



Schweizerische Eidgenossenschaft
Confédération suisse
Confederazione Svizzera
Confederaziun svizra

Swiss Cooperation Strategy Myanmar 2013–2017



Table of Contents

Abbreviations	4
Preface	5
Executive summary	7
1 Context analysis	8
2 Achievements of SDC Humanitarian Aid	12
3 Implications of the current context for Swiss cooperation	13
4 Swiss foreign policy objectives in Myanmar	14
5 Strategic orientation and priorities 2013–2017	15
Overall goal and hypothesis of change	15
Transversal themes	15
Strategic guiding principles	16
Domains of intervention	17
Domain one: Employment and Vocational Skills Development	17
Domain two: Agriculture and Food Security	17
Domain three: Health, Social Services and Local Governance	19
Domain four: Promotion of Peace, Democratisation and Protection	19
6 Geographic focus area: Myanmar’s southeast	21
7 Management and strategic steering	22
8 Annex	24
Annex A: Map of Myanmar (with geographic focus area for Swiss cooperation)	24
Annex B: Graphic synopsis of Swiss Cooperation Strategy Myanmar 2013–17	25
Annex C: Results Framework: Domain one – Employment and Vocational Skills Development	26
Annex D: Results Framework: Domain two – Agriculture and Food Security	28
Annex E: Results Framework: Domain three – Health, Social Services and Local Governance	30
Annex F: Results Framework: Domain four – Peace, Democratisation and Protection	34
Annex H: Finances – Expenditures 2011–12; Allocations 2013–17 (in CHF 1’000)	37

Abbreviations

ADB	Asian Development Bank
AFTA	ASEAN Free Trade Agreements
ASEAN	Association of South East Asian Nations
CSO	Civil Society Organisations
CSPM	Conflict sensitive programme management
DP	Directorate of Political Affairs
FDFA	Federal Department of Foreign Affairs
FDI	Foreign Direct Investments
FESR	Framework for Economic and Social Reforms
GDP	Gross Domestic Product
GNI	Gross National Income
GoM	Government of the Republic of the Union of Myanmar
HA	Humanitarian Aid
HSD	Human Security Division
ICRC	International Committee of the Red Cross
IDP	Internally Displaced Persons
ILO	International Labour Organisation
KNPP	Karenni National Progressive Party
KNU	Karen National Union
LDC	Least Developed Countries
LIFT	Livelihood and Food Security Trust Fund
MERV	Monitoring entwicklungsrelevanter Veränderungen (Monitoring of changes relevant for development)
NCDP	National Comprehensive Development Plan
NMSP	New Mon State Party
NGO	Non-governmental Organisation
NLD	National League for Democracy
ODA	Official Development Assistance
SCSM	Swiss Cooperation Strategy for Myanmar
SDC	Swiss Agency for Development and Cooperation
SECO	State Secretary for Economic Affairs
Tatmadaw	Myanmar (previously Burma) Army
TVET	Technical and Vocational Education and Training
UNICEF	United Nations Children Fund
UNIDO	United Nations Industrial Development Organisation
UNHCR	United Nations High Commission for Refugees
VHWs	Village Health Workers
VSD	Vocational Skills Development
WFP	World Food Programme

Preface

The Swiss Agency for Development and Cooperation (SDC) and the Directorate of Political Affairs (DP) have jointly prepared the Swiss Cooperation Strategy for Myanmar for 2013–2017 to address fundamental needs and key leverage points in support of an unprecedented national transformation.

The strategy intends to promote the steady construction of peace and an open, democratic society, the rise out of chronic poverty, and the growth of a sustainable national economy. In line with the variegated country context, the strategy addresses a range of human development situations: from prevention of and recovery from acute conflict and displacement, to humanitarian crisis and rehabilitation, to sustained pro poor development. Main beneficiaries of Switzerland's cooperation are disadvantaged populations who are deprived in full or in part of their basic needs and rights, and in particular on those affected by conflict in the southeast of Myanmar. The strategy spans a period that holds the promise of historic change, from the point of truce for most armed conflict in 2013, through the outcome of the highly anticipated elections of 2015 and beyond, and is based with high hopes on the conviction that the remarkable and rapid opening of Myanmar towards consolidated peace, development, and regional and global integration will proceed more smoothly with coordinated development partner cooperation aligned with national priorities.

