local governance program aims to cover the whole country, it initially focuses on Mon and Chin State, and then intends scale up later to all states/regions based on lessons learned. http://www.mm.undp.org |
| 5. | World Bank | The development objective of the World Bank's National Community Driven Development Project (CDDP) for Myanmar is to enable poor rural communities to benefit from improved access to and use of basic infrastructure and services through a people-centred approach and to enhance the government's capacity to respond promptly and effectively to an eligible crisis or emergency. The USD 80 million project plans to cover 400 villages. The Kyun Su area in Tanintharyi Region was targeted as part of the first phase. It is implemented in cooperation with the Rural Development Department of the Ministry of Livestock, Fisheries and Rural Development – and includes some capacity development elements for the department and township-level authorities. http://www.worldbank.org/projects/P132500/myanmar-national-community-driven-development-project?lang=en |
| 6. | Asia Development Bank | The ADB's \$12 million project 'Enhancing Rural Livelihoods and Incomes' is a community-driven project, which aims to help 700,000 people in poor rural communities through investment in rural. It includes Tanintharyi Region and Shan State (in addition to Ayeyarwaddy Delta and Central Dry Zone). It is implemented in cooperation with the Rural Development Department of the Ministry of Livestock, Fisheries and Rural Development – and includes some capacity development elements for the department and local authorities. http://www.adb.org/projects/47311-001/main |
| | | |
| | Local NGOs and groups | |
| 1. | Comprehensive Development Education Center (CDEC)-Vahu Institute | The CDEC has provided lower-level government officials and community leaders with concept and good practices of 'good local governance', along with Chiang Mai University, Thailand and facilitate some small synergy projects between local government officials and local communities, especially in Mon, Shan States, and Tanintharyi Region. |

| | | |
|-----|--|---|
| 2. | MDRI-CESD | The Myanmar Development Resource Institute's Centre for Economic and Social Development (MDRI-CESD) is an independent Myanmar think tank focusing on research and programs aimed at delivering effective policy solutions to further Myanmar's reform process. Recently, it published studies on local governments in Myanmar. |
| 3. | Dawei civic groups; such as Dawei Development Association (DDA), Dawei Lawyers Group, and Dawei Research Association | These groups work together to raise awareness on rights, social and environmental impact of land grabbing, natural resource business development and large-scale infrastructure projects and, especially against the planned Dawei deep seaport project in the area. |
| 4. | Karen Development Network | KDN has been working on development in Kayin State and in Tanintharyi region. It cooperates with ActionAid in some villages. It produces two manuals, for community development and for promoting interaction between government and locals (basically on active citizenship and assisting to local government officials). |
| 5. | Karen Environment and Social Action Network (KESAN) | KESAN is a non-profit organization working alongside local communities in Karen State to ensure sustainable livelihoods by preserving indigenous knowledge, building capacity and promoting practice and policy change. KESAN is facilitating local communities with forest governance in Kayah State and raising water governance issue in Kayin State. |
| 6. | Loka Ahlinn | Loka Ahlinn focuses on two main programs; 1) Civic engagement and 2) Governance and accountability. The group carries out community development projects, youth empowerment trainings, rule of law awareness raising and other civic awareness trainings and advocacy trainings in (among other areas) Shan, Mon, Karen States and Tanintharyi Region. It is planning a local governance project in Tanintharyi Region in cooperation with VNGi and local authorities. |
| 7. | Paung Si Arr Mann Group | This group based in Mon State facilitates public forum with local authorities and the public on social issues, such as health care and municipal management. The group also provides awareness training on rights, especially on land rights. |
| 8. | The Paung Ku Project | The Paung Ku consortium was established in 2007 in recognition of this growth in the activity and numbers of local organizations in Myanmar. It supports strengthening of Myanmar civil society networks in the following areas (which includes an extensive network of local groups in the South East): being a civil voice in relation to government, private sector and international actors; building models of participatory governance, promoting trust and building social capital; providing development and social supports to communities who have very low access to services. |
| 9. | Mon civic groups; such Mon Human Rights group and Mon Women organisations | These groups work together to raise awareness on rights, to empower local communities and to advocate changes in social policies, especially in Mon State. |
| 10. | Tanintharyi Kayin Peace Support Initiative | This consortium works in Karen populated areas of Tanintharyi Regions to support community development in former conflict-affected areas with support from MPSI and NPA |

Annex 6: Township and village tract government administration structure



*Two of the four township committees are also represented at the village tract level. The municipal committee also has executive functions in relation to urban affairs.

** Each cluster of 10 households are supposed to have a 10 Household Leader (10HHL). One of these is sometimes appointed as head of 10 HHLs and coordinates with the Village Tract Administrator (VTA) on behalf of the 10 HHLs in the respective village.

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