



House of Commons
International Development
Committee

Democracy and Development in Burma

Ninth Report of Session 2013–14



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Development in Burma**

Ninth Report of Session 2013–14

*Report, together with formal minutes relating
to the report*

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Contacts

All correspondence should be addressed to the Clerk of the International Development Committee, House of Commons, 7 Millbank, London SW1P 3JA. The telephone number for general enquiries is 020 7219 1223; the Committee's email address is indcom@parliament.uk

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Summary

The UK Government and others believe great progress has been made in Burma in the last few years, although a host of major problems remain. There is currently an opportunity to help bring about transformational change in Burma, helping the Burmese people to develop a democracy, a vibrant economy and decent basic services. We recognise that some critics, notably Burma Campaign UK, think the Government is naive in rewarding a Burmese Government which it believes is not serious about reform, but we support the Government's approach: the reformers in the Burmese Government need support. Progress will not happen by standing back, adopting a cynical attitude to change.

Burma presents a unique development opportunity. After 60 years of conflict and decades of military dictatorship the country has begun a process of reform. Although this is uncertain and fragile there is a real opportunity to raise the country out of poverty, develop the economy and build a society moving towards democracy and accountability to the people. Progress is unpredictable and likely to be bumpy but we believe backing the reforms and working to deliver public services and develop livelihoods offers unprecedented potential.

We recommend that DFID Burma's budget be increased from £60 million to £100 million to allow for what we believe to be necessary support for education, the peace process and parliamentary strengthening.

Politics within the country cannot be ignored. We believe that DFID should be more engaged in the political nature of Burma's development. The UK should be willing to criticise the Burmese Government. We recommend the UK continue to press for constitutional reform, including removing the block on Aung San Sui Kyi standing as President, but also for the development of a federal structure. The situation of the Rohingya is a major threat to the whole reform process. We appreciate that it is an extremely sensitive issue, but the UK must take a stronger position with the Burmese Government to address the Rohingya's plight. We recommend that DFID do more to encourage interfaith dialogue and to ensure that the Rohingya have access to education and health services.

The situation in Burma is rapidly changing so DFID needs to act flexibly. We welcome the accelerated reform programme which enables it to do this.

A major focus of our inquiry and DFID's programme is governance. We support DFID's work to assist the peace process, constitutional reform, improvements to public financial management and the reform of the Burmese military, the Tatmadaw, but recommend that additional funding be available to facilitate the process as opportunities arise. DFID must support the peace process and encourage the inclusion of women. Dealing with human rights abuses by the military, or any other group, cannot be swept under the carpet or Burma will be left with festering sores.

We welcome the UK's support for the Burmese Parliament. Some good work is being done, but in the long term there needs to be fundamental reforms in the UK's approach to

parliamentary strengthening to ensure that DFID and the Foreign Office can draw on UK organisations instead of relying mainly on non-UK organisations such as United Nations Development Programme and National Democratic Institute.

Effective work on governance depends on understanding the political context and making contacts. We recommend that DFID stress the importance of its staff engaging in the politics of Burma and continue to work closely with the Embassy staff. While supporting Aung San Sui Kyi's right to stand for President, the UK must ensure she is not the only political reformer we engage with. We must also consider our relations with the ethnic minority groups.

Burma has become a fashionable country for donors. The coordination of their work is vital. The UK chairs the Development Partners Working Group and so is in a good position to foster cooperation. We recommend that the UK makes this role a priority taking the lead in fostering cooperation amongst donors and encouraging small donors to work through multi-donor funds and for the Burmese Government to set a minimum figure for small donor bilateral programmes.

Health is the largest element in DFID's budget in Burma. We particularly welcome DFID's spending on strengthening the health system. We recommend that even more emphasis be given to addressing drug resistant malaria in Burma, which threatens to spread to the rest of the world with the most serious consequences.

DFID has a small education budget. The Minister believes this has to be abandoned or increased. Given the extent of need we recommend an increase so that it can have an impact. A key focus should be teacher training.

We considered where DFID could make savings. In the longer run, spending could be reduced in refugee camps on the border with Thailand if the peace process succeeds and conditions improve in Burma, but this cannot happen immediately.

1 Introduction

Box 1

Burma or Myanmar?

Throughout this inquiry we have referred to ‘Burma’ as this is the title used by the UK Government. Aung San Suu Kyi and others from the pro-democracy movement continue to call the country Burma as they do not recognise the legitimacy of the military government which changed the name. Whilst visiting the country we recognised that ‘Myanmar’, the term introduced by the military ruling regime in 1989, is far more widely used. Even though the name was introduced by the military which has fought a 50-year war against the non-Burmese ethnic groups, we were told by some of the people we met that Myanmar is seen as a more inclusive term, encapsulating all ethnic states in the country not just the Burmese heart land. We asked the Minister, Rt Hon Alan Duncan MP about this and he told us:

I think these things emerge over time. There comes a point where you can feel what is right. In our lifetime, we have seen Peking become Beijing; we have seen Bombay become Mumbai. I expect [...] that this may just change over time.¹

Recent changes in Burma

1. There have been remarkable changes in Burma over the past few years following over five decades of oppressive military rule, though the extent and meaning of the changes are disputed. Over a thousand political prisoners have been released. The Nobel Peace Prize Laureate Aung San Sui Kyi has been freed from house arrest and she and 41 of her fellow National League for Democracy party members have been elected as Members of the newly established Burmese Parliament. Censorship has been lifted, the press is reasserting itself under its new-found freedoms, trade unions have been formed and fighting across most of the ethnic regions of the country has ended.

The current development situation

2. Despite the recent changes, Burma remains one of the poorest countries in Asia with GDP per capita of about \$800. In comparison, its neighbour Thailand, which was once poorer, now has a GDP per capita of \$4,800. Among a population of nearly fifty million, a third do not have enough money to meet their basic food and living needs. Over 75% of the country does not have access to electricity.²

1 Q119

2 [Department for International Development \(BUR 0016\)](#)

3. Since the lifting and suspension of EU sanctions in 2013, many donors have initiated or increased development aid to Burma, but overall the level of official development assistance (ODA) remains low. Save the Children said Burma receives about \$10 per capita which is roughly only 20% of what Cambodia receives.³ The median ODA among DFID's focus countries⁴ is \$54.⁵

Our inquiry

4. We decided to undertake this inquiry into Burma since there have been major changes in Burma over the past few years and DFID has doubled its budget to the country since 2012.⁶ The last time we undertook an inquiry into DFID's programme in Burma was 2007 when we recommended the quadrupling of aid by 2013.⁷ We decided to undertake this inquiry because we wanted to follow up on our previous report and to explore the extent of the changes in Burma and how DFID's work has been complementing these developments. We were particularly interested in the relationship between development aid and democracy and how well equipped DFID and its governance team in particular were to do such work.

5. This Report concentrates on our main areas of interest—the development of democracy under DFID's governance programme as well as the sector with the largest DFID sector spend—health. We look at DFID's other work to assist Burma including economic development and education. We also re-visit the focus of our 2007 inquiry, the Thai border refugee camps.⁸

3 Q3

4 There are [25 countries that DFID has a bilateral programme](#) with

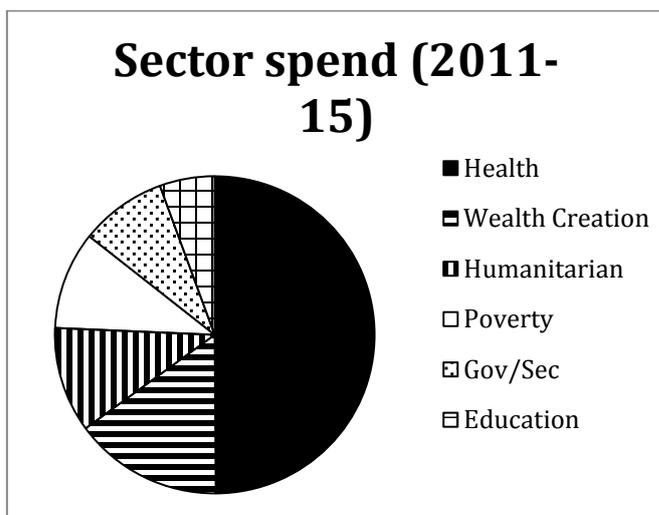
5 [Department for International Development \(BUR 0016\)](#), para 18

6 [Department for International Development \(BUR 0016\)](#)

7 International Development Committee, Tenth Report of Session 2006-07, [DFID Assistance to Burmese Internally Displaced People and Refugees on the Thai-Burma Border](#) HC 645-I

8 International Development Committee, Tenth Report of Session 2006-07, [DFID Assistance to Burmese Internally Displaced People and Refugees on the Thai-Burma Border](#) HC 645-I

Figure 1



Source DFID submission BUR 0016

6. As part of this inquiry we spent nine days in Burma where we met with DFID and Foreign Office officials in Rangoon, travelled to Naypyidaw to meet with Burmese ministers, politicians and officials and Mandalay to visit DFID projects and meet with civil society groups and non-government organisations (NGOs). We also went to the town of Meiktila which experienced inter-communal violence last year. There we visited camps for both Muslim and Buddhist internally-displaced people and spoke to local officials. We would like to thank the DFID officials who facilitated the visit and all of the people we met in the country.

7. We received over fifty pieces of written evidence for this inquiry and held three evidence sessions hearing from NGOs and commentators on Burma as well as the Minister, Rt Hon Alan Duncan MP and Head of DFID Burma, Gavin McGillivray. We also had informal meetings with a range of organisations and individuals, including Burma Campaign UK. We would like to thank all of those individuals and organisations who submitted evidence to the inquiry and came to speak to us.

2 DFID's work in Burma

8. DFID's ambition for Burma is to:

“help create a better governed, more peaceful and prosperous Burma that uses its increased wealth to reduce poverty.”⁹

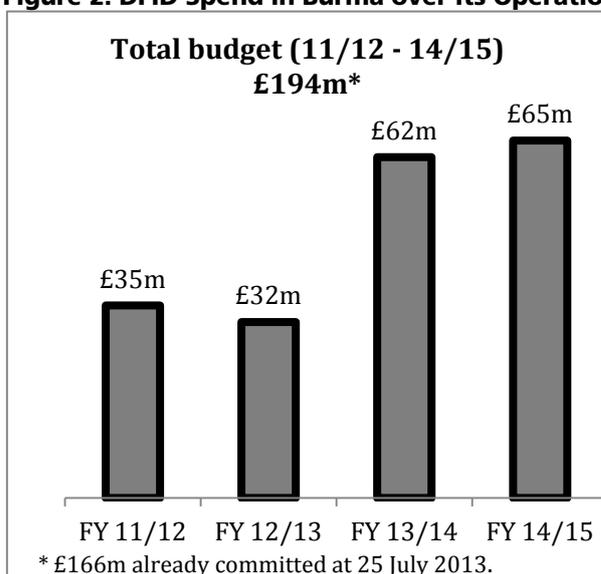
It does this mainly through its development programmes on which it spends over £60 million per year. It also works closely with other parts of the UK Government, especially the Foreign Office, in a highly political context to encourage the Burmese Government to reform. In addition, DFID has an important role to play in attempting to coordinate the work of donors in a country which is an increasingly fashionable location for donors.

DFID's Burma programme

DFID's strategy

9. When we last undertook an inquiry into Burma in 2007, DFID had a relatively small programme of £8.8 million with only three staff in Rangoon; we recommended a quadrupling of aid which the last Government initially rejected in its response, but eventually implemented.¹⁰ Since then, DFID Burma's budget has significantly increased with a doubling in 2013 from £32 million to £62 million and the number of DFID staff in Rangoon from 12 to 26 people.¹¹

Figure 2: DFID Spend in Burma over its Operational Plan 2011/12-2014/15



Source DFID submission BUR0016

9 [DFID Burma Operational Plan 2011-15](#) updated June 2013

10 Eleventh Special Report, DFID Assistance to Burmese Internally Displaced People and Refugees on the Thai– Burma Border: [Responses to the Committee's Tenth Report of Session 2006–07](#), HC 1070 and HC Deb, 6 December 2007, [col 321WH](#) [Westminster Hall]

11 [Department for International Development \(BUR 0016\)](#)

10. DFID describes its current programme in Burma as “high cost, high risk but also high return”.

- High cost—because of the many conflict-affected and difficult-to-reach areas, the weak infrastructure and the scale of the development challenges.
- High risk—due to the lack of capable implementing partners, the often low capacity of Government, the fragile peace, and inter-communal violence.
- High return—resulting from Burma’s resources, location, its dramatic reform trajectory, and the youth, goodwill and commitment of its people which could mean it graduates from development aid within a generation.¹²

11. DFID is taking this approach because it believes it is possible for it to have a transformative impact in Burma as a development agency as a result of:

- many aspects of Burma’s parliamentary, Government and legal systems reflecting UK systems;
- DFID’s long experience of working with civil society, ethnic leaders and key political players in Burma;
- the UK and DFID having recognised expertise in financial sector reform and in strengthening laws and institutions that foster private investment and enterprise;
- Burma looking to the UK as a centre of excellence on education; and
- DFID leading donor health sector work in Burma for several years and as a result having strong and established health expertise there.¹³

12. The UK Government’s approach is based on its analysis of the political dynamics of the situation in Burma, namely that there are a number of reformers close to the President, including U Aung Min, Minister for the President’s Office—who is the lead Minister for the ceasefire negotiations and we met on our visit—who need support. He is seen by many as a committed reformer. Even some of the commentators and ethnic leaders who are sceptical about the Government’s commitment speak positively about Aung Min’s commitment and engagement in the peace process.

13. Not all organisations support the UK Government’s approach. Burma Campaign UK agreed that there had been “significant and welcome changes in Burma” and that Burma was “going through a period of transition” but criticised the UK as taking a “rose tinted view” of the reforms:¹⁴

12 [Department for International Development \(BUR 0016\)](#)

13 [Department for International Development \(BUR 0016\)](#)

14 [Burma Campaign UK \(BUR 0018\)](#)

the approach of DFID and the British Government as a whole is based on a false assumption that Burma is currently in a period of transition away from dictatorship and towards democracy.¹⁵

It believed Burma was heading to an authoritarian regime “along the lines of China or Russia” and that the Burmese Government had made the minimal reforms required to persuade the international community to drop sanctions.¹⁶ Burma Campaign UK warned that UK funds could therefore be “used to assist what remains one of the worst human rights abusers in the world to modernise its institutions, rather than democratise them”.¹⁷

14. Benedict Rogers of Christian Solidarity thought “the beginning of the beginning may now have begun”. He warned of both “entrenched cynicism” and “premature euphoria” as it was still unclear “what the intended destination of the regime” was. He said:

That there is a transition is clear, but whether it is a transition to a genuine democracy or whether it is a transition to a more respectable kind of authoritarian regime is uncertain. We should not assume that it is definitely a transition to a democracy, at this stage. There is a lot that needs to happen for that to be secured.”¹⁸

15. Others such as Charles Petrie who had been UN humanitarian co-ordinator and UN Development Programme resident representative in Burma and Dr Adam Burke, an academic, took a more optimistic view. Charles Petrie believed change was coming from a new political will developed by reformists within the Government who had witnessed the violence of the Saffron Revolution¹⁹ and the destruction resulting from Cyclon Nargis.²⁰ Dr Adam Burke believed reform was, in addition, due to Government concerns over the growing influence of China, and a desire to benefit from growing regional economic opportunities.²¹ Dr Burke did however warn that the path to a western style liberal democracy would not be smooth and instead would be “a complex mix of elections and authoritarianism, with a diminished yet still significant political role for the military, and considerable power being wielded by well-connected individuals or networks of aligned interests” with tensions between the state and minority groups continuing.²² Charles Petrie thought it would be hard for a return to the past levels of repression now that the people of Burma had experienced “an easing of the constraints imposed on it.”²³ Tucker McCravy of Cord told us:

15 [Burma Campaign UK \(BUR 0018\)](#)

16 [Burma Campaign UK \(BUR 0018\)](#), para 14

17 [Burma Campaign UK \(BUR 0018\)](#), para 18

18 Q81

19 The Saffron Revolution was a protest against the military regime by Buddhist monks in 2007 – saffron being the colour of monks’ robes.

20 In 2008, Cyclone Nargis struck the Irrawaddy Delta and Rangoon causing a humanitarian catastrophe. In excess of 2.4 million people were affected with 130,000 directly related deaths.

21 [Dr Adam Burke \(BUR 0005\)](#), para 9

22 [Dr Adam Burke \(BUR 0005\)](#), para 10

23 [Charles Petrie \(BUR 0043\)](#)

there are unprecedented opportunities right now in Myanmar for building a peaceful and democratic society.²⁴

16. Burma presents a unique development opportunity. After 60 years of conflict and decades of military dictatorship the country has begun a process of reform. Although this is uncertain and fragile there is a real opportunity to raise the country out of poverty, develop the economy and build a society moving towards democracy and accountability to the people. The progress is unpredictable and likely to be bumpy but we believe backing the reforms and working to deliver public services and develop livelihoods offers unprecedented potential. *We recommend that DFID Burma's budget be increased from £60 million to £100 million. If the reform process stalls, the budget can always be reduced.*

Box 2: The Accelerated Reform Programme

The Accelerated Reform Programme

A innovative feature of DFID's work in Burma is the "The Accelerated Reform Programme" (see the appendix to this report which is a table of all of DFID's major projects currently in Burma). DFID Burma explained that this was a fund which was set up in September 2012 to enable quick responses to opportunities that arose to "catalyse, foster and deepen reform in Burma." It was established with a £5 million budget from September 2012 to April 2014 which was extended to £15 million up to December 2015. It includes £5 million specifically to support peace-building and to address inter-communal violence.