The Swiss Cooperation Strategy for Myanmar 2013–2017 has been prepared in line with the Federal Department of Foreign Affairs aim to intensify political and economic relations and enhance development cooperation with Myanmar. This goal aligns with the Swiss Parliament Message of International Cooperation 2013–2016, and its Message on Civilian Peace Promotion 2012–2016, which intend to contribute to peace, stability and sustainable development of Myanmar and the Mekong Region. Following the establishment of an integrated Swiss Embassy in Myanmar in November 2012, which marks Switzerland's heightened commitment to the country, the strategy sets out the framework for and orients Switzerland's cooperation with Myanmar for the period from 2013 to 2017.

The strategy contains four main programme components. The first is support to employment and income through enhanced national systems for and local delivery of vocational skills development; the second is to improve food security and agricultural productivity, including through enhanced access to disadvantaged and conflict-affected populations to land, forest and aquatic resources. The third component is provision of social services such as schools and clinics within a network of community and government institutional support; and last but not least, to support efforts at consolidated peace and democratisation as well as protection of civilian people affected by conflict. The focus on the geographic area of southeast Myanmar provides the opportunity to build on two decades of SDC Humanitarian Aid experience.

The Swiss Cooperation Strategy Myanmar 2013–2017 was approved in July 2013.

Swiss Agency for Development and Cooperation

Directorate of Political Affairs



Martin Dahinden
Director General



Yves Rossier
State Secretary



Executive summary

Myanmar is in the midst of three major transformations: from an authoritarian military rule to democratic governance; from a centrally-planned to a market-driven economy; and from 60 years of conflict to consolidated peace. Yet progress is constrained by continued distrust between diverse groups, by sectarian violence and armed conflict, by monopolisation of resources by an economic elite, and by degraded social services and institutions. Human development indicators remain lower than the other least-developed countries of the region.

Myanmar's unique location at the crossroads of East, South and Southeast Asia influences its demographics and development. The population of nearly 60 million people is extremely ethnically diverse, with cultural areas that extend across the national border. Like its cultural diversity, Myanmar's rich biodiversity is due to its place at the intersection of three major eco-regions. However, the rapid depletion of this natural wealth is also influenced by its neighbours. Myanmar's strategic place between the economic giants of China and India, and the growing Association of Southeast Asian Nations (ASEAN), yields opportunities for as well as risks to sustainable growth. Myanmar will chair ASEAN in 2014, yet as one of the least-developed members and lacking reliable governance, Myanmar could be at a disadvantage in the free exchange of goods, labour and economic growth corridors.

The pace of change under the new configuration of government has been far-reaching and rapid beyond expectations, indicating a changed mindset at the top towards public participation and development priorities. The reforms initiated by President Thein Sein include measures in support of poverty alleviation, economic development and the protection of human rights, with early results including an end to censorship, freedom of the press, open web access, and the unleashing of a vibrant civil society. Equally important has been the rapprochement of the military-dominated government with the political opposition and ethnic-based armed groups. Significant results include the move of opposition leader Aung San Suu Kyi from house arrest to parliament in 2012, and cease-fire agreements with most of the ethnic armed forces. Western countries have responded by lifting economic sanctions and restrictions on international financial institutions.

At this historic turning point, Switzerland commits to make a significant contribution to a peaceful and prosperous future for Myanmar. In November 2012 Switzerland opened an Embassy that under a whole-of-government approach has started to build up its political, economic and cultural relations as well as its cooperation programme and peace promotion engagement. Building on the long-standing experience of the Swiss Agency for Development and Cooperation (SDC) Humanitarian Aid that has been engaged in the Myanmar context for nearly twenty years, including a sizable reconstruction programme after Cyclone Nargis in 2008, Switzerland will support four domains: (i) employment and vocational skills development; (ii) agriculture and food security; (iii) health, social services and local governance; and (iv) promotion of peace, democratisation and protection. Important transversal themes throughout Switzerland's cooperation are gender equality, good governance and climate change/disaster risk reduction. The core target population will be disadvantaged women and men of all ethnicities including the conflict-affected.

