

## **Executive Summary**

## **EXECUTIVE SUMMARY**

Simultaneous and interdependent reforms promoting democratisation, economic liberalisation and conflict transformation present a plethora of opportunities and risks for the people of Myanmar. The prospect of progressing from ceasefire agreements into a substantive process for peace and national reconciliation raises hopes for an end to protracted displacement and chronic poverty. This field survey from South East Myanmar reports encouraging signs for the future return of displaced persons but sobering indicators about the challenge ahead for poverty alleviation.

After the government dropped demands for ceasefire groups to transform into Border Guard Forces in September 2011, the peace process gained momentum quickly. Preliminary ceasefire agreements have been negotiated with most of the major non-state armed groups to cease hostilities, separate troops, establish liaison offices and continue political dialogue. The President has stressed the importance of an "all-inclusive political process" and building trust on the basis of the "Panglong spirit" in a sequence of ceasefires, followed by economic development and then political dialogue.

However, the non-state armed groups are advocating for dialogue about political and constitutional reform to be convened outside of parliament in a National Convention to rebuild a National Accord prior to the 2015 elections. Ongoing armed conflict in Kachin State has raised questions about the government's ability to control the National Armed Forces (the *Tatmadaw*), while communal violence in Rakhine State has highlighted systematic weaknesses in the rule of law and underlying racial discrimination.

Civil society groups have noted that the culture of authoritarianism and elite politics is driving the peace process but that active and broad engagement is essential if it is to be sustainable. After feeling betrayed by the exchange of ceasefire agreements for business concessions during the 1990s, informal peace-building processes are striving to ensure that government and armed opposition leaders are held to account.

The most significant impact of ceasefire agreements for local communities in contested areas so far has been a substantial decrease in armed conflict and attacks on civilians. Roving counter-insurgency patrols into remote areas have also decreased which has resulted in some improvement in civilian access to fields and markets. However, skirmishes have not stopped which is due primarily to the lack of troop withdrawals from sensitive areas and the lack of clarity in arrangements for the transport of supplies. There has also not yet been any significant improvement in the protection of human rights, with forced labour, extortion and land confiscation still widespread to accommodate Tatmadaw troops and new investment interests in border areas.

The Border Consortium's (TBC's) community-based partners have documented the destruction, forced relocation and abandonment of more than 3,700 villages since 1996, but no further villages were displaced in South East Myanmar between August 2011 and July 2012. While over 10,000 people are estimated to have been forced from their homes in the South East during the past year, this represents a significant decrease from the average rate of 75,000 people displaced each year since 2003.

This survey estimates that in total there remain at least 400,000 internally displaced persons in the rural areas of 36 townships in South East Myanmar. Approximately 37,000 formerly displaced persons attempted to either return to their villages or resettle in surrounding areas between August 2011 and July 2012. However, the sustainability of these movements remains in doubt due to ongoing concerns about physical security and livelihood opportunities.

Peace processes and promises of inclusive and people-centered development are a welcome tonic for conflict-affected communities. However, planning for poverty reduction and early recovery initiatives has been impeded by the lack of household vulnerability data disaggregated below the state and regional level. This poverty assessment has been based on interviews with over 4,000 households spread across twenty-one townships. Analysis of standard poverty indicators has been disaggregated to the township level to provide baseline data for South East Myanmar which was not previously available. It is anticipated that this will inform more appropriate and targeted response strategies for social service, relief and development agencies alike.

This survey suggests that 59% of people in the rural communities of South East Myanmar are impoverished. Findings suggest that 47% of households surveyed cannot prove their citizenship status, 73% lack access to safe drinking water, 49% lack access to sanitary latrines and 33% of children between five and twelve years of age are not regularly attending school. A high level of subsistence agriculture is reflected by only 10% of rural households having access to farm machinery and 30% reporting no access to cash income during the previous month. Access to food is poor for more than half of the households in rural areas and only 45% of households have an adequately nutritious diet. Apart from the usual shocks to livelihoods like natural hazards and illness, 16% of households reported that military patrols had restricted access to fields and markets during the previous six months.

Impoverishment is particularly severe in the conflict-affected townships of Kyaukkyi and Shwegyin in Bago Region and Thandaung in Karen State. Food consumption analysis indicates that the diversity, frequency and nutritional value of food consumed by the communities surveyed in these townships was almost universally inadequate. Extreme coping strategies such as reducing food consumption by reverting to rice soup, selling assets and spending entire days without eating were extremely high in Kyaukkyi and Shwegyin.

Social capital has been instrumental in reinforcing community coping strategies and building resilience in the midst of protracted conflict, forced displacement and chronic poverty. The capacity and reach of community-managed assistance has primarily been developed with the support of social service and relief agencies based in Myanmar along the border with Thailand. Preliminary indications that government restrictions on access into conflict-affected areas are being relaxed thus represent a new opportunity to legitimise and add value to these local capacities so that vulnerable communities can break out of the poverty trap.

For agencies working with displaced persons, the primary challenge remains to create conditions which will support sustainable, voluntary and dignified return in safety. This implies informed consent and free choice without any form of coercion, conditions which ensure physical, legal and material security as well as the full restoration of human rights. Likewise, building accountable and responsive systems of local governance to promote access to justice and sustainable livelihoods will be essential to ensuring there is a renewable peace dividend for conflict-affected communities. Indeed, the task of transforming ceasefire agreements into a substantive process for peace and justice has only just begun.



The Six-point Political Program of the Ethnic Nationalities Regarding the Peace Process

- 1. To develop a 'Framework for Political Dialogue' by organizing consultations amongst ethnic armed revolutionary groups, political parties and civil society including women and youth.
- 2. To hold consultations between representatives of the Union Government and ethnic armed revolutionary groups, to obtain agreement on a 'Framework for Political Dialogue'...
- 3. ... To organize conferences by States and Regions, as well as by ethnic nationalities, in order to consult on the political process.
- 4. To hold a nationwide 'Ethnic Nationalities' Conference' with representatives from ethnic armed revolutionary groups, political parties, civil society including women and youth, and experts and scholars.
- 5. To hold a Union Convention based on the Panglong spirit, with agreement by all parties, with equal number of representatives from the ethnic nationalities, democratic forces and the Union of Government.
- 6. The agreement from the convention shall be signed as 'The Union Accord on Ethnic Nationalities'.



Ethnic Nationalities Conference Statement, 16 September 2012