Source: DFID supplementary submission

Budget support and Government capacity

17. The Burmese Government's capacity to provide services is extremely weak and needs to improve. The UK was previously bound by a European Union Council Decision that no development assistance to Burma should be implemented through its Government. In April 2013, this restriction was lifted in recognition of Burma's progress on political reform.²⁵

18. However, the Karen Women's Organisation said:

There are clearly forces for positive change in the Government but there also are significant portions of the Government and the military who continue to work against democracy, for their own power and enrichment. DFID funding going directly through the Government touches all those hands not just the hands of those working for a better future.²⁶

DFID stated in its written evidence to us:

24 Q2

25 [Council of the EU Press Release](#) 22 April 2013

26 [Karen Women's Organisation \(BUR 0010\)](#)

Our policy has been that no UK aid is given as budget support nor through central budget accounts. We provide nearly all of our aid to Burma through UN organisations and trusted international and local NGOs.²⁷

19. ActionAid were concerned that without budget and sector support parallel systems would grow up and the capacity of Burmese Government systems would not improve.²⁸ We asked the Minister, Rt Hon Alan Duncan MP about this and how the state's ability to provide essential services for its people could be improved without development funds going through the Burmese authorities. He told us that some of DFID's partners were currently working alongside certain line ministries at the township²⁹ level which was helping to build up its capacity. He also envisaged that once the Burmese Government was able to administer money more effectively in a "trustworthy manner" DFID could deal directly with them.³⁰

20. We support DFID's current wary stance on budget and sector support to the Burmese Government. However it is important that parallel systems of delivering basic services are not created and that Government capacity is enhanced. We are pleased that DFID's partners are working alongside ministries at the local level to prevent this from happening.

Donor co-ordination

21. Donor coordination is vital, all the more since the dropping of EU sanctions on aid in 2013 which has led to a proliferation of donors seeking to be involved with Burma. The Minister told us that it had become "a very busy place for donors" and that it was occupying a lot of Burmese ministerial time meeting with these prospective development agencies. However there were still no significant contributions coming forward other than those from Japan, the UK and a few others.³¹ It is worthy of note that in the current financial year, Japan is providing \$500 million of loans and \$400 million of grants.

Table 1 Bilateral DAC Countries' Overseas Development Assistance to Burma in 2012

Country	2012 spend (USD millions)	Rank in size of spend
Australia	57.73	2
Austria	0.06	
Belgium	0.44	
Canada	2.67	
Czech Republic	1.14	
EU Institutions*	46.41	4
Denmark	19.37	8
Finland	1.19	

27 [Department for International Development \(BUR 0016\)](#)

28 [Actionaid \(BUR 0034\)](#)

29 Townships are the administrative sub divisions of Districts - they are the third level administrative divisions of Burma below State/ Region and below District.

30 Q113

31 Q171

France	4.94	
Germany	12.52	9
Ireland	1.67	
Italy	1.54	
Japan	92.78	1
Korea	6.04	
Luxembourg	0.01	
Netherlands	1.61	
New Zealand	1.79	
Norway	22.83	6
Poland	0.43	
Slovak Republic	0.02	
Sweden	19.61	7
Switzerland	12.21	10
United Kingdom	48.06	3
United States	33.05	5

Source OECD DAC

*2012 are the latest available figures from OECD

OECD lists EU as a multilateral although EU considers itself as a bilateral so we have listed here to help compare spends

22. In order for the Burmese ministers and officials to be able to work on developing their economy and country their time should not be taken up by meeting a plethora of small donors. Multilateral funds have been developed to prevent this and bring donors together. DFID plays an important role in seeking to coordinate donors: it chairs the Development Partners Working Group and the Head of DFID Burma plays an important role in the Myanmar Development Cooperation Forum.³²

23. However it seems that not all donors want to co-ordinate. ActionAid told us:

most of the aid agencies, for some unknown reason, do not like coordination. They want to go their own way. DFID is probably the only organisation, along with Australia, that appreciates or participates in coordination. China, Japan and India are three donors that do not want to attend coordination meetings at all.³³

DFID has highlighted that the involvement of non-OECD donors, NGOs and the private sector in donor coordination structures has been limited. In addition the structures to coordinate development assistance were not well integrated with those that coordinated humanitarian assistance or peace-building.³⁴ In addition, we heard of the proliferation of small donors who have not agreed to spend significant sums of money, yet expect an audience with overworked ministers.

24. *The UK, working with multilaterals which it can influence, in particular the World Bank, should seek to prevent a proliferation of donors who do not intend to spend significant sums of money taking up Burmese Ministers' time. DFID should encourage*

32 Q115

33 Q7

34 [Department for International Development Annex F \(BUR 0044\)](#)

smaller development agencies to contribute through multi-donor funds and encourage these funds and the Burmese Government only to engage with donors if they contribute a minimum amount.

25. DFID should continue to seek to encourage official development agencies such as Japan's and India's as well as NGO and private donors to coordinate with each other and the multilateral organisations to prevent duplication.

DFID coordination with the Foreign Office

26. DFID told us that it worked closely with the Foreign Office in Burma particularly on governance, the peace process and responsible investment to the country. DFID is located within the Embassy alongside UKTI, the Ministry of Defence and the British Council. There are weekly cross-embassy meetings in country and weekly video-conferences between the Foreign Office and DFID staff in Rangoon with those located in London. DFID said that it was participating in a Foreign Office led review of UK policy and engagement with Burma and they had been looking at ways they could both collaborate further.

27. The Conflict Pool is a shared fund between the Foreign Office and DFID. Unfortunately it does not cover South East Asia so the teams in Burma do not have access to these funds for their conflict and peace building work. *We welcome the close cooperation between DFID and the Foreign Office. We recommend that the Foreign Office and DFID be able to access Conflict Pool funds for their conflict related programmes in Burma.*

Availability of DFID programme information

28. A couple of witnesses, as part of their submissions to us, have been critical of the information available on what DFID is doing in Burma. Lord Williams of Baglan, former UN Deputy General said:

I have to say I find it quite difficult to get details of the DFID programme. I do not find the DFID website or, indeed, the UK embassy website in Yangon terribly helpful about this. It seems to be completely lacking in specificity.³⁵

Equally the Bingham Centre for the Rule of Law said:

information about DFID's programming is not easily available. The DFID website mentions five main strands of work: [...]However, it is not readily apparent which of the 30 listed projects relate to each of these five strands, or indeed what each of the 30 projects entails, project information being available in varying degrees for each one. For example, the only information available in relation to UK Support for the 2014 Burma Census is a logical

framework; there is no Business Case or other documentation available to illuminate to whom and how support is being provided.

29. We appreciated the clear presentation of DFID Burma's health programme in ICAI's recent report where a simple table outlined all of DFID's health projects' titles, allocations, dates, funding channels and aims in an easy to read document (see Appendix 2). We do not believe these criticisms apply specifically to DFID Burma, but are perhaps a general observation of the way DFID presents its country programme information. ***We recommend that DFID consider having a simple table on each country programme page on its website to present the basic country projects' data such as duration, allocation of funds, funding channels such as the non-government organisation or multilateral it is going through and a short summary of its intended outcomes. In addition it would be useful if the projects linked with the operational plan expected results for the country.***

3 Governance

30. DFID has a major governance programme to assist Burma's movement towards democracy. It involves support for:

- addressing the long running ethnic conflicts in Burma through
 - assisting the peace process
 - supporting services in ethnic areas, and
 - helping create a military for a democratic society
- reducing inter-communal violence between the Buddhists and Muslims;
- strengthening institutions and facilitating reforms in several key political areas:
 - the constitution
 - public financial management
 - civil society
 - the rule of law, and
 - parliament

Addressing ethnic conflict

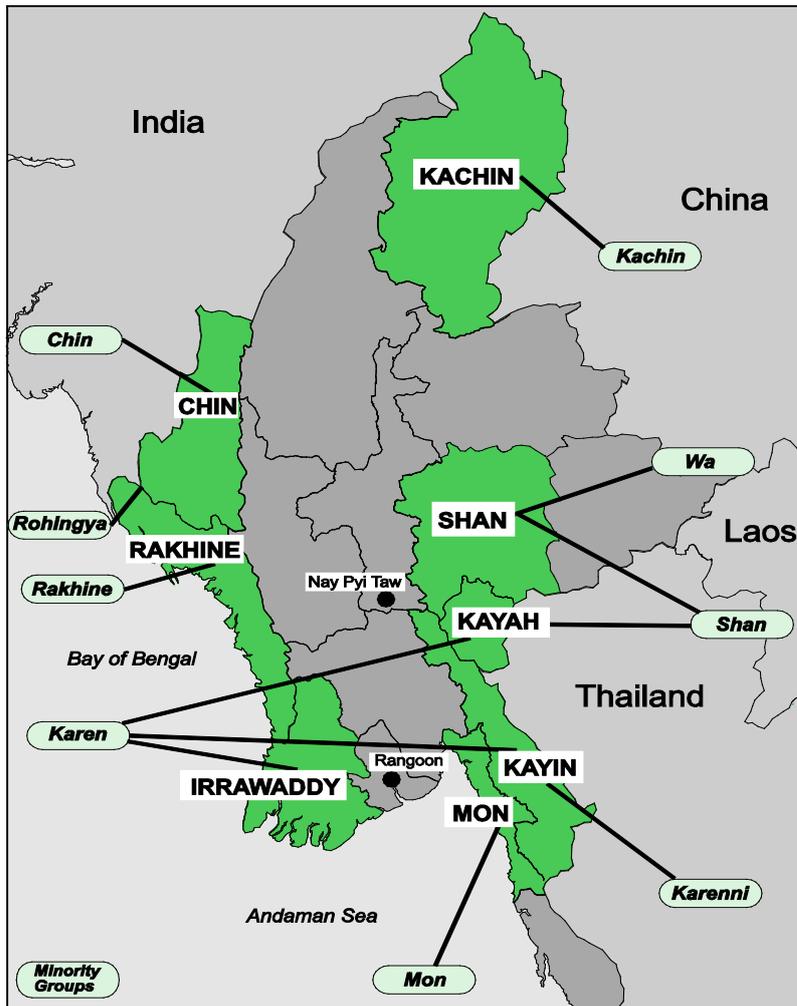
Peace process

31. Burma is made up of many different ethnic groups— 60% of the population are Burman, the other 40% are from diverse ethnic backgrounds³⁶ and tend to live in the mountainous areas which circle the Burman Buddhists who are mainly based in the central low lands (see map at Figure 3). The ethnic minorities often feel ignored by the international community. A Shan leader said when Burma's civilian Government was formed after the elections in 2010:

“All the world came to Rangoon, to praise them, but they missed us still in the shadows.”³⁷

36 [Humanitarian Aid Relief Trust \(BUR 0023\)](#), para 2

37 [Humanitarian Aid Relief Trust \(BUR 0023\)](#),

Figure 3 Map of minority ethnic groups in Burma

32. Burma has long been subject to serious ethnic conflicts. In World War II the ethnic groups tended to support the British, the Burmans the Japanese. Before independence in 1948 the Burman General Aung San (the father of Aung San Sui Kyi) achieved agreement with the ethnic groups to come together as one independent nation on the promise that they would be given “full autonomy in internal administration” known as the Panglong Agreement.³⁸ However the agreement was never fulfilled by the majority Burman Government and it was abandoned altogether by the military when it took power in 1962. The ethnic groups in response resorted to forming armies to fight for greater autonomy and in some cases to fight for independence.

33. Since President Thein Sien came to power in 2011 there has been a major effort to end the fighting and so far ceasefires have been signed with 11 out of 12 of the main ethnic

38 [The Economist Special Report Myanmar: The F-word, Ethnic Strife June 2013](#)

groups with Kachin remaining in conflict. The Burmese Government has many incentives to establish peace. Benedict Rogers highlighted that all the ethnic states which are

“around Burma’s borders, include some of the major trade routes into the country and are among the most resource rich parts of the country. If those are not at peace and the peace is not secured and stable, it will make it very difficult for investment.”³⁹

34. Whilst in Burma we had discussions with the Burmese Ministers and leaders of the ethnic groups. The Burmese Government is looking for a nationwide ceasefire before entering further negotiations with the separate armed groups. The ethnic groups want negotiations to take place immediately; they fear that the Burmese military will use the ceasefire to regroup without making progress in negotiations.

35. Charles Petrie stressed that “ceasefires are not ends in themselves” but “create the space and opportunity for the resolution of historical difference through political dialogue.”⁴⁰ The Women’s League of Burma warned against assuming that because ceasefires were in place that the lives of communities had improved. It said that militarisation had extended in Karen under the ‘cover of ceasefires’ and that no soldiers had left, land confiscation and displacement was rife and selective business deals with former ethnic army leaders encouraged a corrupt system which was marginalising the wider community.⁴¹ An organisation called Physicians for Human Rights which had documented abuses that occurred in Karen between January 2011 and January 2012 concluded:

as citizens in Rangoon experienced new freedoms, nearly one third of the families we surveyed in Karen State reported human rights violations. Notably, some violations were up to eight times higher in areas occupied by the Burmese army than in areas contested by the Burmese army and insurgent groups.⁴²

36. DFID’s main contribution to peace building has been in funding the mediation organisation Inter Mediate to advise all sides on negotiations and how to structure a peace process. DFID has funded visits by senior Burmese Government Ministers and officials as well as some leaders of the ethnic minority armed groups to the UK.⁴³ The Minister told us:

We, the UK, have given £1.5 million to InterMediate, Jonathan Powell’s NGO. We are using the experience from Northern Ireland to help them. We had some very senior figures over here at the end of last year, who also went to Northern Ireland to see what we did there, where there are some important parallels. We have given £5 million for peace building in ceasefire

39 Q103

40 [Charles Petrie \(BUR 0043\)](#), para 1

41 [Women’s League of Burma \(BUR 0007\)](#), para 9

42 [Karen Women’s Organisation \(BUR 0010\)](#), line 67

43 [Department for International Development \(BUR 0016\)](#), para 46

areas. We are a leading member of the Peace Donor Support Group, so we are very much in the thick of it.⁴⁴

37. Lord Williams of Baglan, former United Nations Under Secretary General who had been closely involved with the United Nations initiative to open a dialogue with the military junta and Aung San Suu Kyi between 2005-07, believed that there should be more UK Government cross-departmental work on the peace process:

That sort of across the piece cooperation between DFID, FCO and MOD, all of whom have experiences that they can bring to the question of political reform, of disarmament and of moving towards peace agreements should be stronger. The weight of all three of these Ministries and Departments is not yet being brought to bear.⁴⁵

38. DFID, MoD and FCO should work closely together to put pressure on the Burmese Government for an effective outcome to the peace process. This should include pressure to push forward negotiations for a political settlement while continuing to seek and maintain a nationwide ceasefire. The UK should be prepared to increase its spending to support on the peace process.

Supporting services in the ethnic regions

39. Many of the conflict areas of the ethnic regions have had no Government presence so essential services such as health and education have been provided by the local ethnic groups themselves. An example of this is the Kachin Women's Association which funds and organises projects such as:

adolescent reproductive health training, school health care and awareness training, a malaria and tuberculosis prevention and medication program, outreach health campaigns to local villages, and a daily mother and childcare clinic.⁴⁶

Due to the conflicts the ethnic areas are often the poorest in the country with high levels of malnutrition and disease. This creates a problem for donors in attempting to support and develop essential services in the ethnic regions. They are faced with the choice of either working with the armed groups on services that already partially exist or attempting to introduce new Government supported and funded services. However the Government services run the risk of being distrusted as a form of central control. As Dr Adam Burke highlighted education can be seen as enforced assimilation.⁴⁷ The Karen Women's Organisation demonstrated to us the reality of duplication in Karen where they had set up nearly 90 nursery schools throughout the state in partnership with local villages:

44 Q122

45 Q86

46 [Women's League of Burma \(BUR 0007\)](#), para 5

47 [Dr Adam Burke \(BUR 0005\)](#), para 20

there are now donors coming in preparing to build and open schools. They appear to have no knowledge of these community run schools and are not currently partnering with us. This is partly just ignorance but also due to the choice they've made to work exclusively through the Government. We will be the first to tell you that the schools we run need more resources. There remain huge unmet needs, however we do not believe that creating a whole system separate from what the community has built for itself will provide a base for strong communities. It will weaken those villages by taking the schools out of their hands.⁴⁸

40. Charles Petrie highlighted the importance of the continued provision of basic services by the armed ethnic groups to help them survive the period of dialogue of the peace process. His concern was that the peace process was likely to take years, he suggested until 2020,⁴⁹ and that there would be frustrations among the ethnic population at the pace of change. If services in this time decreased there was the risk that, under pressure from their local population, the peace process would break down and the armed groups would return to conflict.

41. The Head of DFID Burma, Gavin McGillivray recognised the importance in delivering services in the ethnic regions but bringing them in line with Government provided healthcare and education. He told us:

In the ethnic regions, the ethnic authorities have been providing their own healthcare and schooling. As peace, we hope, sets in, meshing those two together is going to need some quite subtle negotiations and advisory work in different parts of the country.

DFID is funding NGOs to try to harmonise the health services of the Government with those of ethnic health authorities.⁵⁰ The Minister referred to this as “the convergence agenda”, marrying up the different systems into one.⁵¹ The alignment of rules and standards would allow for free movement of human resources for health and education between ethnic authority controlled areas and Burmese Government areas, thereby giving greater chance of filling critical human resources gaps.

42. DFID should continue to engage with the armed ethnic groups converting them to civilian administrations that can help build up health and education in the ethnic regions and ensure service delivery during the peace process period.