To take advantage of Switzerland's experience and strengths while focusing cooperation delivery, Switzerland will concentrate on the southeastern region of Myanmar. Swiss development cooperation will align with government and development partners according to the Naypyitaw Accord for Effective Development Cooperation, adopted in the landmark Development Forum in January 2013. Harmonisation is especially valid for advocacy and policy development where Switzerland will contribute local-level project experience to national endeavours relevant to the domains in which Switzerland is engaged.

Switzerland's financial commitment for cooperation with Myanmar will expand from CHF 11m (in 2012) disbursed annually to CHF 33m (from 2016 onwards). In addition, a specific economic cooperation programme may be built up in the coming years by the State Secretariat for Economic Affairs SECO.

1 Context analysis

Myanmar is in the midst of three major transformations: from an authoritarian military rule to democratic governance; from a centrally-planned to a market-driven economy; and from 60 years of armed conflict to consolidated peace. Yet progress is constrained by continued distrust between ethnic, religious and political groups, leading in some cases to violence and armed conflict; by continued monopolisation of resources by an economic elite; and by degraded social services and institutions. Human development indicators remain lower than even the other least-developed countries (LDCs) of the region.¹

A place at the crossroads

Myanmar's unique location at the crossroads of East, South and Southeast Asia influences its demographics and development. The population of nearly 60 million people is composed of '135 national races'² classified into eight major ethnic families, most living in cultural areas that extend across the national border. Like its cultural diversity, Myanmar's rich biodiversity is due to its place at the intersection of three major eco-regions.³ However, the rapid depletion of this natural wealth is also influenced by its neighbours. Myanmar's strategic place between the economic giants of China and India, and the growing Association of Southeast Asian Nations (ASEAN), yields opportunities for as well as risks to sustainable growth. While China is the largest foreign direct investor in Myanmar, the investments are primarily in the extractive industries and in agricultural plantations, investments which may contribute to inequitable distribution of benefits, social unrest, and environmental damage. With the prospect of a regional ASEAN market in 2015, as one of the least-developed members and lacking reliable governance, Myanmar could be at a disadvantage in the free exchange of goods, labour and economic growth corridors.

Transition towards democratic governance

Myanmar's political transition is troubled by its turbulent history as a patched-together nation. While disparate political and cultural interests united under a constitution to gain independence from Britain in 1947, a vicious cycle of armed conflict, grievance and polarisation began almost immediately. Parliamentary rule lasted a scant decade before Burma's army (*Tatmadaw*) took the reins of government to 'preserve the union.' During the ensuing dec-

ades of socialist isolationism Myanmar plummeted from its position as the world's largest exporter of rice, to an LDC suffering protracted civil war. The situation hit rock-bottom in 1988 when a mass uprising, though culminating in bloodshed, forced a change in direction of military rule. The post-1988 SLORC/SPDC⁴ era was characterised by the entrenchment of a military-linked economic elite well-placed to take advantage of the opening to a market economy. Continued political struggles during this era included elections in 1990 whose results were not recognised, the 'Saffron Revolution' in 2007, and the junta's 'road map to democracy' which eventually led to a new constitution and the instatement of a semi-elected parliament and reform-minded government in 2011.

The pace of change under the new configuration of government has been far-reaching and rapid beyond expectations, indicating a changed mindset at the top towards public participation and development priorities. The reforms initiated by President Thein Sein include measures in support of poverty alleviation, economic development, conflict resolution and the protection of human rights, with early results including an end to censorship, freedom of the press, open web access, the freeing of political prisoners, and the unleashing of a vibrant civil society. Equally important has been the rapprochement of the military-dominated government with the political opposition and ethnic armies. Significant results include the move of opposition leader Aung San Suu Kyi from house arrest to parliament in 2012, and new or renewed cease-fire agreements with most of the ethnic armed forces. However, for the great majority of the poor, these changes have so far brought little improvement to their daily life.