Rape and sexual violence and women's involvement in the peace process

43. Women's League of Burma said:

48 [Karen Women's Organisation \(BUR 0010\)](#)

49 [Charles Petrie \(BUR 0043\)](#)

50 [Department for International Development \(BUR 0016\)](#), para 47

51 Q148

Burmese women and girls suffer extensive discrimination, sexual violence, human trafficking and have little to no access to human rights protection or justice.⁵²

It highlighted that Burma has refused to sign the United Nations 'Declaration of Commitment to end Sexual Violence in Conflict'. Women's League of Burma also reported that women's organisations and human rights groups had been documenting the high incidence of rape throughout the conflicts in Burma but because there had been no international verification the evidence had been sidelined. More worryingly its recent report *Same Impunity, Same Patterns* documents over one hundred cases of rape by the Tatmadaw with victims as young as eight since the civilian Government came to power in 2010. It believed the attacks to be systematic and structural in a pattern of sexual violence indicating its use as an instrument of war and oppression by the Tatmadaw in Kachin and Northern Shan State since the military offensives started in 2011. Twenty eight of the women had been killed or died as a result of their injuries. It called upon DFID to ensure the abuses were brought to international attention and that the victims could access justice. Global Justice Centre said the Burmese Constitution blocked justice as it "contains a permanent amnesty for the Burmese military for any such crimes" contrary to international law.⁵³ The Women's League of Burma wants the Constitution changed so that the military is subject to an independent civilian judicial system and for there to be an appropriate complaint procedure for victims of violence. It believed that the Burmese National Human Rights Commission currently did not have the mandate, capacity or willingness to address such serious human rights abuses.⁵⁴

44. The British Ambassador in Burma has recently launched a project funded by the UK as part of UK-led Prevention of Sexual Violence Initiative to address the culture of impunity in many countries by increasing the number of perpetrators brought to justice; and to strengthen efforts—both national and international— to prevent and respond to sexual violence. The project is targeting 40 villages in Kachin, Kayah, Rakhine, Meikthila, and Pyapon to help people understand that sexual violence is unacceptable and inform about legal rights and how to access services, including access to justice. Sixty women will receive training on basic legal skills with the hope that they will work in their communities to bring the issue of sexual violence to light as well as providing advice to survivors on how to access legal services and other support services. In addition the UK will fund paralegals and legal aid centres in the targeted conflict areas and a 'Legal Aid Resource Centre' in Rangoon to provide legal reference materials. Funding will be provided for community leaders and local government staff to participate in workshops and for psychosocial training to gain a better understanding of their influential role in preventing sexual violence in their communities.⁵⁵

52 [Women's League of Burma \(BUR 0007\)](#), para 13

53 [Global Justice Centre \(BUR 0026\)](#)

54 [Same Impunity, Same Patterns: Sexual abuses by the Burma Army will not stop until there is a genuine civilian government](#) January 2014

55 <http://preventsexualviolenceinconflict.tumblr.com/post/69481797989/preventing-sexual-violence-in-conflict-in-burma>

45. Women's League of Burma have also highlighted that in regard to the peace process:

While women have suffered the worst effects of Burma's ongoing conflicts they continue to be sidelined from the peace process. Negotiations have not included female representatives at any stage. The Government set up Myanmar Peace Centre is all male and there are few women involved in its negotiating partner, the United Nationalities Federation Council.

Christian Aid said that research it had carried out on the participation of women in the peace process had shown that despite being disproportionately affected by the armed conflict women were less likely to be consulted or invited to participate.⁵⁶ Oxfam said that "the exclusion of women from roles of economic leadership, decision making and political processes" threatened Burma's "progress on social, political and economic reform". It saw the forthcoming elections as the perfect opportunity to try to reverse this and called on DFID to encourage political parties to have a greater number of women in their ranks.⁵⁷

46. The Union Solidarity and Development Party (USDP)⁵⁸ announced a National Strategic Plan for the Advancement of Women but The Women's League of Burma said that it required close monitoring by DFID. It recommended support for:

programs for young female leaders, educational access for women and girls, redress for sexual violence and domestic abuse and promoting women's access to decision-making positions.⁵⁹

47. Rape has been widespread in Burma as part of the conflict. UN resolution 1325 stresses the need for women's equal participation and full involvement in peace and security efforts. We call on the Government of Burma to develop a national action plan on 1325 to ensure that women are involved in the peace process. We also call on the Government of Burma to support the participation of women in reform, including increased representation in Parliament and in developing provincial and local government.

Links between the MOD and the Tatmadaw

48. The UK Government has sought to establish links with the Tatmadaw (the Burmese army) in part to encourage the military to adopt an appropriate role in a democratic state. The Ministry of Defence has recently funded a course at the UK Defence Academy for around 40 members of the Tatmadaw.

49. This has not been popular amongst some commentators such as Burma Campaign UK which has referred to it as "Training War Criminals". One hundred and thirty three ethnic

56 [Christian Aid \(BUR 0006\)](#), para 3.5

57 [Oxfam \(BUR 0027\)](#), para 13

58 The Union Solidarity and Development Party is the ruling party in Burma. It was formed out of the Union Solidarity and Development Association created by the Military Junta in 1993. The party came into being in 2010 ahead of the Burmese elections.

59 [Women's League of Burma \(BUR 0007\)](#), para 3

civil society organisations have written to the UK Government asking for key conditions to be met before any of the Tatmadaw receive British Armed Forces training.⁶⁰ It was widely believed amongst these groups that the course was called ‘The Art and Science of War’ as opposed to in reality ‘Managing Defence in the Wider Security Context’.⁶¹ Head of DFID Burma Gavin McGillivray who spoke at the conference explained that the training was to teach about how an army operates as the servant of the people including topics such as human rights, accountability and responsibilities of an armed force in a modern democracy.⁶² The Foreign Office Minister Hugo Swire MP on a recent visit to Burma also tried to allay fears. In a speech in Rangoon he confirmed that the course “did not enhance the Tatmadaw’s military capacity or capabilities”⁶³. In addition to this course there has now been a military attaché at the British Embassy in Rangoon since 2013 to lead discussions with the Tatmadaw on the role of the military in a democracy for example on countering sexual violence, humanitarian access and not using child soldiers. The Minister was clear that the UK would not “shy away” from raising these “very real and continued concerns” with the Tatmadaw.⁶⁴

50. We support the training given by the UK Armed Forces to the Tatmadaw to encourage a better understanding of human rights and better working with civilians. The MoD should work further on military to military advice about governance reform and democracy building as soldiers listen best to other soldiers.

Inter-communal violence

51. We heard from many witnesses that the inter-communal conflict was the major challenge facing Burma.⁶⁵ Tucker McCravy of NGO Cord likened it to “a thread” that could “unravel the entire ball of yarn” of the democratic reform process.⁶⁶

52. The main focus of the violence has been in Rakhine (historically known as Arakan) state bordering Bangladesh where there have been clashes between the Buddhist Rakhine and the Muslim population known as Rohingya but referred to as Bengalis by many Buddhists, who find the term Rohingya offensive. The UN has described the Rohingya as one of the most persecuted minorities in the world. Successive Burmese Governments have claimed that the Rohingya were actually Bengalis who had recently immigrated from Bangladesh and have refused to recognize them as citizens although there is historic evidence that Rohingya have inhabited the region for hundreds of years. Part of the problem may be that many retreated into British India during World War II before returning.

60 [Burma UK Campaign Training War Criminals? – British training of the Burmese Army](#), 14 January 2014

61 [The Irrawaddy, UK Official Talks Development Aid, Military Ties in Burma](#), 30 January 2014

62 [The Irrawaddy, UK Official Talks Development Aid, Military Ties in Burma](#), 30 January 2014

63 [Hugo Swire’s speech at the British Council in Rangoon](#).

64 [Hugo Swire’s speech at the British Council in Rangoon](#).

65 Q83, Lord Williams, Benedict Rogers/Christian Solidarity Worldwide, [CordMyanmar BUR_0030](#), [Christian Aid BUR 0006](#)

66 Q2

53. The 1982 Citizenship Law did not list the Rohingya as one of the 135 “national races” and so they were declared “non-national” or “foreign residents” by the Government. They remain stateless unrecognised by either Burma or Bangladesh. The Toronto based Sentinel Project recently went as far as describing Burma as “a textbook case” of a nation on the brink of genocide due to the violence against the Rohingya.⁶⁷ Human Rights Watch reported that around 140,000 Rohingya are confined to 40 internally displaced persons camps in northern Rakhine⁶⁸ and others are in heavily-policed settlements. Ben Rodgers of Christian Solidarity asked DFID to put pressure on the Burmese regime to open up access to the camps and to protect aid workers so that humanitarian aid could get through to those in immediate need.⁶⁹ Burma Campaign UK were critical of DFID for not supporting the Rohingya refugees who have gone to Bangladesh and for not using its influence on the Bangladesh Government to challenge restrictions on aid to Rohingya refugees there.⁷⁰

54. The Minister said that DFID was “on a diplomatic level, at a development level, on the ground with UN agencies, humanitarian aid”⁷¹ trying to address the rights of the Rohingya. He highlighted the joint statement between the EU and American Embassies in Rangoon condemning the violence in Myebon in Northern Rakhine where humanitarian aid to the camps had been blocked by local community members.⁷² DFID is providing £4.4 million of humanitarian funding in Rakhine which will help 50,000 internally-displaced persons. In other areas the Head of DFID Burma said it had:

seconded an expert to [Office for the Coordination of Humanitarian Affairs] OCHA about communicating with the different communities. We are pushing our multi donor funds to work more in areas of ethnic violence, and the Livelihoods and Food Security Trust Fund has a \$22 million programme that it will be implementing in Rakhine⁷³

55. The violence against Muslims unfortunately spread last year to central Burma with attacks in Meiktila where 44 people were killed, 1,400 business and houses destroyed and 12,000 people were displaced. Further violence against Muslims was reported in Pegu and Okkan north of Rangoon, Lashino in Shan State and against the Kaman Muslims in the southern part of Rakhine.⁷⁴ While violence against Muslims goes back centuries, following years of ‘cultural nation building’ by the military leadership Muslims are now perceived as a threat to the Burmese nation not just among hardliners but also among the general public, Buddhist monks and National League for Democracy⁷⁵ (NLD) politicians.⁷⁶ Many Burmese Buddhists are of the belief that Burma and the majority Buddhist faith is being

67 [Sentinel Report, High risk of genocide in Burma, September 2013](#)

68 [Human Rights Watch \(BUR 0012\)](#), para 4.5

69 Q87

70 [Burma Campaign UK \(BUR 0018\)](#), para 33

71 Q128

72 Q129

73 Q167

74 [Human Rights Watch \(BUR 0012\)](#), para 4.2

75 The National League for Democracy is the main opposition party in Burma led by Aung San Sui Kyi

76 [Dr Adam Burke \(BUR 0005\)](#), para 27

overrun by Muslims.⁷⁷ Burman-Buddhist nationalism is becoming more extreme with the formation of groups such as “969” led by Ashin Wirathu, a Buddhist monk from Mandalay. Last year he featured on the front cover of *Time Magazine* under the title “The Face of Buddhist Terror”.⁷⁸

56. There are those who believe DFID should be doing more. Benedict Rogers told us that DFID should be:

investing a lot more in inter faith initiatives. I am told, and I am sure you would want to check this, that DFID spends currently no more than £10,000 on multi faith or inter faith initiatives.⁷⁹

His organisation Christian Solidarity Worldwide recommended that DFID should increase financial support to empower civil society among the ethnic groups and for initiatives to enhance communication between the different sections of society. It also would like to see funding for rehabilitating the victims of conflict.⁸⁰

57. Lord Williams believed that there were lessons to be learnt from elsewhere as these problems were “not new in Southeast Asia. Over 5,000 Muslims have been killed in southern Thailand in the last decade. In Indonesia, it has been a recurrent theme over the decades”. He said there was a need for the Burmese Government to “get to grips with the problems” and “to try to address them and defuse the tensions.” He concluded:

So far, the Government has not been able to do it. I think that is a combination of a lack of determination, but also a lack of capacity. That is where DFID and other Government agencies from other countries could be far more engaged.⁸¹

58. There is fear that the situation in Burma could worsen and spread. Benedict Rogers told us that there was a risk:

that what has been happening to Muslims in Burma has the potential to attract the attention of radical Islamists outside Burma and for them to use this as a recruiting issue. We have seen, particularly in Indonesia, a number of calls for Jihad against Burma.

He said that Muslims in Burma have tended to be very moderate and not involved in extremist activity, but there was the potential for them to be radicalised.⁸²

59. The Minister acknowledged that the religious violence was the ‘biggest threat’⁸³ to the reform process in Burma but he did not recognise its potential to lead to extremism. He told us:

77 International Crisis, [Myanmar Conflict Alert: A Risky Census](#), February 2014

78 Time Magazine, [The Face of Buddhist Terror](#), 20 June 2013

79 Q83

80 [Christian Solidarity Worldwide](#) (BUR 0002)

81 Q83

82 Q87

You are not looking at radical young hotheads; you are looking at communities that feel oppressed and deprived, then they burn each other's houses down. It is very much a domestic based pool of hatred that has to be overcome.⁸⁴

60. Since we took evidence for this inquiry the situation sadly seems to have deteriorated in the Rakhine. In January the UN reported that 48 Rohingya were killed in Northern Rakhine and asked for a "full, prompt and impartial investigation". The Burmese authorities rejected the claims as groundless.⁸⁵ At the end of February Médecins Sans Frontières (MSF) was ordered by the Burmese Government to cease all activities in the country. MSF was one of the biggest providers of healthcare in Rakhine. It provided emergency assistance to Rohingya people displaced by the violence. It also administered HIV and anti-malaria programmes both in Rakhine and across the rest of Burma. Since 2004 it has treated over 1,240,000 malaria patients in Rakhine state alone.⁸⁶ A presidential spokesman alleged that MSF was biased in favour of the Rohingya minority and had prioritised the treatment of the Rohingya community over local Buddhists. It was thought this may have been triggered by MSF confirming that its medics had treated 22 patients near the site of the alleged attack in January contradicting the narrative of the Burmese officials.⁸⁷

61. In addition to this a report was published in February by the human rights group Fortify Rights which had analysed 12 Government documents from 1993 to 2013, and found that Government policies imposed "extensive restrictions on the basic freedoms of Rohingya Muslims in Myanmar's Rakhine state". It said the policies restricted Rohingya "movement, marriage, childbirth, home repairs and construction of houses of worship". Rohingya were also prohibited from travelling between townships, or out of Rakhine, without permission.⁸⁸

62. The violence in Rakhine, in particular the plight of the Muslims there, and the extension of violence to the rest of Burma is very worrying and could cause the reform movement to unravel. The UK Government must acknowledge the concerns of the majority of the population with a large Muslim country to its west and the world-wide threat posed by jihadists. However, while we acknowledge that the situation is highly charged, delicate and complicated, we urge the UK Government to maintain its pressure on the Burmese Government to improve the situation of the Rohingya and allow humanitarian access to the internally displaced people camps.

83 Q128

84 Q129

85 BBC, [Burma violence: UN calls for Rohingya deaths inquiry](#), January 2014

86 MSF Press Release, [MSF concerned about the fate of thousands of patients in Myanmar after being ordered to cease activities](#), 28 February 2014

87 [BBC, Medecins Sans Frontieres' shock at Myanmar suspension](#), February 2014

88 Fortify Rights, [Policies of Persecution, Ending Abusive State Policies Against Rohingya Muslims in Myanmar](#), February 2014

63. *It is worrying that violence has spread beyond Rakhine state, but from our visit it seemed that resolution of the conflict may be easier in central Burma. There may not be ready solutions to end the violence both in Rakhine and the rest of Burma, but DFID can help facilitate dialogue between the different faith groups, with the use of experts to help meditate and bring communities together—to encourage interfaith understanding and to help build cohesive and peaceful communities. The UK Government can also advise on integration for example in supporting Muslims to become members of the police force.*

64. *Without progress in dealing with the inter-communal violence, we have concerns that it could spread further. There is potential for the violence against Muslims in Burma to radicalise Muslims there, who have traditionally been moderate, and attract Islamic extremists to the country. Historical accounts reveal that Muslim communities have lived in the country for centuries.*

The 2014 national census

65. DFID has committed £10 million to co-fund a nationwide census in Burma this year, the first in 30 years. It hopes that this will “help correct the poor data coverage and quality that undermines the capacity of Government and donors to assess priorities and target funding and service delivery.”⁸⁹ However DFID has faced criticism for its support with a recent article in *The Independent* saying:

In order to boost ties between the two nations, the UK has even provided assistance to Burma to conduct its upcoming census, a move that has been described as “British aid for ethnic cleansing”, given the alleged role of the population survey in official attempts to deny the existence of the Rohingya.⁹⁰

66. There is concern that because of the 1982 Citizenship Law the census will not list Rohingya as an ethnic group. We questioned the Minister on this and he explained that the census would allow people to ‘self-identify’ their ethnicity and would hopefully provide a sound statistical base for estimating their numbers.⁹¹ The census operators were being given two and a half months intensive training to sensitively deal with the issues.⁹²

67. A recent ‘crisis alert’ from International Crisis Group has warned that the census could unintentionally support the Buddhist Burman narrative that Muslims are ‘overrunning’ Burma. Currently, it is widely believed that Burma’s population is 4% Muslim, a figure reported in the last census in 1983. However, International Crisis Group said there were strong indications that the real figure collected then was over 10%, but that a political decision was taken to publish a more ‘acceptable’ figure. The results of the 2014 census could therefore incorrectly be used as evidence of a three-fold increase in the Muslim population in the country over the last 30 years by extremist movements such as 969. This

89 [Department for International Development \(BUR 0016\)](#)

90 [The Independent, Aung San Suu Kyi is only the latest to fail the Rohingya. More of this and the result will be genocide](#), 30 October 2013

91 Q131

92 Q131

will have particular consequences in the Rakhine where International Crisis Group warned that Rakhine political actors fear the census will establish a baseline Rohingya population that would make it more difficult to keep up the narrative of recent migration in the future. Rakhine politicians are already claiming that additional populations of Bengali Muslims are now infiltrating Rakhine State in order to be included in the census count. These politicians are demanding that they be allowed to form an armed Rakhine militia to prevent such a migration.⁹³

68. We support DFID’s commitment to the nationwide population census as it is needed for future planning in Burma. It is important to get an accurate measure of the ethnic and religious diversity of the country but DFID, with the Government of Burma, should consider how ethnic and religious classification contribute to future planning without inflaming tensions or whether simpler data on just sex and age would be sufficient.

Strengthening institutions

Constitution

69. The current constitution of Burma was adopted in May 2008 following a national referendum and came into effect following the elections of 2010. Andrew McLeod, a lecturer in Constitutional Law at Oxford University who has been advising on the subject of constitutions in Burma told us that its adoption marked the conclusion of a “very long process” that could be traced back to July 1990 when a national convention was established to draft a new constitution. He told us that over the past 12 months, constitutional reform had become the focus of almost all political discussion with the debate centring around four main issues: regional and state autonomy; military representation in Parliament; the constitutional amendment procedure and the eligibility for presidency clause.⁹⁴

Regional and state autonomy

70. Following the ceasefire agreements and as part of the ongoing dialogue on a peace process the ethnic nationalities are seeking greater political and economic autonomy along the lines of the Panglong Agreement principally through increased powers for regional and state governments. Under the constitution, the president appoints chief ministers for each region and state from among the members of the regional and state legislatures. The constitution also grants authority over most economically valuable matters—such as the ethnic area’s rich natural resources— to the national legislature. The ethnic groups as part of their bid for greater autonomy would like powers to raise revenue within their territories.

71. We noticed on our visit that Burmese Ministers were referring to ‘federalism’ and were willing to explore a federal future which as Ben Rodgers told us was once totally taboo.

93 International Crisis Group, [Myanmar Conflict Alert: A Risky Census](#), February 2014

94 [Andrew McLeod](#) (BUR 0045)

Military representation and constitutional amendment

72. The constitution guarantees that at least 25% of all seats in both houses of the national legislature and 25% of all seats in regional and state legislatures are nominated by the Commander in Chief of the Tatmadaw. This gives the military a voting bloc which is particularly relevant as all Bills setting out proposals to amend the constitution must have the support of at least 20% of the members of the Union Parliament, a joint sitting of both houses of the legislature. With their allocation of seats the military has an effective veto over any changes to the constitution. In addition to the need for a Bill to change the constitution some sections also require a national referendum.

73. The Bingham Centre of Law which had been working in Burma on a project to encourage citizens to become involved in the debate on reform to the constitution said that the key aspect of the constitution that garnered near universal support for reform was the provision for 25% of the Parliament to be reserved for members of the military.⁹⁵

The Presidency

74. Under the current constitution, the president is not directly elected. Once national elections are held and Members of Parliament take their seats, a presidential electoral college convenes. The college comprises three groups: Members of the House of Nationalities; Members of the House of the People; and the 25% of Members of both Houses who are from the Tatmadaw. In the first stage each group elects a vice-presidential candidate. This person need not be a member of either house of the legislature but must be eligible to become president or vice-president. In the second stage of the procedure, the Speakers and Deputy Speakers of both houses scrutinise whether the three candidates nominated are in fact eligible. In the final stage, the Union Parliament, comprising members of both houses, votes to elect one of the three candidates as president. The other two candidates assume the two vice-presidencies.

75. To qualify as a candidate for the presidency or one of the vice-presidencies, a person must satisfy the requirements set out in section 59 of the constitution. The main debate about these requirements has centred on section 59(f), which prohibits

“the president and vice-presidents, their parents, their spouse, their legitimate children and the spouses of their legitimate children from holding foreign citizenship, being the subject of a foreign power or being entitled to enjoy the rights and privileges of a subject or citizen of a foreign power.”⁹⁶

Andrew McLeod explained that although some within the military and the USDP publicly deny it, most believe that this provision was included to prevent Aung San Suu Kyi from ever becoming President because both of her sons are entitled to British citizenship. He also highlighted two other potentially controversial sub-sections: one required the president and vice-presidents to be ‘well-acquainted with the affairs of the Union, such as political, administrative, economic and military’. He said the constitution offered no explanation of the meaning of ‘well-acquainted’ but that many within the NLD believed this provision to be intended to prevent any person who had not served in the military from becoming president or vice-president. Another subsection required the president and vice-presidents to have resided continuously in Burma for at least 20 years. This prevented any person who left Burma during the unrest of the late 1980s and early 1990s and most ethnic nationalities politicians who had lived in border regions from becoming president or vice-president.

76. Aung San Suu Kyi in protest at being barred by the constitution from standing for President has been touring Burma and Europe to gain support for constitutional reform ahead of the elections. The UK Government has come out strongly in favour of a change to the constitution with the Prime Minister David Cameron publicly demanding Aung San Suu Kyi be able to stand.⁹⁷ The Minister, Rt Hon Alan Duncan MP said of the constitution:

96 [Andrew McLeod](#) (BUR 0045)

97 Government Press Notice, [David Cameron and Aung San Suu Kyi press conference](#), October 2013

It is fair to say that the UK is leading the international campaign to change the constitution. There is international pressure; there is also growing internal national pressure for this—something we are doing our best to encourage.⁹⁸

Andrew McLeod, warned that this approach risked overlooking “the complexity of the challenge”, reinforcing “the historical narrative that concerns of the ethnic nationalities are of secondary importance” and shifting “the focus of the debate onto a single outcome rather than enabling an inclusive process of constitutional renewal.”⁹⁹ He said that although it was “repugnant” a constitutional provision may have been drafted with a single person in mind “it would be just as repugnant for the provision to be removed to benefit a single individual.” Speaker John Bercow said:

“It is not our business to argue for any particular candidate but that the international community would not understand that a prominent and popular politician was specifically excluded from being a candidate”.¹⁰⁰

77. On 31 January the *Burmese Constitution Review Joint Committee* which was set up in July 2013 to address concerns about the constitution reported to Parliament. The committee made two clear recommendations: the Parliament should focus on changes to the constitution that do not require a national referendum; and the concerns of ethnic groups should be prioritised. The provisions that Aung San Sui Kyi and the NLD most wish to change— the presidential qualifications and the constitutional amendment procedure—both require a referendum. Therefore for the *Implementation Committee for Amendment of the Constitution*—the body that has been set up to implement these recommendations—addressing the clauses that reflect ethnic concerns will take priority over the presidency clauses. Andrew McLeod concluded that as a result if Aung San Sui Kyi:

continues to campaign for the lifting of the barrier in s 59(f), she may expose herself to criticism for appearing to place self-interest ahead of the concerns of ethnic nationalities.¹⁰¹

78. We asked the Minister about the UK position on the devolution of power to the ethnic groups and he said “we are neutral on federalism”.¹⁰² The Women’s League of Burma however highlighted that “Burma is a complex nation of diverse ethnic communities; yet politics continues to be elite Burman driven” and asked for DFID not to exacerbate this.¹⁰³ The Bingham Centre of law said that devolution was an issue to be addressed.¹⁰⁴

98 Q120

99 [Andrew McLeod](#) (BUR 0045), para 36

100 FCO Press Notice: [Speech of House of Commons' Speaker at Rangoon University, Burma](#), August 2013

101 [Andrew McLeod](#) (BUR 0045)

102 Q123

103 [Women's League of Burma \(BUR 0007\)](#)

104 [Bingham Centre for the Rule of Law](#) (BUR 0047)

79. *We urge the UK Government to support reforms to the constitution that ensure ethnic groups are treated fairly and equally. It should also press for a reduction and eventual elimination of the role of the military in Parliament and Government.*

80. *We support the UK Government's view that the presidential eligibility clause 59f should be removed not just because of Aung San Sui Kyi but because there should not be a qualification targeted at one individual or group.*

81. **Most leading politicians, including Aung San Suu Kyi, are associated with the Burman Buddhist majority. It is essential to build a state that gives equal rights to all citizens and ensure that ethnic minorities have a say in federal and especially provincial government.**

Public financial management

82. Burma Campaign UK believed that Burma should be spending more of its own money on poverty reduction and development. It highlighted that Burma spent \$1.15 billion in the year 2013-14 on the military which it estimated to be between 16-21% of Government spending, one of the highest percentages in the world. It said that the Burmese military had recently spent the equivalent of the whole of DFID Burma's budget on new ships.¹⁰⁵ Burma Campaign UK argued that unless the international community put pressure on Burma to move spending away from military to poverty alleviation ODA only served to alleviate domestic pressure on the Government to provide services, thereby unintentionally facilitating continued high levels of military spending.¹⁰⁶

83. DFID said it wanted to help the Burmese Government's capacity "to collect, allocate and spend public funds." Head of DFID Burma, Gavin McGillivray told us that DFID would be supporting a World Bank programme which aimed at improving tax take in Burma from being one of the lowest in the world at 3-4% of GDP to being nearer 10%. It was hoped this would result in an extra £2 billion a year to become available to spend on services such as health care and education.¹⁰⁷ DFID would be providing £12 million towards this programme alongside £19 million from the World Bank.¹⁰⁸ In addition to improving revenue collection the World Bank programme would be aimed at improving the allocation of public resources and ensuring they were well used and spent where intended. This would be done by establishing a Public Financial Management academy for Government employees, by training parliamentarians on how to hold the Government to account on budgets and by supporting civil society to scrutinise Government spending.¹⁰⁹

105 [Burma Campaign UK \(BUR 0018\)](#), para 42

106 [Burma Campaign UK \(BUR 0018\)](#), para 42

107 Q111

108 [Department for International Development Annex E \(BUR 0057\)](#)

109 [Department for International Development Annex E \(BUR 0057\)](#)

84. *The UK should put more pressure on the Burmese Government to divert spending away from the military to the provision of basic services such as health and education for its population.*

Civil society

85. Many of the submissions to our inquiry highlighted the importance of civil society to the democratic reform process.¹¹⁰ Christian Aid said that civil society organisations ensured that “citizens’ voices shape the agenda” as they could: influence authorities in policymaking; hold policymakers to account on their obligations and educate citizens about their rights.¹¹¹ DFID has in place two specific civil society strengthening programmes: Pyoe Pin and Amatae. Both are also funded by the Swedish Development Agency SIDA.

86. Pyoe Pin, meaning ‘green shoots’ in Burmese, is a DFID funded civil society strengthening programme managed by the British Council. Its aim is to get civil society organisations which focus on rule of law, environment, health, education, and the economy together as coalitions to lobby Government and hold it to account as unified stronger voices. The British Council believed that the programme has had a significant impact in increasing civil society’s role in decision making on: access to justice and legal services; land and forestry; HIV; non-state education policy and training; rice production; and fisheries. Amatae, meaning “core” or “essence”, the other DFID funded civil society strengthening programme provides funding to a number of civil society organisations to help them meet core costs and to improve their governance, human resource systems, financial management, and ability to manage projects. This is seen by DFID as much needed in Burma where most funding for civil society organisations is for specific projects and does not necessarily help them grow as institutions, or manage funds effectively. Amatae also encourages the civil society organisations it supports to share good practice amongst the more mature and less experienced groups.

87. Burma Campaign UK criticised DFID for moving funding from ‘underground networks’— which had previously operated out of neighbouring countries to Burma and had provided services such as health and education— to Rangoon-based NGOs which did not have the same level of grassroots community networks. Human Rights Watch also highlighted the importance of DFID not becoming too “Rangoon-centric” but engaging with civil society groups which had extensive networks in the outlying areas.¹¹² The Women’s League of Burma warned that:

“DFID’s dependence on NGOs based in populous urban centres risks contributing to the uneven development process, strengthening already powerful elites at the expense of those who most need their support.”¹¹³

110 [CordMyanmar \(BUR 0030\)](#), Actionaid,

111 [Christian Aid \(BUR 0006\)](#), para 2.3

112 [Human Rights Watch \(BUR 0012\)](#), para 1.2

113 [Women’s League of Burma \(BUR 0007\)](#), para 1

Christian Aid was concerned that the smaller local civil society organisations were unable to access DFID funds due to a lack of confidence by DFID in their capacities and capabilities.¹¹⁴ Burma Campaign UK was also critical of DFID for— as it saw it— not supporting the civil society organisations which promoted human rights and democracy.¹¹⁵

88. *DFID should continue its support for civil society in Burma, but it needs to ensure that small, local organisations, based outside Rangoon also have access to funds.*

Rule of law

89. When we met with Aung San Suu Kyi, she talked about the importance of the rule of law and the necessity to train judges, lawyers and civil servants, for certifications and to remove corruption at what she called “rule of law centres”. She told us the UNDP was conducting a feasibility study of such centres which would take a couple of months and then would be starting pilot projects. She asked us for funding for the pilots and then to help roll them out all over the country. One witness described it as ‘her mantra’ that she repeated alongside her desire to reform the constitution. Lord Williams highlighted the need for improvements to the rule of law

Even within the institutional landscape within Myanmar, the judiciary is really one of the weakest institutions and has been denied funding and proper training of its people.¹¹⁶

Benedict Rogers said:

Just as there is a lot of emphasis on the goal of trying to help the military move out of politics and become a professional military under civilian control, equally, there is a real need to help the judiciary be de politicised after decades of dictatorship. They were used to simply making their conclusions and passing sentences according to the political instructions from the regime. Creating a sense of a truly independent judiciary is vital.¹¹⁷

90. Andrew McLeod however warned of potential duplication He said there was currently another large UNDP project working with Bridges Across Borders Southeast Asia Community Legal Education Initiative, partnering Burmese university law departments to teach clinical legal education¹¹⁸ to students and lawyers. In addition USAid had recently allocated \$8 million over three years to develop a programme promoting the rule of law in Burma. He said that a key part of the USAid project was

114 [Christian Aid BUR 0006](#), para 2.4

115 [Burma Campaign UK \(BUR 0018\)](#), para 23

116 Q107

117 Q107

118 Andrew McLeod describes this as the “the practical skills of lawyering”

the development of a national rule of law strategy and improving access to justice, both of which appear to overlap significantly with the National Rule of Law Centre project.¹¹⁹

91. The Minister told us the rule of law centres as proposed by Aung San Sui Kyi were a candidate for DFID support¹²⁰ although he also recognised that there were similar programmes being supported by other organisations.¹²¹

92. DFID should consider supporting Aung San Sui Kyi's rule of law centres only following a full assessment of the pilot projects and alternative options.

Parliament

93. During decades of military dictatorship, Parliament did not sit for many years. However a new Parliament was established in 2011 with a powerful figure, Shwe Mann as Speaker. The Parliament has begun to scrutinise the Executive, especially since the by-elections in April 2012 which brought in NLD and other non-government Members. Nevertheless, Parliament faces many challenges. MPs have little or no support to scrutinise draft laws, provide active oversight or engage with parliamentary staff, civil society and Ministries. All this needs strengthening. The Parliament has also not yet developed a plan or strategy to help prioritise and guide its reform or the assistance it requires from donors. On the other hand, we found the Burmese MPs we met engaged and keen to learn.

94. In the summer of 2013 the Speaker, the Rt Hon John Bercow MP, visited Burma with a cross party group of UK MPs including our Committee Chair, Sir Malcolm Bruce MP, and a fellow Committee member, Fiona Bruce MP. The delegation held many high level meetings and the visit led to a number of UK-Burma parliamentary schemes in partnership with DFID including:

- funding the UK visit of the Burmese Parliament's Bills Committee to learn from their counterparts in Westminster;
- a legislative drafting expert attached to the Burmese Parliament to train MPs;
- Westminster Foundation for Democracy (WFD) training of the Burmese Parliament's Public Accounts Committee including a UK visit, and a visit of WFD and National Audit Office trainers to the Burmese Parliament in Naypyitaw;
- the visit of a senior clerk from the House of Commons with a delegation from the Inter-Parliamentary Union (IPU); and
- the secondment of a research expert from the House of Commons to the Burmese Parliament.

119 [Andrew McLeod](#) (BUR 0045)

120 Q174

121 Q175

95. The Bingham Law Centre recommended that DFID should also consider providing training to parliamentarians on their responsibilities, including in relation to being transparent, being held accountable and upholding the rule of law. It also suggested that DFID consider working with regional governments with the added benefit of potentially helping to resolve ethnic tensions.¹²²

96. DFID has subsequently informed us that it was considering a new £20 million four year programme to scale up its parliamentary work in Burma, helping Parliament be more effective, strengthening the electoral process and enhancing civil society engagement. The Minister told us the funding

will partly depend on whether we see progress in the area we were discussing earlier, about the constitutional change and likely improvement in the nature of Government. It has to go hand in hand with that, so we have to be flexible.¹²³

97. A number of other development agencies are providing funding and advice to the Parliament, particularly UNDP which has been working with the Inter Parliamentary Union. The US-funded National Democratic Institute (NDI) has set up a resource centre near to MPs' lodgings to provide them with access to the internet and resource materials. There is a danger that the Burmese Parliament will suffer from a profusion of donors' uncoordinated initiatives. DFID and other donors have recognised this and are encouraging the Parliament to bring forward an overall development or reform plan to set out strategically how it intends to develop.

98. We welcome the current projects which the UK Parliament and UK Government are undertaking to support the Parliament of Burma, but we believe that a more sustained programme is required over a long period, especially as the Burmese Parliament is likely to lose many of the newly trained MPs in the elections in 2015. We urge DFID and other donors to continue to encourage the Burmese Parliament to establish a strategic reform plan to coordinate the work of donors. We also recommend support to existing women MPs as well as encouraging more women to become involved in politics and at all levels of Government.

Parliamentary strengthening in general

99. During our visit our interest in the role of the Burmese Parliament and how DFID might help strengthen it, led to discussions about parliamentary strengthening in general and UK capacity to provide it. We received memoranda from Global Partners Governance and Commonwealth Parliament Association UK (CPA UK) which reflected in more general terms on parliamentary strengthening. On our return from Burma we heard that two reviews were taking place of Westminster Foundation for Democracy (WFD). One is the DFID-funded mid-term evaluation, the other is the Foreign Office required Triennial

122 [Bingham Centre for the Rule of Law](#) (BUR 0047)

123 Q138

Review. The teams are working together and the DFID evaluation is designed to provide the evidence for Ministers to make decisions about the purpose and structure of the organisation which the Triennial Review is considering. As the Triennial Review will publish a draft report in April 2014 we have decided to look briefly at DFID's general approach to parliamentary strengthening in this inquiry before the Review is published. Much of what we have to conclude is based on informal discussions held during our visits. We plan to undertake a fuller inquiry later in the year before the Foreign Office's full report is published.

100. It seems to us that the key issues are:

- Is there need for parliamentary strengthening; should DFID do more?
- How is parliamentary strengthening best done?
- Should there be improved UK capacity to provide parliamentary strengthening?
- If there should be improved capacity, what form should it take?