While a key step forward, the constitution of 2008 creates as many problems as it tries to solve: it mandates military majority in parliament and in key ministerial positions; it contains a clause which prevents the favoured opposition leader from becoming president; and it does not provide for the decentralised power-sharing that ethnic-based armed groups have been fighting for. Constitutional reform will thus remain a key issue in the short and medium term, and the 2015 elections may be a test of the commitment to democratisation. In addition, only 3.4% of all parliamentary seats country-wide are held by women.

Despite the reforms, there is still much to achieve in terms of rule of law, accountable and transparent governance, and consolidated peace. Though the aim is for decentralisation, revenue control and decision-making responsibilities will likely remain for the medium-term with the nation's new administrative capital of Naypyitaw. Region and state-level governments lack power and experience to serve and protect their constituency in the face of

1 2011 GNI/capita according to UNDP (PPP adjusted): Myanmar \$1535, Cambodia \$1848, Laos \$2242, Vietnam \$2805; 2011 Human Development Index (out of 187) Myanmar 149, Cambodia 139, Laos 138, Vietnam 128

2 These categories of race originate in the colonial census and are based mostly in linguistic categories and outdated definitions of ethnicity

3 Himalayan, Indochinese and Sundaic

4 State Law and Order Restoration Council, later remade as State Peace and Development Committee, a military junta dominated by Senior General Than Shwe



competing interests. Constraints to positive change include a lack of trust in government, and tensions within the military over the pace of reform, while the possibility of a backlash on civil society and rapid reform cannot be ruled out.

Traditional social support networks are strong in Myanmar, as was proven by the response to cyclone Nargis in which local communities provided first response as well as organisation for sustained relief, and which sparked the emergence of a civil society movement. Yet the education system leaves youth, workers, managers and civil servants alike poorly-equipped to take advantage of opportunities and overcome current challenges.

Transition towards market economy

As the political transition remains dominated by the military, so too has the economic transition privileged an emergent class of cronies, and concentrated resources in the hands of a military-linked elite. While economic reforms have begun to regularise the exchange rate, support the ill-functioning banking sector, privatise the land market and attract foreign investors, challenges remain in the weak judiciary system, poor infrastructure, weak tax and public fund management institutions, and a lack of social and corporate responsibility. Disparities are growing

between the wealthy and the rural and urban poor, and the economic opening will take time to significantly impact the impoverished.

Partly as a result of its economic isolation, Myanmar was never able to develop a service or a manufacturing sector, leaving its economic structure unbalanced. The country's reliance on extraction of natural resources such as valuable hardwoods, gems, minerals, oil and gas comes at a high cost in terms of environmental and social impact, and in opportunity cost as profits are not reinvested in social services. A failing agricultural sector sends increasing numbers of unskilled labourers into the workforce, yet low remuneration and job seasonality causes many of these workers to migrate internally or abroad, with over 10% of the total population estimated to be working abroad. Participation in the national labour force is 50% of women compared to 83% of men, and 4.6% of women are unemployed as opposed to 3.7% of men. Unequal access to jobs and resources, compounded by the growing income gap, remain challenges to peaceful development.

Though Myanmar's population is 70% rural, nearly one in four of those whose primary economic activity is agriculture are landless. This constitutes one of the highest rates of landlessness in the region, and is a major cause of rural poverty. Decades of misguided directives on crop cultivation, that included for example mandatory sale of rice to the government at under-market prices, contributed to the



degradation of agricultural systems. In the transition to a market economy, and under a development paradigm that privileges export-driven and industrial-scale agricultural development, Myanmar's small-holder farmers, especially the 15% of households headed by females only, are particularly vulnerable to land loss, high debt levels, and insufficient access to affordable credit, modern technologies and markets.

Transition towards peace

Active conflict between what has been over time up to 25 armed groups, some but not all of them ethnic-based, and including the *Tatmadaw*, has been part of the reality of daily life over the last sixty years of Myanmar history. Extensive human rights violations and elite capture of resources by all armies have characterised the conflict. Though most armed groups came to cease-fire agreements with the *Tatmadaw* during the 1990s, under President Thein Sein efforts have been renewed to make peace in the ethnic minority regions. These efforts began to yield success in 2011 when an agreement with the Karen National Liberation Army put a halt to the world's longest-running civil war; yet at the same time the failed cease-fire and renewed armed conflict with the Kachin National Union has been a major setback.

The achievement (or not) of peace is likely the most important factor that will determine the pace and scope of progress of democratic and economic development in the coming five years. At present multiple negotiations are ongoing with a number of groups that vary in size and geographic scope or degree of power under their administrative control. What is consistent is that all agreements so far are merely cease-fires (or truces), and do not yet con-

stitute a shift from cessation of hostility to political peace negotiation. The political dialogue will hinge on issues such as sharing of power, revenues and resources (including land), access to basic services, language of and control over education, and rule of law, and thus a lasting political solution will imply a degree of autonomy for and recognition of the ethnic groups.

Though beginning to be addressed by the reforms, ongoing human rights violations in Myanmar include forced labour, children in the armed forces, land-grabbing, torture, and inhumane treatment of detainees. A prevailing sense that those in authority are able to act with impunity contributes to the overall distrust of government and of those in a position of power. This distrust extends to the political manipulation of cultural biases, which contribute to periods of persecution and increased sectarian violence, of which the incidences in Rakhine State are only the most recent examples. Unless tolerance is created and citizenship defined by more than just ethnic identity, increased sectarian violence is potentially a significant destabilising factor.

Fragility persists

Approximately 140,000 refugees remain in Thailand and about 200,000 internally displaced persons (IDPs) live in the southeast, while another 300,000 have been recently displaced as a result of renewed armed conflict in Kachin State and civil unrest in Rakhine State. The number of persons displaced due to conflict over the last decades, many of them multiple times, is not known but may number in the millions. The return of refugees and IDPs to their areas of origin poses major new reintegration challenges. Pockets of acute and seasonal food insecurity remain, and fully 35% of children under 5 years

of age are chronically malnourished (stunted), while 8% are acutely malnourished (wasted). Basic social service infrastructures are lacking, especially in remote and post-conflict areas. Myanmar is prone to cyclones, earthquakes, and vulnerable to climate change hazards, including coastal flooding due to sea level rise, and increased flood and drought in the mountainous areas and the Dry Zone as a result of extreme and variable weather patterns. The combination of man-made and natural disasters indicate a clear need for continued humanitarian response.

A new paradigm of international cooperation

The west has responded to Myanmar's changes by lifting most economic sanctions and restrictions on access to international financial institutions. Investors are both eager to respond, yet cautious. Myanmar is perceived as potentially the newest 'Asian tiger' economy, which in addition to its geopolitical importance, has resulted in positive attention of western countries, including the USA.⁵

The landmark first Development Cooperation Forum was held in January of 2013, when government presented a comprehensive framework for economic and social reforms development that embarks on three waves of reforms to promote democracy, foster peace and generate inclusive growth and development. The government stressed the importance to reduce poverty through infrastructure, agricultural and social development, including the creation of "good governance and clean government", private sector-led growth, and the use of participatory approaches. Development partners expressed their expectations to government that budgetary allocations continue to shift to support key development priorities, particularly in chronically underfunded (social) areas. Furthermore, the Naypyitaw Accord for Effective Development Cooperation was adopted to promote transparency, collaboration, as well as local leadership, ownership and management of development efforts. Cooperation priorities will further be developed in government-led sectoral working groups.

As official development assistance rapidly increases from the recent low of USD 7 per capita, despite cooperation efforts the risk of donor competition may rise, and the sheer volume of aid may outpace the limited absorptive capacity of government, civil society and other partners. Switzerland will work through the established donor coordination mechanisms in a pragmatic and supportive manner.

⁵ Long-standing important donors include Australia, the European Union, Japan, South Korea and United Kingdom as well as UN-agencies like Unicef and UNDP (total ODA in 2011: 398m USD). Many western countries and the multilateral agencies like Asian Development Bank and World Bank are now substantially increasing their development assistance. In the past contributions were most to social infrastructures and services, followed by humanitarian aid; this is likely to change now towards a broader sectoral allocation.