101. The Prime Minister has set out the case for building powerful democratic institutions in his speeches about the golden thread:

We need to tackle the causes of poverty, not just its symptoms. And that means a radical new approach to supporting what I call “the golden thread” of conditions that enable open economies and open societies to thrive: the rule of law, the absence of conflict and corruption, and the presence of property rights and strong institutions.¹²⁴

102. Parliaments are central to the establishment of a democracy and can stimulate development. Parliamentary committees can also play a role in overseeing the sectors where DFID has major programmes just as civil society is commonly funded by DFID for this purpose. For example, support could be given to the parliamentary health committee, as well as to civil society groups, to ensure money is well spent in the health sector

103. Some DFID officials see the value of parliamentary strengthening, as we saw on our visit, and a draft DFID/Foreign Office ‘How to Note’ on parliamentary and political party assistance indicates that in theory DFID realises the importance of this work. However, there is room for improvement in practice. Greg Power told us that historically DFID and other development agencies had preferred to work through civil society organisations rather than parliaments.¹²⁵ The CPA UK was critical of DFID's approach:

Disappointingly, DfID has [...] has footled around the peripheries of building parliamentary capacity within its development programmes. There have been some programmes organised by WfD and funded by DfID and the FCO, but

¹²⁴ Wall Street Journal, [Combating Poverty at Its Roots Economic development requires aid, but also sound institutions. Britain can lead on both fronts](#), David Cameron

¹²⁵ Q89

success has not been significant, nor has DFID really focused on strengthening parliaments.¹²⁶

Mr Duncan told us:

I do not think there is any such cultural antipathy to this; I just do not think it has been an easy part of the DFID skill set. That is really the problem.¹²⁷

104. Despite the criticisms of DFID's work, its 'How to note' has given considerable thought to how best to do strengthening work and how not to. It is critical of traditional approaches such as programmes, which improve organisational infrastructure and technical capacity and which provide procedural support

105. The 'How to note' recommends an approach which appreciates that parliamentary assistance projects are unlikely to achieve meaningful results, unless there is understanding of what motivates MPs and how parliament works. The aim should be to support change in the behaviour of the MPs and officials within it. Particular attention should be given to women's political participation, which should be the norm not the exception. It also argues for engaging the parliament through 'real' issues and outcomes, not processes. Global Partners take the same line as DFID

to change the behaviour of the politicians within it. This, in turn, means first understanding the institutional and political incentive structures that are shaping that parliamentary behaviour. Ultimately, effective parliamentary strengthening depends on politicians and staff using fully the tools and powers at their disposal to hold Government to account.¹²⁸

106. We believe that DFID and the FCO should make more use of UK capacity as opposed to large foreign organisations such as the UNDP and NDI. There is little doubt that there is a strong demand for the UK's expertise. The Minister agreed that "we can brand something as UK democratic and use that direct line of influence".¹²⁹ CPA UK informed us

Emerging and developing parliaments frequently look to Westminster for guidance and assistance, not necessarily because there is a desire to have a Westminster system in place, but because the way the UK Houses of Parliament operate, the huge experience that resides within the system, plus the quality and way UK parliamentarians operate is immensely respected and admired.¹³⁰

Moreover, spending UK taxpayers money on US organisations can encourage a process by which parliaments with a Westminster system move to a US-style system.

¹²⁶ [CPA UK \(BUR 0049\)](#)

¹²⁷ Q148

¹²⁸ [Global Partners Governance \(BUR 0028\)](#)

¹²⁹ Q142

¹³⁰ [CPA UK \(BUR 0049\)](#)

107. Currently, a number of organisations provide support for parliamentary strengthening, including public bodies, including the Overseas offices of the Houses of Commons and Lords, the CPA UK, British Group IPU, WFD and private organisations such as Global Partners.

108. Some of these organisations consider they could increase the amount of work they do. The CPA UK informed the Committee

The work CPA UK does within in the Commonwealth, effectively on behalf of Westminster, could be expanded and become more targeted with active support from DFID in the centre and the regions, and some limited funding to assist with airfares and accommodation - inward and outward.¹³¹

109. In response to our question about the need for some limited funding for airfares and accommodation to support parliamentary strengthening work, we were informed by the Minister that a small fund for this purpose might be effective.¹³²

110. However, while extra work could be done in this way, there is currently no UK rival on a scale to match UNDP or NDI. WFD is much smaller and in informal conversations we have held in the UK and overseas is seen as in need of considerable reform. There is concern about its governance structure with a dual remit of funding political parties and parliamentary strengthening as well as the lack of permanent staff who have worked in a parliament. Moreover, any increase in UK capacity would probably need to draw on more specialists than the pool of serving and retired MPs and parliamentary officials.

111. A further problem is that DFID has just one senior governance adviser based in the UK specialising in parliamentary strengthening work even though DFID does 'parliamentary and party work', in at least 21 countries as well as supporting parliamentary projects through the WFD and the Arab Partnership Fund, managed by the Foreign Office.¹³³

112. We recommend that DFID and the Foreign Office give more emphasis to, and provide more funding for parliamentary strengthening. We further recommend that as part of sector programmes, for example in health and education, DFID country teams routinely fund work to improve the effectiveness of the relevant parliamentary committees.

113. Unfortunately, too often parliamentary strengthening work has not been well done. We are pleased that DFID recognises this and has published a draft 'How to Note', which points to the need to understand political sensitivities, the motivation of politicians, to establish regular contact with parliaments over several years and to respond flexibly to a changing environment.

131 [CPA UK \(BUR 0049\)](#)

132 Q147

133 Q145

114. *The ‘Westminster brand’ is strong and there is considerable demand for Westminster expertise. However, DFID commonly uses non-UK bodies. We recommend that DFID make more use of Westminster-based organisations. We recommend that the UK Government establish an organisation with the attributes listed below. It could be a reformed Westminster Foundation for Democracy and could expand its work if it proved to be effective:*

- *a permanent staff, including a significant number of people with extensive parliamentary expertise, for example who have worked, or served, in Parliament and have experience of politics; the organisation should consider seeking to secure secondments from the House of Commons, the Foreign Office and DFID; and*
- *the establishment of a larger group of people with a knowledge of Parliament to draw on to work overseas; this might include people who have experience of parliaments outside Westminster.*

If this organisation is to be a reformed Westminster Foundation for Democracy, there will need to be improved governance arrangements in relation to political party and parliamentary strengthening work.

115. *The organisation described above, whether or not a reformed Westminster Foundation for Democracy, will need time to settle in. Moreover, it does not make sense to create a monopoly supplier. We recommend that DFID facilitate greater use of smaller organisations, which should be able to bid directly for parliamentary strengthening contracts from DFID. We further recommend that DFID establish a small central fund to support travel and accommodation costs where its country offices believe there is a need for a speedy intervention.*

116. *Finally, we recommend that DFID improve its capacity in its UK offices; it should:*

- *Increase from one to two the number of governance advisers working on parliamentary strengthening and ensure that these advisers remain in post for longer periods;*
- *Ensure that governance advisers make parliamentary strengthening a focus of their annual meeting in the near future work; and*
- *Establish a parliamentary advisory panel in DFID, which should include serving and former MPs and parliamentary officials.*

The importance of politics in Burma

117. To undertake parliamentary strengthening work and the tasks described in this chapter properly requires greater sensitivity to the political situation. Lord Williams told us:

“Burma is not an everyday development problem, as it were. It is politics that is holding it back.”¹³⁴

118. Andrew McLeod highlighted that the UNDP had decided that the current environment in Burma meant that the constitutional reform process was “too political to engage with” and that the period after elections in 2015 would afford a more conducive opportunity to assist.¹³⁵ As a result the constitutional reform process had received very limited assistance to date other than small, ad-hoc forms of assistance consisting of short visits or workshops conducted by constitutional lawyers to Burma. Bingham Centre of Law however believed that the new constitution would form the framework for all future decision-making and accountability in Burma and therefore ought to be regarded as a priority.¹³⁶

119. Sue Unsworth, former Chief Governance Adviser at DFID questioned whether DFID had the staff resources to run a governance programme in Burma which required “a really deep, on-going understanding of the rapidly shifting political and economic dynamics at work.”¹³⁷ She said that DFID needed staff who “understand the country context” and have “sufficient time and operational flexibility to invest in building knowledge and relationships”, and were not under pressure to meet “ambitious spending targets.”¹³⁸

120. Effective work on governance depends on understanding political context and making contacts. We recommend that DFID stress the importance of its staff engaging in the politics of Burma and continue to work closely with the UK Embassy staff.

134 Q92

135 [Andrew McLeod](#) (BUR 0045)

136 [Bingham Centre for the Rule of Law](#) (BUR 0047)

137 [Sue Unsworth \(BUR 0002\)](#), para 3

138 [Sue Unsworth \(BUR 0002\)](#), para 5

4 Health

121. Burma has some of the worst health indicators in Asia, and suffers amongst the highest rates of malaria and tuberculosis anywhere. There is a high maternal mortality rate of 200 per 100,000 live births and the child mortality rate is 62 per 1,000 births. Health is chronically underfunded by the Burmese Government at 0.9% of GDP, far lower than nearly all other low and middle income countries. The Burmese spent £14 per person on health in 2011. That compares to £23 in Laos, £32 in Cambodia and £59 in Vietnam. Burmese Government funding for this was £1.80 per person per year and external funding amounts to \$1 per head.¹³⁹ The rest is known as ‘out of pocket spending’ paid directly by private households.¹⁴⁰ Burma’s public health system is in a very poor condition. ICAI identified significant weaknesses against all the World Health Organisation’s indicators of a functional health system, including the existence of a well-performing health workforce. Currently the ratio of skilled health workers to population is 1.1 health workers/1000 population, placing it on the list of crisis countries for urgent health workforce action.¹⁴¹

122. DFID has had nine health programmes in Burma (see table at appendix 2 of report with details):

- The Three Millennium Development Goal Fund;
- The Three Diseases Fund;
- Addressing Drug Resistant Malaria in Burma through Populations Services International;
- Delta Maternal Health Joint Initiative;
- Primary Health Care for minority communities on the Burma/China border through Health Poverty Action;
- Mae Tao Clinic on the Thai Burma border;
- Emergency Healthcare for IDPs on Eastern border through Christian Aid;
- Shoklo TB for accessible Tuberculosis treatment on the Thai Burma border; and
- Health services for Burmese refugees in three camps through Aide Medicale Internationale.¹⁴²

123. The DFID budget for health 2011/12 to 2014/15 is £63.4 million with £45.8 million being spent on community and maternal health and £17.6 million on malaria. The Health headline results in DFID’s Operational Plan are:

139 Q148

140 ICAI Report 25, [DFID’s Health Programmes in Burma](#), July 2013

141 [Fiona Campbell \(BUR 0052\)](#)

142 ICAI Report 25, [DFID’s Health Programmes in Burma](#), July 2013

- 500,000 women and men receive appropriate treatment to contain the spread of drug-resistant malaria; and
- 153,000 unintended pregnancies are helped to be averted.

124. The Independent Commission for Aid Impact (ICAI) carried out a review of six of the nine DFID Burma health programmes in 2013. The review included programmes delivered through multilateral organisations, through NGOs, and through other medical agencies. ICAI gave a 'green' rating and ICAI's recommendations were all accepted by DFID.¹⁴³ Mark Foster of ICAI told us:

clearly, the money that DFID had been spending had been well spent and well targeted.¹⁴⁴

Its assessment of the health programme emphasised the benefits derived from the senior health adviser's relatively long period in post. ICAI told us:

We saw a positive example in our Burma health report, where staff on longer-than-usual postings had built up very positive relationships with key stakeholders.¹⁴⁵

In view of the importance of the next few years to Burma's future, we recommend that DFID staff, particularly in important sectors such as health, remain in post for longer than they might in other offices.

The Three Millennium Development Goal Fund

General approach and future

125. The Three Millennium Development Goal Fund (3MDG Fund) is the largest fund in DFID Burma's health portfolio - DFID expects to spend up to £80 million on it between 2012 and 2016.¹⁴⁶ The fund was established in June 2012 and is also funded by Australia, Denmark, the European Union, Norway, Sweden, and the United States of America. It is managed by the United Nations Office of Project Services and is scheduled to invest an estimated US\$300 million over five years in Burma specifically on health. DFID's contribution makes up approximately 40% of the total fund and DFID chairs the 3MDG Fund Board. The fund works in selected townships throughout Burma.¹⁴⁷

143 ICAI Report 25, [DFID's Health Programmes in Burma](#), July 2013

144 Q32

145 ICAI Report 25, [DFID's Health Programmes in Burma](#), July 2013

146 DFID has made a commitment of up to £80m for the 3MDG Fund to 2016. Most of this was expected to be spent within the Operational Plan period but over £30m of this will now fall into later years. This is due in part to slower than expected expenditure by the 3MDG Fund. DFID supplementary submission.

147 [3 MDG Fund Where we work](#)

126. The fund developed out of the previous Three Diseases Fund¹⁴⁸ and the Joint Initiative on Maternal Neonatal and Child Health in the Irrawaddy delta region.¹⁴⁹ It is targeted at:

- improving basic maternal and child healthcare in communities;
- tackling HIV- AIDS, tuberculosis and malaria; and
- strengthening the systems that deliver health services.

The 3MDG Fund specifically provides services for populations not covered by the Global Fund in Burma for example those populations in non-government controlled areas and drug users.¹⁵⁰

127. Some witnesses were critical of the 3MDG fund. Christian Aid argued that it should not focus on a limited number of diseases:

The 3MDG fund focuses on vertical approaches to addressing diseases which evidence suggests does not produce as good an outcome as a holistic and integrated response to community health based on community need.¹⁵¹

Save the Children argued that channelling money through the 3MDG Fund reduced the speed and flexibility of decision making and increased transaction costs.¹⁵² This was also a concern for ICAI who warned of a potential risk to flexibility.¹⁵³ Mark Foster explained that in a country that was changing so fast:

“Making sure that this very large programme with the very large funds applied to it stays nimble, manages its risks and targets itself remains our key concern.”¹⁵⁴

However, in general ICAI gave strong support to the 3MDG Fund. Mark Forster told us that the 3MDG Fund looked “well targeted” and was “working on the right kind of things.” He also said that it could have a “meaningful and substantive impact” because of the chance of working with and leveraging the Burmese Ministry of Health.¹⁵⁵ Fiona Campbell who had worked on the 3MDG Fund told us that the fund was having a transformational effect by showing it was “possible to deliver services to hard-to-reach areas and to vulnerable populations” which then encouraged funding to “come from other places.”¹⁵⁶

148 [The Three Diseases Fund](#) was instigated following the Global Fund withdrawing from Burma in 2005 due to restrictions on travel which as a consequence meant projects could not be sufficiently monitored

149 The Burnet Institution, [Documenting the Lessons Learnt from the Joint Initiative on Maternal Neonatal & Child Health \(JIMNCH\)](#)

150 Q150

151 [Christian Aid BUR 0006](#)

152 [Save the Children \(BUR 0032\)](#).

153 ICAI Report 25, [DFID's Health Programmes in Burma](#), July 2013

154 Q45

155 Q32

156 Q32

128. However, well designed and effective the 3MDG Fund, there are serious concerns about its future. Health will cease to be a priority for the EU in Burma after 2016. We wrote to the EU Commissioner Andris Piebalgs asking for an explanation of this and to ask that the EU continues to fund the 3MDG Fund. He has since replied, stating:

We seek to focus our attention on fewer sectors. Division of labour is important and we are focusing on education as there are many donors in the health sector.¹⁵⁷

The EU currently contributes \$37.4 million, 11% of the 3MDG Fund, although only just over a quarter of what the UK is contributing it is still a significant amount. For the 3MDG Fund to continue past 2016 the EU, if it will not contribute further, must find another donor to replace it.

129. We are impressed by, and strongly support, the Three Millennium Development Goal Fund (3MDG Fund). We welcome its focus on building capacity both in Government-controlled areas and in ethnic areas. We are, however, disappointed by the EU which is refusing to provide funding beyond 2016 and hence threatening the future of the 3MDG Fund. We urge the EU to continue to fund the 3MDG Fund after 2016; if it is unwilling to so, the least it can do is find a donor to replace its contribution.

Maternal and child healthcare

130. In Burma one woman dies for every 260 babies born and only one in three women use any modern method of contraception. The leading cause of death and disability for women is pregnancy and child birth.¹⁵⁸ However we were surprised to hear on our visit to Burma of its low fertility rate compared to neighbouring countries. Burma's fertility rate as of 2011 was 2.0 births per woman which is the same as the UK whereas Laos was 3.2, Cambodia 2.9 and Indonesia 2.4.¹⁵⁹

131. The 3MDG Fund's work on maternal and child health works across six townships in the Irrawaddy delta covering an estimated population of 1.7 million.¹⁶⁰ These services are provided by the Burmese Department of Health with support from NGOs. Fiona Campbell explained how the work in the Delta had been successful in showing how a small input could have a significant output for example the provision of transport so that midwives could get out to the villages.¹⁶¹

132. The Head of DFID told us that it would be moving into the ceasefire areas¹⁶²— it will soon be extended to Chin State and other ethnic regions. The Shan Women's Action

157 [Andris Piebalgs \(BUR 0053\)](#)

158 [All Party Parliamentary Group on Population, Development and Reproductive Health, and Marie Stopes International \(BUR 0036\)](#)

159 [The World Bank Fertility Rates \(Births per Woman\)](#)

160 [3 MDG Fund: Maternal, Newborn and Child Health projects](#)

161 Q32

162 Q153

Network (SWAN) was disappointed that DFID had decided not to support their reproductive and child health care programme. Shan state is an ethnic minority region where there has been armed conflict and is currently covered by a ceasefire. SWAN informed us that there were currently no other local organisations, international NGOs or UN agencies working there except for the Back Pack Health Worker Team who were active in certain townships. SWAN said that DFID’s help was desperately needed to help alleviate the “extremely high maternal and child mortality rates” in the area.¹⁶³ However DFID had turned down the proposal on the basis that it was “not in line with DFID Burma’s health strategy”.¹⁶⁴

133. We have been impressed by the careful focusing of the 3MDG Fund’s maternal and child healthcare programme in the Irrawaddy delta determining what works and what does not and how a small investment can make a big difference. We are pleased that it is being rolled out elsewhere in Burma so that women and children in conflict and ceasefire regions who are desperately in need of care will soon also be receiving it.

134. The evidence the Shan Women’s Action Network (SWAN) provided indicates how much needs to be done in the health sector in these areas. We are pleased that the 3MDG Fund seeks to address this but urge DFID to carefully consider its criteria for funding organisations such as SWAN so that they too can receive DFID support.

HIV/AIDS

135. The 3MDG Fund has largely focused on HIV prevention among drug users. In addition 3MDG Fund provides a grant to UNAIDS to work on the HIV prevention and care policy and for HIV treatment in certain regions of Shan state where there are no Government or alternative services available.

136. Only 25% of people with HIV in Burma who need anti-retroviral drugs receive them because of a drug shortage.¹⁶⁵ The Committee met a group of HIV sufferers in Mandalay representing different groups including male and female sex workers and those who had contracted HIV from their partners. They told a depressing story of HIV treatment in Burma where anti-retroviral drugs were scarce and there was still discrimination against HIV sufferers. The discrimination was leading to delayed diagnosis as people did not want to come forward for testing. The scarcity of drugs led to waiting lists for treatment so that when people were found to be HIV positive they were being treated far too far into the development of the disease—in reality having to wait for someone who was receiving the drug to die so they could then receive their allocation. The group also complained of a very low doctor to HIV patient ratio. Their main concern was that development agencies and NGOs were reducing their focus on HIV/AIDS in Burma when they believed pressure on the Government and support needed to be increased.

163 [Shan Women’s Action Network \(BUR 0015\)](#), para 13

164 [Shan Women’s Action Network \(BUR 0015\)](#), para 13

165 Q54

137. *DFID should develop a more focused policy on drugs especially the provision of anti-retroviral for HIV. They should be administered to patients as early as possible to give the best chance of survival.*

Malaria

138. Resistance to the anti-malarial drug artemisinin has emerged along the eastern borders of Burma. The Malaria Consortium believes that Burma may be the most important country in the world in determining whether drug resistant malaria spreads from South East Asia to Africa.¹⁶⁶ The history of the spread of resistance to previous malaria drugs suggests that Burma acts as a gateway for the spread of resistance to Bangladesh and India, and then onto Africa. DFID said the modelling the impact of the spread of drug resistance suggests that malaria deaths could increase by 25% and economic productivity losses could be over US\$4 billion annually.¹⁶⁷

139. The Malaria Consortium criticised the current surveillance system in Burma as ineffectively capturing malaria among mobile populations such as migrant workers, loggers and gem miners in forest areas, cross border populations and vulnerable and remotely settled people who were at greater risk of infection.¹⁶⁸ Charles Nelson of the Malaria Consortium told us that 70% of people with malaria on the Bangladesh Burma border did not have any symptoms although were carrying the malaria parasite. He therefore recommended blood tests and serology¹⁶⁹ and constant surveillance so that when cases were found they could be contained. He said:

The only way to get rid of a resistant parasite is to get rid of the parasite.¹⁷⁰

He told us that, although overall incidence of drug resistant parasites was still low, the amount was growing quite rapidly on the borders.

140. Burma has developed a containment strategy in line with the World Health Organisation's Global Plan for Artemisinin Resistance Containment. The key component of the plan is to replace resistance-creating oral artemisinin monotherapy drugs with quality-assured artemisinin combination therapy drugs. We visited a private clinic run by Population Services International where the combination drugs were being made available.

141. In the conflict-affected areas in the east of the country the 3MDG Fund supports NGOs to provide health services and private businesses to prevent and treat malaria amongst their vulnerable and migrant workers.

142. *Drug resistant malaria in Burma is of international importance. If it is not tackled it would have a devastating impact on the ability to treat malaria elsewhere, particularly in*

166 [Malaria Consortium \(BUR 0020\)](#), para 2

167 DFID briefing for the Committee visit to Burma

168 [Malaria Consortium \(BUR 0020\)](#), para 4

169 Serology is a blood test to detect the presence of antibodies against a microorganism in the serum.

170 Q64

sub-Saharan Africa. Addressing this issue in Burma should be a high priority. We recommend that surveillance be stepped up in Burma, in particular in the border areas and amongst the migrant population.

Health system strengthening

143. There is an alarming shortage of skilled health workers in Burma, particularly at the local levels. Pact, the longest serving NGO in Burma which works to develop the capacity of local communities, believed that health system strengthening was of key importance to improving health outcomes. It said there was a lack of available services in many areas along with long distances and quality concerns between those available services.¹⁷¹

144. Charles Nelson of the Malaria Consortium explained that there had been a good plan for the health system in place since 1972 but the people and processes were not available to make it function for example in creating a supply chain that delivered equipment and for people to know how to clinically use it.¹⁷²

145. Fiona Campbell told us that the World Bank, through the 3 MDG Fund, was working with the Burmese Ministry of Health and others to look at a future roadmap for the health system and that there was a new technical co-ordination group under the Health Sector Co-ordination Committee which was looking specifically at system strengthening.¹⁷³ Mark Foster thought DFID had an important role in influencing getting the right foundations in place on which to build the health system; for example, the right data and a clear idea of what the current landscape was including the role of the private sector. He also thought DFID needed to make sure the Ministry of Health “sets the bar at the right level” in terms of what in reality was achievable in Burma.¹⁷⁴

Improvements to Rangoon General Hospital and medical education

146. Rangoon General Hospital was built by the British in 1905 and had a tradition of providing free healthcare. There are 1,500 beds and it is the main teaching hospital of the country’s premier medical school. Unfortunately the buildings have not changed much in the last 110 years and the poor standard of medical care has meant only the poorest Burmese use the hospital.

147. Aung San Suu Kyi asked Hamish Ogston CBE to assist a project to upgrade Rangoon General Hospital. He informed us:

my primary task was to find a British university medical school that would be prepared to rebuild the Hospital’s healthcare system and provide a medical degree course for the brightest Burmese medical students.¹⁷⁵

171 [Pact Inc \(BUR 0008\)](#), para 4.1

172 Q36

173 Q37

174 Q41

175 [Hamish Ogston \(BUR 0038\)](#)

After discussions with seven British universities he narrowed the field to University College London (UCL) Medical School, who have submitted an outline proposal.

The Director of UCL Medical School told us:

UCL Medical School has just submitted a bid, with colleagues in Myanmar, to a joint initiative by the ESRC, MRC, UK-aid and the Wellcome Trust, to conduct a piece of qualitative educational research to look at local educational needs. If funded, this would provide a clearer picture of the local medical education situation, and would provide evidence for redevelopment. However, these research funds rarely fund educational research, so the bid may not be successful.

I suggest that investment in the local medical education system, with support from the UK to provide context specific education and training is likely to pave the way for more sustainable improvements in the health system in resource poor countries, and in particular, in Myanmar. My understanding from local Myanmar medical colleagues is that this would be positively received, both by the local doctors, the Universities, and the Ministry of Health.

148. Better medical education would bring many benefits and Burmese medics are keen to form a partnership with the UK. Such partnerships will be an increasingly important feature of development in future. We recommend that DFID carefully examine the proposals for University College London, Royal College of Physicians' and others to improve medical education with a view to providing the relatively small amount of funding they require, either from DFID Burma funds or central funds. We appreciate that DFID does not have the funds to rebuild Rangoon hospital, concentrating rightly on building community health services, but it should consider how it can facilitate the process.

5 Education

149. Burma's education system has suffered from decades of underinvestment. Currently only 54% of children who enrol complete primary schooling (31% from the poorest households¹⁷⁶) and few Burmese have higher level education.¹⁷⁷

150. Save the Children highlighted the importance of education in Burma:

Myanmar has a young population. This is an opportunity to invest in the next generation.¹⁷⁸

Foreign investors in Burma could be deterred by a work force with poor language and numerical skills, very little higher education and few qualified professionals. We heard in relation to health, just building up local services in townships was proving difficult as there was no one for example with financial management skills to receive funds and allocate them for services.¹⁷⁹

151. The Burmese Government has ambitious plans to reform education. Inevitably, it is theoretical at present, but it does recognise the need for major reforms. On our visit we discussed the curriculum which we were told was heavily based on rote learning and required reform. The need for DFID's help training teachers and in-service training was stressed. The British Council had been asked to assist with training teachers, and we recommend that it do so.

152. DFID contributes the majority of its funding to education through The Multi Donor Education Fund (MDEF), managed by UNICEF, which works to improve policy, access, equity, quality and management in schooling. DFID is on the MDEF Steering Committee and has committed £6 million up to 2014. DFID also has smaller projects on education policy with a budget of £5.7 million for 2011–12 to 2014–15 and monastic schooling with a budget of £3.9 million for 2011–12 to 2014–15. However this is together a relatively small amount making up 5.4% of its forecast spending for 2011–15 in comparison to its health programme spend of £63.4 million and DFID's education programme in Pakistan which has a budget of £203 million in Khyber Pukhtunkhwa, £80 million in Punjab and £39 million in Sindh. The Minister told us:

the starting point with education is we are doing it on a small scale, so ultimately the resource decisions we are going to have to make might be characterised as double or quits. We either ramp it up to a bigger scale or just appreciate that we are not really going to have an enormous impact.¹⁸⁰

176 [Save the Children \(BUR 0032\)](#), para 1.3

177 [Department for International Development \(BUR 0016\)](#), para 8

178 Q 8

179 Q35

180 Q162

153. *Burma has a unique problem in that the younger generation is less well educated than their parents. There is an urgent need for education not only for children but also adult education and training if the need for teachers, health workers, administrators and private livelihoods is to be met. We recommend that DFID significantly increase spending on education provided DFID receives an overall increase in its total budget and its number of staff in Burma. We further recommend that teacher training be a priority.*

Monastic education

154. ActionAid was concerned about DFID's support for monastic education because of the current wave of Buddhist fundamentalism in Burma.¹⁸¹ It also said:

The religious institution, whether it is primary level or even higher level, does not bring good results in the long run in any country.¹⁸²

It is essential that religious education is inclusive and we have to make sure it is impartial and not prejudiced.

155. The Head of DFID explained that monastic schools currently taught about 20% of the children in Burma so they could not be ignored by DFID if educational quality in Burma was to be improved. DFID was therefore working with them as well as the Government-run schools to train teachers.¹⁸³ While in Burma we visited a monastic school near Mandalay and spoke to the Headmaster; we saw no signs that the school was preaching Buddhist fundamentalism. We also welcome the contribution DFID was making to teacher training.

156. *We support DFID's work with monastic schools in raising the quality of education.*

181 Q11

182 Q11

183 Q163

6 Economy

157. Burma has huge economic potential:

- it has rich natural resources— land, water, minerals and gas,
- there is huge potential for trade by virtue of its location between China and India, and
- it has a large working age population.

DFID’s aim is “to help the Burmese people and Government harness the country’s great potential.”¹⁸⁴ The Minister, Rt Hon Alan Duncan MP told us:

It is only if the politics goes hand in hand with the economics that you can genuinely see the transformation that you are seeking.¹⁸⁵

158. Burma’s GDP grew 5.3% in 2010–11 and 6.2% in 2012–13 and local and foreign investment is reported to have increased fivefold in 2012–13.¹⁸⁶ However, growth has come largely from the extractive industries,¹⁸⁷ mainly minerals including jade and gems as well as oil and gas. Although these industries can generate finance for public spending if tax systems, public financial management and transparency can be improved, they create few jobs and bring considerable risks in relation to corruption, to the environment and in exposure to commodity price shocks.¹⁸⁸ Most of the jade mines are owned by Chinese companies working with Burmese military companies and armed ethnic groups.¹⁸⁹ Burma currently ranks 172 out of 176 countries in the Transparency Corruption Perceptions Index 2012 and is ranked 182 of 189 in the Doing Business Survey.

159. Human Rights Watch said it had serious concerns about the effective management of the country’s natural resource wealth for the benefit of Burma’s people.¹⁹⁰ Dr Adam Burke warned that natural resource extraction had already contributed to violence in Burma’s border regions.¹⁹¹ Christian Aid reported that the construction of dams on the Salween River in Shan State, Kayah State and Karen State by Chinese, Thai and Burmese corporations had led to an increased militarisation of the area by the Burmese Army with large scale displacement of people as well as human rights abuses such as forced labour, illegal taxation and rape.¹⁹² The Karen Human Rights Group has been collating incidences of human rights abuses accompanying natural resource extraction, plantation construction and infrastructure development and it is “deeply concerned” that many development

184 [DFID Burma Operational Plan 2011-15](#) updated June 2013

185 Q 111

186 [Christian Aid BUR 0006](#), para 3.6

187 Q165

188 DFID briefing for the Committee visit to Burma

189 DFID briefing for the Committee visit to Burma

190 [Human Rights Watch \(BUR 0012\)](#)

191 [Dr Adam Burke \(BUR 0005\)](#), para 5

192 [Christian Aid BUR 0006](#), para 4.1

projects are being implemented without consulting, compensating, or, often, notifying project affected communities. It documented cases of uncompensated damage to farms, contaminated water, loss of jobs, land confiscation and forced displacement.¹⁹³

160. There is also concern for Burma's forest areas and natural environments.¹⁹⁴ Burma is home to Southeast Asia's largest remaining tropical forest. Pact highlighted that timber harvesting, mining, and large infrastructure projects were already changing the face of the landscape and affecting the livelihoods of the people who depended on it.¹⁹⁵ The Karen Women's Organisation said:

Our precious natural resources are being dammed and extracted as our people suffer. These resources are the property of all of Burma's citizens not just the military commanders and their cronies.¹⁹⁶

161. Oxfam recommended that DFID should encourage the Burmese to implement land policies in line with the UN Voluntary Guidelines on the Responsible Governance of Tenure and that DFID should support civil society and farmers to participate in a national implementation plan to roll the policies out.¹⁹⁷ Pact recommended that clear and equitable land policies were essential for Burma's ability to attract foreign direct investment and for its economic development.¹⁹⁸

162. DFID is funding Burma's effort to become a signatory of the Extractive Industries Transparency Initiative (EITI), providing just over £1 million to the key implementing agency and to support civil society engagement. President Thein Sein made a commitment on his visit to UK in July 2013 that Burma would become a signatory and on 10 December he met with Clare Short, the EITI Chair. In a statement afterwards she said she was impressed by the commitment of the Government, civil society and industry to work together for better management of the country's resources and commended "the openness of the discussions as a reflection that the transition to democracy has come a long way".¹⁹⁹ The Minister thought that it was "a matter of when not a matter of if" Burma would sign up to the EITI and he hoped it was "sooner rather than later."²⁰⁰

163. DFID believes there is an opportunity to help change the pattern of growth and reduce the reliance on extractive industries by doing more to help Burma develop good and inclusive growth policies, reform its business climate and rebuild its banking and financial sector.²⁰¹ DFID has a number of investment programmes. It is funding:

193 [Karen Human Rights Group \(BUR 0022\)](#), appendix

194 [Dr Adam Burke \(BUR 0005\)](#), para 12BBC Natural World Documentary on Burma

195 [Pact Inc \(BUR 0008\)](#), para 3.9

196 [Karen Women's Organisation \(BUR 0010\)](#), line 76

197 [Oxfam \(BUR 0027\)](#), para 11

198 [Pact Inc \(BUR 0008\)](#) para 3.9

199 EITI Press Notice, [Myanmar moving towards the EITI](#), 10 December 2013

200 Q173

201 [Department for International Development \(BUR 0016\)](#) paras 39-40

- the World Bank to conduct Burma's first investment climate assessment;
- the International Growth Centre to advise Government on inclusive growth policy including natural resource management;
- the Business Innovation Facility to advise companies on how to develop their businesses to create more jobs and opportunities for the poor in the textiles, tourism and fisheries sectors; and
- the Myanmar Centre for Responsible Business to provide practical information to businesses, civil society and Government on improving business standards.²⁰²

164. DFID can assist the development of the Burmese economy not only through its own programmes, but also through its influence on multilaterals. Dan Collinson of Save the Children said:

It is really the international financial institutions such as the World Bank that are going to be big financiers of growth over the next few years. Agencies like DFID can really play a strong role in influencing how those big IFIs go about their business in Myanmar.²⁰³

165. However, some witnesses were concerned that DFID was giving too much emphasis to the economy and too little to governance. Lord Williams thought there were more pressing issues to deal with. He told us:

too much is over on the side of business development and so on, which is very important to creating the right environment for flourishing reform, but inter communal conflict is the one issue in my mind that has the possibility of wrecking this process.²⁰⁴

Ben Rogers highlighted:

DFID spends currently no more than £10,000 on multi faith or inter faith initiatives, compared to the £600,000 that they gave for the startup of the Myanmar Centre for Responsible Business. Now, I am not knocking the Myanmar Centre for Responsible Business; clearly that is a necessary initiative, but a lot more needs to be done to look at inter faith initiatives and what can be done to prevent further violence that could derail the process.²⁰⁵

166. The Minister told us:

²⁰² [Department for International Development \(BUR 0016\)](#)

²⁰³ Q3

²⁰⁴ Q84

²⁰⁵ Q83

If we do not focus on the economy, there will never be an adequate launch pad for progress, which in turn is what you need to maintain inter communal peace.²⁰⁶

He went on to say:

Unless you can have a country where people are able to be employed, you are not going to have a happy country.²⁰⁷

167. *Burma's extractive industries should benefit the people of Burma and make a major contribution to taxation. We welcome DFID's encouragement and support for Burma to join the Extractive Industries Transparency Initiative. We hope it signs in the near future. We support DFID's responsible business initiatives helping to set standards for Burma's economic development.*

Livelihoods

168. Seventy percent of people in Burma rely on agriculture for their income²⁰⁸ and 26% of people live below the poverty line. Dan Collison of Save the Children told the Committee of the 'incredibly high levels of rural poverty' in Burma where the per capita income, relative to its neighbours, is very small. Per capita income in Myanmar is 15% of what it is in Thailand.²⁰⁹ He said there was a need to try:

to break the very damaging cycles of debt and credit that characterise most people's lives in rural Myanmar, where the landless poor do not have access to credit, rely very much on debt or mortgaging their labour to get them through the agricultural season.²¹⁰

169. DFID contributes to The Livelihoods and Food Security Trust Fund (LIFT), which works to increase food availability and income generation opportunities for two million rural people. It does this by funding NGOs to deliver programmes such as cash for work, skills training to increase agricultural production, micro-credit and natural resource management.²¹¹ DFID chairs the LIFT Donor Consortium and is the second largest donor. The Minister said of the fund:

People are less likely to fight each other if they are more prosperous. Nothing stops a bullet like a job.²¹²

He also said it was an important part of DFID's work with women and improving their prospects in Burma.²¹³ Ninety percent of loans go to women.²¹⁴

206 Q165

207 Q165

208 [Department for International Development \(BUR 0016\)](#), para 6

209 [The Purchasing Power Parity estimates for 2013 made by the IMF put Myanmar at USD 1,710 and Thailand at USD 10,849](#)

210 Q3

211 DFID briefing for the Committee visit to Burma

212 Q172

170. On our visit we saw a number of LIFT programmes near to Mandalay. There we witnessed first-hand the significant advantages brought by small loans to women working in handicrafts such as weaving and to small farms growing rice and flowers for market production.

7 Thai border refugee camps

171. DFID is providing £20 million over three years to support the 140,000 refugees and 17,000 internally displaced persons (IDPs) on the Thai Burma border. The Minister told us that this funding was committed up until November 2015.²¹⁵ In our terms of reference, we asked whether there were any areas DFID should do less. While in Burma we heard that some of the people in the camps had jobs outside of them and returned to the camps to pick up their allowances. In addition, we heard that the money spent on the camps could be better spent inside Burma. We sought witnesses' views on this funding.

172. Burma Campaign UK complained that some donors had reduced funding to the camps which had resulted in cuts to rations, shelter, clothing and other essential services. Some refugees were now questioning whether the international community was trying to 'starve' them back to Burma.²¹⁶ Benedict Rogers told us:

Now is certainly not the time to withdraw from supporting the camps. Indeed, there is a case for looking at the level of support for the camps and rations, making sure that the refugees are supported in their survival needs, whilst preparing for the future.²¹⁷

173. Burma Campaign has consulted with the IDPs and refugees about returning and their concerns were:

- the Burmese army still being present in their villages;
- landmines not being cleared;
- their land having been confiscated by the army or by Government;
- the need for support to return including compensation for the destruction of their homes and farms and theft of their possessions;
- the fear of being forced into special economic zones and becoming cheap labour in factories as opposed to being able to return to their villages; and
- whether those who had committed abuses would be held accountable as they wanted justice.

The Minister stressed that "repatriation should be voluntary and not compulsory".²¹⁸

174. While there have been concerns that funding is no longer necessary for the camps on the Thai border, we do not believe that people should be pushed out of the refugee camps; they should leave voluntarily. However the situation requires monitoring as DFID

215 Q134

216 [Burma Campaign UK \(BUR 0018\)](#), para 25

217 Q105

218 Q136

currently spends over £20 million which could be spent on improving conditions inside Burma. If there is a successful peace process and a stable economy emerges the camps should be closed. The return of the refugees should be carefully handled ensuring that where they are returning to is safe and viable to live in. The Burmese along with aid agencies should be considering and planning for this now.

8 Conclusion

175. Burma used to be one of the richest countries in South East Asia, it is now the poorest mainly as a result of decades of corrupt undemocratic military leadership. There is now an opportunity to reverse this and bring Burma back to its past glory. It has huge natural resources of oil, gas, precious stones. It was once the rice bowl of Asia and now suffers from poor crops and food shortages. It is the last country in South East Asia to develop and there is a lot of interest of both industry and businesses to cash in on its natural wealth and its population of potential consumers. There is a need to prevent the misuse of resources and for the wealth of the country to be shared.

176. We are persuaded that a window of opportunity has recently opened in Burma for considerable reform to make the country a more democratic and free society. Although some organisations are sceptical about the reforms, we believe that there are opportunities to fundamentally improve the living standards of thousands of people. No progress can be made standing aside adopting a cynical approach; optimism is required. These moments do not come along often and should be embraced before the moment is missed. We see the high risk, high reward approach of DFID to be entirely appropriate.

177. UK has a strong historical connection with Burma, we have a legacy there which comes with responsibilities. We recommend an increase in DFID's budget to £100 million. Burma is in a unique position which is worth the risk.

178. We recommend that DFID maintain its large health budget. Combating malaria should be a priority.

179. We see two areas for an increase in spending: governance— including assisting the peace process, helping to reduce inter-communal religious violence and parliamentary strengthening— and education where there should be a very significant increase. An educated population is the key to improvement in all sectors and should go hand in hand with our health programme.

180. However DFID Burma's programme should not roll forward whatever the situation. It should be nimble and flexible to change. We welcome the innovative use of the Accelerated Reform Programme use of funds. If reform in Burma does start to falter and things start moving backwards DFID and the UK Government should be strong to act, reducing or diverting funding and projects.

181. DFID has a key role in donor coordination and should make this a priority. DFID should do all it can to reduce the burden small donors with small sums of money place on the Ministers in the Burmese Government.

182. Politics in Burma is the key. DFID and the Foreign Office need to engage in the political process. We welcome their support for the removal of the constitutional obstacles to Aung San Sui Kyi standing for the presidency. But it must be recognised that the UK must not be seen as supporting a single candidate but all reformers.

Appendix 1–Summary of DFID Burma programmes

Report Chapter	Sub sector	Budget for 2011-12 to 2014-15 (£m)	Principal Programmes	Operational Plan headline result
Governance	Public financial management	3.8	<u>Accelerated Reform Facility</u> - To strengthen long term reform by supporting immediate reform processes and reformers (often on an opportunistic basis), including public financial management through: assistance to the Government's public financial management reform strategy; and building civil society organisations' capacity to lobby on budget planning and transparency to help ensure that more of Burma's resources (including its natural resources) go to delivering high quality public services for its people.	
	Census	9.0	<u>UK support for the 2014 Burma Census</u> - To provide recent and reliable data and analysis on the population of Burma for the government, international organisations, Burma civil society and private enterprises. This will change how development is targeted and how policy is designed, benefiting the poorest and most vulnerable people in Burma by 2015. Transparent data will help civil society to hold government to account.	
	Parliamentary strengthening	1.1	<u>Accelerated Reform Facility</u> - To strengthen long term reform by supporting immediate reform processes and reformers (often on an opportunistic basis), including strengthening the work of parliament through: improving the Public Accounts Committee's capacity to scrutinise public spending; improving drafting of laws through provision of legal advice and expertise to the Bills Committee and the Attorney General's office, and training to the Burmese parliamentarians.	<ul style="list-style-type: none"> Political rights and civil liberties improve as measured by Freedom House
	Civil society	8.0	<u>Burma Civil society Support Programme</u> - To promote social and political change through bringing together coalitions of groups and individuals to address particular issues of social, political, economic or environmental concern.	
	Kachin State	13.8	<u>Emergency Humanitarian Response for the Conflict Affected People</u> –To improve access to humanitarian and livelihood support for 47,500 internally displaced people in Kachin State covering both Government and non-Government controlled areas that meet basic needs in line with accepted humanitarian standards. <u>Humanitarian support to Internally Displaced People (IDPs)</u> - To alleviate the suffering of 34,000 displaced women, children and men in Kachin Special Region II through providing humanitarian assistance in the areas of food security, sanitation and health. Also to strengthen internally displaced people	<ul style="list-style-type: none"> 150,000 people affected by conflict receive humanitarian aid

			communities' capacity to manage health hazards and risks.	
	Rakhine State	10.7	<u>Humanitarian Assistance</u> - To improve access to safe water, sanitation, hygiene and nutrition treatment services, amongst the population affected by violence in Rakhine State.	
	Peace building	13.4	<u>Support for Conflict Affected People and Peace building</u> - To meet the basic humanitarian needs of Burmese refugees and displaced people in conflict-affected border areas in Burma; and equip them with the knowledge and skills for return and reintegration to Burma.	
Health	Community and maternal	45.8	<u>Three MDG Fund</u> - To increase access to and availability of (i) essential maternal and child health services for the poorest and most vulnerable and (ii) HIV, TB, and malaria interventions for populations and areas not readily covered by the Global Fund. <u>Improving Maternal and Child Health After NARGIS</u> - To deliver essential health and nutrition services in the townships most affected by Cyclone Nargis in the Irrawaddy delta region and documentation of lessons learned to inform future funding for health in Burma. <u>Primary Health Care Programme in Burma</u> - To enhance the health status of poor minority communities, especially women of child bearing age and children under the age of 5, in three marginalised areas of Burma	<ul style="list-style-type: none"> • 153,000 unintended pregnancies are helped to be averted • 500,000 women and men receive appropriate treatment to contain the spread of drug-resistant malaria
	Malaria	17.6	<u>Addressing Drug Resistant Malaria in Burma</u> - To improve access to high quality treatment for malaria by replacing malaria drugs containing only artemisinin (monotherapy) with those containing artemisinin with other effective malaria drugs (artemisinin combination therapies, or ACTs) in Burma. <u>Three Diseases Fund for HIV, Tuberculosis and Malaria</u> - To reduce transmission and enhance provision of treatment and care for HIV/AIDS, TB and malaria for the most needy populations. <u>Tackling drug resistant malaria</u> - to prevent, diagnose and treat malaria particularly for people living in conflict-affected areas at high risk of drug resistant malaria along Burma's eastern border and vulnerable migrant workers in areas at high risk of drug resistance.	
Education	Basic education & education policy	5.7	<u>Primary Education Programme</u> , - To improve access to, and quality of, basic education in Burma through reducing barriers to education, providing teacher training and school materials to improve lesson quality.	<ul style="list-style-type: none"> • 200,000 children are helped to complete primary school by 2015
	Monastic and other state schooling	3.9	<u>Primary Education Programme</u> , - To improve access to, and quality of, basic education in Burma, including: providing early childhood care and development services; helping monastic schools improve the quality of their education; and providing primary education for vulnerable out-of-school children in Kachin and Mon States.	

Economy	EITI	1.0	<u>Accelerated Reform Facility</u> - funding Burma's application to join the EITI and the Myanmar Development Resource Institute's Centre for Economic and Social Development to coordinate the application process; and funding for Revenue Watch Institute's work to improve the capacity of local civil society organisations to lobby on EITI issues.	<ul style="list-style-type: none"> • 110,000 more women have access to financial services to help them buy food, send their children to school and meet their medical needs • at least two development finance organisations to commit capital or attract private investment
	Inclusive Growth Policy	0.8	<u>Support to the International Financial Institutions to conduct work on the economic opportunities and challenges</u> - To increase evidence-based discussion between the UK, donors and key Burmese stakeholders on economic opportunities and challenges for Burma.	
	Responsible Investment	1.2	<u>Accelerated Reform Facility</u> - To strengthen long term reform by supporting immediate reform processes and reformers, including: promoting responsible investment through establishing the <u>Myanmar Centre for Responsible Business</u> which works with the private sector, government and civil society to provide practical advice on how business can be made more responsible in Burma.	
	Inclusive Investment	1.0	<u>Business Innovation Facility</u> - To fund advice to companies about how they can adjust the way they do business in ways that create more jobs, opportunities, products and services for poor people—and it will do so in ways that ensure other companies in the same sector follow suit.	
	Rural Livelihoods and Food security	30.6	<u>Livelihoods and Food Security Trust Fund</u> - To increase food availability and incomes of 1.5 million beneficiaries through a range of NGO implementing partners and programmes. These provide, for example, poor people with increased income through cash for work, skills training on and off the farm to increase agricultural production and/or income through petty trade, micro-credit to help people build up small business, and natural resource management to help people become more resilient to shocks	
	Microfinance and rural Markets	15.5	<u>Microfinance Services for Poor and Vulnerable People</u> - To improve the food security and income levels for up to 234,500 of the most vulnerable and poor people in rural communities across Burma by providing over 46,900 households with access to an expanded rural credit and savings scheme	
	Agribusiness and Agri Infrastructure	0.7	<u>InfraCo Asia</u> - To fund InfraCo Asia to stimulate greater private investment in infrastructure in Burma—to increase responsible private sector participation in sustainable infrastructure in poorer developing countries through increased flows of private capital & expertise	

Appendix 2–DFID Burma Health Programmes 2006-12

Project Title	Allocation	Dates	Funding channel and aims
Three Millennium Development Goal Fund	Up to £80 million	2012-16	Multi-donor trust fund managed by United Nations Office for Project Services The programme has been in design since 2010 and started in January 2013. DFID is contributing £40 million to the programme in the period 2012-14 and up to £40 million more in the period 2014-16. The total budget for the 3MDG Fund is predicted to be £180 million
Three Diseases Fund	£34.1 million	2006-13	Multi-donor trust fund managed by the United Nations Office for Project Services Focussing on HIV/AIDS, TB and malaria, it was set up following the withdrawal of the Global Fund from Burma in 2005. DFID provided 41% of the funds which supported the prevention, treatment and care of affected people in the most vulnerable groups.
Addressing Drug-Resistant Malaria in Burma	£11.3 million	2011-14	Accountable grant to Population Services International (NGO) It aims to improve access to quality-assured anti-malarial drugs in the Burmese health system.
Delta Maternal Health (Joint Initiative for Improving Maternal and Child Health after Cyclone Nargis)	£4.95 million	2009-13	Multi-donor trust fund managed by United Nations Office for Project Services It delivers maternal and child health services to five townships in the Irrawaddy Delta which were affected by Cyclone Nargis in 2008.
Primary Health Care programme in Burma	£3.2 million	2006-12	Accountable grant with Health Poverty Action (NGO) It aimed to support maternal and child health for poor minority communities in marginalised areas of Burma. In September 2012 a new programme of support for these areas had been agreed for Health Poverty Action under the new programme of support for conflict-affected people and peace building.
Emergency Healthcare in Eastern Burma	£834,000	2011-13	Accountable grant to Christian Aid (NGO) This is for internally displaced people, particularly women and children, living in the target conflict-affected areas in eastern Burma. It gives access to emergency health care provided by trained health personnel. Basic health interventions are provided by trained community health workers to people in very hard to reach and conflict affected areas.
Mae Tao Clinic	£532,000	2009-12	Accountable grant to Mae Tao Clinic It aimed to provide health care for displaced Burmese people along the Thailand–Burma border. In September 2012 a new programme of support for these areas had been agreed for Mae Tao Clinic under the new programme of support for conflict-affected people and peace building.
Shoklo TB (Accessible Tuberculosis Treatment)	£177,000	2009-12	Accountable grant to Shoklo Malaria Research Unit This was to provide testing and treatment for TB and multi-drug resistant TB. In

			addition, it provided treatment for those who were also HIV positive, targeted on informal migrants on the Thailand–Burma border. In September 2012 a new programme of support for these areas had been agreed for Shoklo TB under the new programme of support for conflict-affected people and peace building.
Health services for Burmese refugees in three camps	£85,000	2010-11	Accountable grant to Aide Medicale Internationale (NGO) It aimed to provide curative health care, disease prevention and related control systems in three camps; HIV/AIDS and TB prevention, treatment and care provided in Mae La camp.

Source ICAI Report 25, DFID's Health Programmes in Burma, July 2013

Conclusions and recommendations

1. *We recommend that DFID Burma's budget be increased from £60 million to £100 million. If the reform process stalls, the budget can always be reduced. (Paragraph 16)*
2. *We support DFID's current wary stance on budget and sector support to the Burmese Government. However it is important that parallel systems of delivering basic services are not created and that Government capacity is enhanced. We are pleased that DFID's partners are working alongside ministries at the local level to prevent this from happening. (Paragraph 20)*
3. *The UK, working with multilaterals which it can influence, in particular the World Bank, should seek to prevent a proliferation of donors who do not intend to spend significant sums of money taking up Burmese Ministers' time. DFID should encourage smaller development agencies to contribute through multi-donor funds and encourage these funds and the Burmese Government only to engage with donors if they contribute a minimum amount. (Paragraph 24)*
4. *DFID should continue to seek to encourage official development agencies such as Japan's and India's as well as NGO and private donors to coordinate with each other and the multilateral organisations to prevent duplication. (Paragraph 25)*
5. *We welcome the close cooperation between DFID and the Foreign Office. We recommend that the Foreign Office and DFID be able to access Conflict Pool funds for their conflict related programmes in Burma. (Paragraph 27)*
6. *We recommend that DFID consider having a simple table on each country programme page on its website to present the basic country projects' data such as duration, allocation of funds, funding channels such as the non-government organisation or multilateral it is going through and a short summary of its intended outcomes. In addition it would be useful if the projects linked with the operational plan expected results for the country. (Paragraph 29)*
7. *DFID, MoD and FCO should work closely together to put pressure on the Burmese Government for an effective outcome to the peace process. This should include pressure to push forward negotiations for a political settlement while continuing to seek and maintain a nationwide ceasefire. The UK should be prepared to increase its spending to support on the peace process. (Paragraph 38)*
8. *DFID should continue to engage with the armed ethnic groups converting them to civilian administrations that can help build up health and education in the ethnic regions and ensure service delivery during the peace process period. (Paragraph 42)*
9. *Rape has been widespread in Burma as part of the conflict. UN resolution 1325 stresses the need for women's equal participation and full involvement in peace and security efforts. We call on the Government of Burma to develop a national action plan on 1325 to ensure that women are involved in the peace process. We also call on the Government of Burma to support the participation of women in reform, including*

increased representation in Parliament and in developing provincial and local government. (Paragraph 47)

10. We support the training given by the UK Armed Forces to the Tatmadaw to encourage a better understanding of human rights and better working with civilians. The MoD should work further on military to military advice about governance reform and democracy building as soldiers listen best to other soldiers. (Paragraph 50)
11. *The violence in Rakhine, in particular the plight of the Muslims there, and the extension of violence to the rest of Burma is very worrying and could cause the reform movement to unravel. The UK Government must acknowledge the concerns of the majority of the population with a large Muslim country to its west and the world-wide threat posed by jihadists. However, while we acknowledge that the situation is highly charged, delicate and complicated, we urge the UK Government to maintain its pressure on the Burmese Government to improve the situation of the Rohingya and allow humanitarian access to the internally displaced people camps. (Paragraph 62)*
12. *It is worrying that violence has spread beyond Rakhine state, but from our visit it seemed that resolution of the conflict may be easier in central Burma. There may not be ready solutions to end the violence both in Rakhine and the rest of Burma, but DFID can help facilitate dialogue between the different faith groups, with the use of experts to help mediate and bring communities together—to encourage interfaith understanding and to help build cohesive and peaceful communities. The UK Government can also advise on integration for example in supporting Muslims to become members of the police force. (Paragraph 63)*
13. *Without progress in dealing with the inter-communal violence, we have concerns that it could spread further. There is potential for the violence against Muslims in Burma to radicalise Muslims there, who have traditionally been moderate, and attract Islamic extremists to the country. Historical accounts reveal that Muslim communities have lived in the country for centuries. (Paragraph 64)*
14. *We support DFID's commitment to the nationwide population census as it is needed for future planning in Burma. It is important to get an accurate measure of the ethnic and religious diversity of the country but DFID, with the Government of Burma, should consider how ethnic and religious classification contribute to future planning without inflaming tensions or whether simpler data on just sex and age would be sufficient. (Paragraph 68)*
15. *We urge the UK Government to support reforms to the constitution that ensure ethnic groups are treated fairly and equally. It should also press for a reduction and eventual elimination of the role of the military in Parliament and Government. (Paragraph 79)*
16. *We support the UK Government's view that the presidential eligibility clause 59f should be removed not just because of Aung San Sui Kyi but because there should not be a qualification targeted at one individual or group. (Paragraph 80)*
17. Most leading politicians, including Aung San Suu Kyi, are associated with the Burman Buddhist majority. It is essential to build a state that gives equal rights to all

citizens and ensure that ethnic minorities have a say in federal and especially provincial government. (Paragraph 81)

18. *The UK should put more pressure on the Burmese Government to divert spending away from the military to the provision of basic services such as health and education for its population. (Paragraph 84)*
19. *DFID should continue its support for civil society in Burma, but it needs to ensure that small, local organisations, based outside Rangoon also have access to funds. (Paragraph 88)*
20. *DFID should consider supporting Aung San Sui Kyi's rule of law centres only following a full assessment of the pilot projects and alternative options. (Paragraph 92)*
21. *We welcome the current projects which the UK Parliament and UK Government are undertaking to support the Parliament of Burma, but we believe that a more sustained programme is required over a long period, especially as the Burmese Parliament is likely to lose many of the newly trained MPs in the elections in 2015. We urge DFID and other donors to continue to encourage the Burmese Parliament to establish a strategic reform plan to coordinate the work of donors. We also recommend support to existing women MPs as well as encouraging more women to become involved in politics and at all levels of Government. (Paragraph 98)*
22. *We recommend that DFID and the Foreign Office give more emphasis to, and provide more funding for parliamentary strengthening. We further recommend that as part of sector programmes, for example in health and education, DFID country teams routinely fund work to improve the effectiveness of the relevant parliamentary committees. (Paragraph 112)*
23. *Unfortunately, too often parliamentary strengthening work has not been well done. We are pleased that DFID recognises this and has published a draft 'How to Note', which points to the need to understand political sensitivities, the motivation of politicians, to establish regular contact with parliaments over several years and to respond flexibly to a changing environment. (Paragraph 113)*
24. *The 'Westminster brand' is strong and there is considerable demand for Westminster expertise. However, DFID commonly uses non-UK bodies. We recommend that DFID make more use of Westminster-based organisations. We recommend that the UK Government establish an organisation with the attributes listed below. It could be a reformed Westminster Foundation for Democracy and could expand its work if it proved to be effective: (Paragraph 114)*
 - *a permanent staff, including a significant number of people with extensive parliamentary expertise, for example who have worked, or served in, Parliament and have experience of politics; the organisation should consider seeking to secure secondments from the House of Commons, the Foreign Office and DFID; and*
 - *the establishment of a larger group of people with a knowledge of Parliament to draw on to work overseas; this might include people who have experience of parliaments outside Westminster.*

25. If this organisation is to be a reformed Westminster Foundation for Democracy, there will need to be improved governance arrangements in relation to political party and parliamentary strengthening work. (Paragraph 114)
26. *The organisation described above, whether or not a reformed Westminster Foundation for Democracy, will need time to settle in. Moreover, it does not make sense to create a monopoly supplier. We recommend that DFID facilitate greater use of smaller organisations, which should be able to bid directly for parliamentary strengthening contracts from DFID. We further recommend that DFID establish a small central fund to support travel and accommodation costs where its country offices believe there is a need for a speedy intervention.* (Paragraph 115)
27. *Finally, we recommend that DFID improve its capacity in its UK offices; it should:* (Paragraph 116)
- *Increase from one to two the number of governance advisers working on parliamentary strengthening and ensure that these advisers remain in post for longer periods;*
 - *Ensure that governance advisers make parliamentary strengthening a focus of their annual meeting in the near future work; and*
 - *Establish a parliamentary advisory panel in DFID, which should include serving and former MPs and parliamentary officials.*
28. *Effective work on governance depends on understanding political context and making contacts. We recommend that DFID stress the importance of its staff engaging in the politics of Burma and continue to work closely with the UK Embassy staff.* (Paragraph 120)
29. *In view of the importance of the next few years to Burma's future, we recommend that DFID staff, particularly in important sectors such as health, remain in post for longer than they might in other offices.* (Paragraph 124)
30. *We are impressed by, and strongly support, the Three Millennium Development Goal Fund (3MDG Fund). We welcome its focus on building capacity both in Government-controlled areas and in ethnic areas. We are, however, disappointed by the EU which is refusing to provide funding beyond 2016 and hence threatening the future of the 3MDG Fund. We urge the EU to continue to fund the 3MDG Fund after 2016; if it is unwilling to so, the least it can do is find a donor to replace its contribution.* (Paragraph 129)
31. We have been impressed by the careful focusing of the 3MDG Fund's maternal and child healthcare programme in the Irrawaddy delta determining what works and what does not and how a small investment can make a big difference. We are pleased that it is being rolled out elsewhere in Burma so that women and children in conflict and ceasefire regions who are desperately in need of care will soon also be receiving it. (Paragraph 133)

32. *The evidence the Shan Women's Action Network (SWAN) provided indicates how much needs to be done in the health sector in these areas. We are pleased that the 3MDG Fund seeks to address this but urge DFID to carefully consider its criteria for funding organisations such as SWAN so that they too can receive DFID support. (Paragraph 134)*
33. *DFID should develop a more focused policy on drugs especially the provision of anti-retroviral for HIV. They should be administered to patients as early as possible to give the best chance of survival. (Paragraph 137)*
34. *Drug resistant malaria in Burma is of international importance. If it is not tackled it would have a devastating impact on the ability to treat malaria elsewhere, particularly in sub-Saharan Africa. Addressing this issue in Burma should be a high priority. We recommend that surveillance be stepped up in Burma, in particular in the border areas and amongst the migrant population. (Paragraph 142)*
35. *Better medical education would bring many benefits and Burmese medics are keen to form a partnership with the UK. Such partnerships will be an increasingly important feature of development in future. We recommend that DFID carefully examine the proposals for University College London, Royal College of Physicians' and others to improve medical education with a view to providing the relatively small amount of funding they require, either from DFID Burma funds or central funds. We appreciate that DFID does not have the funds to rebuild Rangoon hospital, concentrating rightly on building community health services, but it should consider how it can facilitate the process. (Paragraph 148)*
36. *Burma has a unique problem in that the younger generation is less well educated than their parents. There is an urgent need for education not only for children but also adult education and training if the need for teachers, health workers, administrators and private livelihoods is to be met. We recommend that DFID significantly increase spending on education provided DFID receives an overall increase in its total budget and its number of staff in Burma. We further recommend that teacher training be a priority. (Paragraph 153)*
37. *We support DFID's work with monastic schools in raising the quality of education. (Paragraph 156)*
38. *Burma's extractive industries should benefit the people of Burma and make a major contribution to taxation. We welcome DFID's encouragement and support for Burma to join the Extractive Industries Transparency Initiative. We hope it signs in the near future. We support DFID's responsible business initiatives helping to set standards for Burma's economic development. (Paragraph 167)*
39. *While there have been concerns that funding is no longer necessary for the camps on the Thai border, we do not believe that people should be pushed out of the refugee camps; they should leave voluntarily. However the situation requires monitoring as DFID currently spends over £20 million which could be spent on improving conditions inside Burma. If there is a successful peace process and a stable economy emerges the camps should be closed. The return of the refugees should be carefully handled ensuring*

that where they are returning to is safe and viable to live in. The Burmese along with aid agencies should be considering and planning for this now. (Paragraph 174)

Formal Minutes

Wednesday 5 March 2014

Members present:

Sir Malcolm Bruce, in the Chair

Hugh Bayley
Fabian Hamilton
Pauline Latham

Jeremy Lefroy
Michael McCann
Fiona O'Donnell

Draft Report (*Democracy and Development in Burma*), proposed by the Chair, brought up and read.

Ordered, That the draft Report be read a second time, paragraph by paragraph.

Paragraphs 1 to 182 read and agreed to.

Summary agreed to.

Papers were appended to the Report as Appendices 1 and 2.

Resolved, That the Report be the Ninth Report of the Committee to the House.

Ordered, That the Chair make the Report to the House.

Ordered, That embargoed copies of the Report be made available, in accordance with the provisions of Standing Order No. 134.

Written evidence was ordered to be reported to the House for publishing with the Report (in addition to that ordered to be reported for publishing on 31 October, 12 November and 10 December 2013, 8, 14 and 21 January, 11 and 25 February 2014).

[Adjourned till Wednesday 12 March at 10.30 a.m.]

Witnesses

The following witnesses gave evidence. Transcripts can be viewed on the Committee's inquiry page at [Democracy and Development in Burma](#).

Monday 11 November 2013

Question number

Brian Wakley, Chief Executive, Cord, **Tucker McCravy**, Asia Regional Programme Manager, Peacebuilding, Cord, **Shihab Uddin Ahamad**, Country Director, ActionAid Myanmar, and **Dan Collison**, Head of Programme Support, Save the Children

[Q1-30](#)

Tuesday 17 December 2013

Fiona Campbell, London School of Hygiene and Tropical Medicine, **Mark Foster**, Commissioner, the Independent Commission for Aid Impact and **Charles Nelson**, Chief Executive, Malaria Consortium, **Lord Williams of Baglan**, Chatham House, **Benedict Rogers**, East Asia Team Leader, Christian Solidarity Worldwide, and **Greg Power**, Co-Founder, Global Partners Governance

[Q31-107](#)

Thursday 23 January 2014

Rt Hon Alan Duncan MP, Minister of State for International Development, and **Gavin McGillvray**, Head of DFID Burma

[Q108-177](#)

Published written evidence

The following written evidence was received and can be viewed on the Committee's inquiry web page at [Democracy and Development in Burma](#). BUR numbers are generated by the evidence processing system and so may not be complete.

- 1 [Christian Solidarity Worldwide \(BUR 0002\)](#)
- 2 [Sue Unsworth \(BUR 0003\)](#)
- 3 [Karenaid \(BUR 0004\)](#)
- 4 [Dr Adam Burke \(BUR 0005\)](#)
- 5 [Christian Aid \(BUR 0006\)](#)
- 6 [Women's League of Burma \(BUR 0007\)](#)
- 7 [Pact Inc \(BUR 0008\)](#)
- 8 [Burma Relief Centre \(BUR 0009\)](#)
- 9 [Karen Women's Organisation \(BUR 0010\)](#)
- 10 [Human Rights Watch \(BUR 0012\)](#)
- 11 [Mae Tao Clinic \(BUR 0013\)](#)
- 12 [Dr Kirsten McConnachie \(BUR 0014\)](#)
- 13 [Shan Women's Action Network \(BUR 0015\)](#)
- 14 [Department for International Development \(BUR 0016\)](#)
- 15 [British Council \(BUR 0017\)](#)
- 16 [Burma Campaign UK \(BUR 0018\)](#)
- 17 [Natural Environment Research Council \(BUR 0019\)](#)
- 18 [Malaria Consortium \(BUR 0020\)](#)
- 19 [Karen Human Rights Group \(BUR 0022\)](#)
- 20 [Humanitarian Aid Relief Trust \(BUR 0023\)](#)
- 21 [Alison Winter \(BUR 0024\)](#)
- 22 [Trades Union Congress \(BUR 0025\)](#)
- 23 [Global Justice Center \(BUR 0026\)](#)
- 24 [Oxfam GB \(BUR 0027\)](#)
- 25 [BBC Media Action and BBC World Service \(BUR 0029\)](#)
- 26 [Cordmyanmar \(BUR 0030\)](#)
- 27 [Global Partners Governance \(BUR 0031\)](#)
- 28 [Save the Children \(BUR 0032\)](#)
- 29 [ActionAid UK and ActionAid Myanmar \(BUR 0034\)](#)
- 30 [UK All Party Parliamentary Group on Population, Development and Reproductive Health and Marie Stopes International \(BUR 0036\)](#)
- 31 [Professor Jane Dacre \(BUR 0037\)](#)
- 32 [Hamish Ogston CBE \(BUR 0038\)](#)
- 33 [Department for International Development Annex A \(BUR 0039\)](#)
- 34 [Department for International Development Annex B \(BUR 0040\)](#)
- 35 [Department for International Development Annex C \(BUR 0042\)](#)
- 36 [Charles Petrie, Myanmar Peace Support Initiative \(BUR 0043\)](#)
- 37 [Department for International Development Annex F \(BUR 0044\)](#)
- 38 [Andrew McLeod, Lecturer in Law, Lady Margaret Hall, Oxford \(BUR 0045\)](#)

- 39 [ActionAid UK Annex A \(BUR 0046\)](#)
- 40 [Bingham Centre for the Rule of Law \(BUR 0047\)](#)
- 41 [Lilianne Fan, Research Fellow, Overseas Development Institute \(BUR 0048\)](#)
- 42 [Commonwealth Parliamentary Association \(BUR 0049\)](#)
- 43 [Department for International Development Annex D \(BUR 0050\)Department for International Development Annex E \(BUR 0051\)](#)
- 44 [Fiona Campbell \(BUR 0052\)](#)
- 45 [Andris Piebalgs \(BUR 0053\)](#)

List of Reports from the Committee during the current Parliament

All publications from the Committee are available on the Committee's website at www.parliament.uk/indcom. The reference number of the Government's response to each Report is printed in brackets after the HC printing number.

Session 2013–14

First Report	Global Food Security	HC 176 (626)
Second Report	Violence Against Women and Girls	HC 107 (624)
Third Report	Scrutiny of Arms Exports and Arms Control (2013): Scrutiny of the Government's UK Strategic Export Controls Annual Report 2011 published in July 2012, the Government's Quarterly Reports from October 2011 to September 2012, and the government's policies on arms exports and international arms control issues	HC 205 (CM 8707)
Fourth Report	Multilateral Aid Review	HC 349 (694)
Fifth Report	ICAI's Annual Report 2012-13	HC 566 (946)
Sixth Report	Implications for development in the event of Scotland becoming an independent country	HC 692 (1107)
Seventh Report	The Closure of DFID's Bilateral Aid Programmes: the case of South Africa	HC 822 (1106)
Eighth Report	The Future of UK Development Cooperation: Phase 1: Development Finance	HC 334

Session 2012–13

First Report	DFID's contribution to the Global Fund to Fight AIDS, Tuberculosis and Malaria	HC 126 (609)
Second Report	Scrutiny of Arms Exports (2012): UK Strategic Export Controls Annual Report 2010, Quarterly Reports for July to December 2010 and January to September 2011, The Government's Review of arms exports to the Middle East and North Africa, and wider arms control issues	HC 419 (CM 8441)
Third Report	The Development Situation in Malawi	HC 118 (641)
Fourth Report	Tax in Developing Countries: Increasing Resources for Development	HC 130 (708)
Fifth Report	DFID's programme in Zambia	HC 119 (759)
Sixth Report	Afghanistan: Development progress and prospects after 2014	HC 403 (862)
Seventh Report	UK Aid to Rwanda	HC 726 (949)
Eighth Report	Post-2015 Development Goals	HC 657 (1065)
Ninth Report	Department for International Development's Annual Report and Accounts 2011–12	HC 751(1098)
Tenth Report	Pakistan	HC 725

Session 2010–12

First Report	Appointment of the Chief Commissioner of the Independent Commission for Aid Impact	HC 551
Second Report	The 2010 Millennium Development Goals Review Summit	HC 534 (HC 959)
Third Report	Department For International Development Annual Report and Resource Accounts 2009–10	HC 605 (1043)
Fourth Report	The World Bank	HC 999 (1044)
Fifth Report	The Future of CDC	HC 607 (1045)
Sixth Report	Scrutiny of Arms Export Controls (2011): UK Strategic Export Controls Annual Report 2009, Quarterly Reports for 2010, licensing policy and review of export control legislation	HC 686 (CM 8079)
Seventh Report	The Humanitarian Response to the Pakistan Floods	HC 615 (1435)
Eighth Report	The Future of DFID's Programme in India	HC 616 (1486)
Ninth Report	DFID's Role in Building Infrastructure in Developing Countries	HC 848 (1721)
Tenth Report	The Closure of DFID's Bilateral Aid Programme in Burundi	HC 1134 (1730)
Eleventh Report	Financial Crime and Development	HC 847 (1859)
Twelfth Report	Working Effectively in Fragile and Conflict-Affected States: DRC and Rwanda	HC 1133 (1872)
Thirteenth Report	Private Foundations	HC1557 (1916)
Fourteenth Report	Department for International Development Annual Report and Resource Accounts 2010–11 and Business Plan 2011–15	HC 1569 (107)
Fifteenth Report	South Sudan: Prospects for Peace and Development	HC 1570 (426)
Sixteenth Report	EU Development Assistance	HC 1680 (427)