2 Achievements of SDC Humanitarian Aid

The cooperation strategy 2013–2017 builds on the success of nearly two decades of Swiss humanitarian support to the context of Myanmar. SDC Humanitarian Aid (HA) began its engagement in the Myanmar context with support to refugee camps in Thailand's border region in the mid-1990s, expanded into Myanmar in 1998, and Myanmar became a priority country for SDC HA in Asia from 2001 on. Direct project implementation was initiated as a response to the cyclone Nargis in May 2008. Through an annual budget envelope of about CHF 7 million, the 2010-12 programme pursued two main areas of intervention:

- To improve access to and quality of social infrastructure and networks among vulnerable communities in the Ayeyarwaddy Delta, in eastern Myanmar, and in and around refugee camps in Thailand.
- To improve food and livelihood security of IDPs and their host communities, of former poppy farmers in eastern Myanmar, and of Myanmar refugees in Thailand.

In the cyclone-affected Ayeyarwaddy Delta, through direct intervention Switzerland rebuilt 42 schools for more than 15,000 pupils. School attendance rate has improved by roughly 40%. The multi-use buildings can shelter approximately 50,000 people in the event of disaster, and local communities are being trained to sustainably manage the buildings and improve community preparedness for potential future catastrophes. United Nations Children Fund (UNICEF) has been a third-party funding partner in this programme, which will be completed mid-2013.

Myanmar refugees living in the camps in Thailand have been supported for almost two decades

through provision of basic necessities (food, shelter and fuel), as well as income generation skills. Swiss humanitarian aid experts have been seconded to organisations active in the refugee camps as well as to United Nations High Commission for Refugees (UNHCR) in Myanmar.

Myanmar's southeast is a region marked by decades of armed conflict, human rights violations and widespread displacement of persons and refugees. Since 2011, Switzerland has been implementing programmes there to provide communities with schools, health centres and drinking-water supply systems, managed by the communities they serve. Applying conflict-sensitive programme management principles, these direct actions provide improved humanitarian access to vulnerable populations in the ceasefire areas and contribute to adequate living standards for the return of internally displaced persons and refugees - thus making a concrete contribution to the ongoing peace processes.

SDC HA has made long-standing regular contributions to the World Food Programme (WFP) to address chronic and acute food security needs across Myanmar. Support to a number of implementing partners has addressed a range of objectives including alternative livelihoods support for former poppy growers in northern Shan State, improved water supply in the uplands of Kayah State, and emergency assistance for the Dry Zone and Rakhine State. Contributions to other international and multilateral organisations, including expert secondments, have been granted to the International Committee of the Red Cross (ICRC) (management of orthopaedic clinics, supply of water and sanitary facilities in prisons and assistance to prisoners' families), the UNHCR (improving the protection of refugees from Myanmar in the camps in Thailand) and UNICEF (demobilisation and reintegration of child soldiers).

Since 2009 SDC has been contributing to the large multi-donor Livelihood and Food Security Trust Fund (LIFT), and partly through membership in the LIFT Fund Board has participated actively in livelihoods-related policy and strategy dialogue with key donors in Myanmar. This LIFT support was initially funded by HA and continues now with funding from SDC's Regional Cooperation. Early and sustained support to LIFT is an example of Switzerland's intention to consolidate humanitarian aid while moving towards development initiatives.



3 Implications of the current context for Swiss cooperation

At this historic turning point, Switzerland commits to make a contribution to a peaceful and prosperous future for Myanmar. The transitions are fragile, and international cooperation must be conceived in a way that shores up elements of democratic reform and is sensitive to conflict. Consolidated peace is a primary prerogative on which all other sustainable development depends. The legacy of conflict and abuse of human rights by all armed forces results in a necessary emphasis on protection of human rights of the most vulnerable populations, including refugees and displaced persons, women, and ethnic minorities at risk of violence or poverty.

Acute and chronic crisis situations as a result of both man-made and natural disasters remain a part of the Myanmar context for the foreseeable future. As a result of the SDC Humanitarian Aid experience, Switzerland is well-placed to respond to emergency needs, and humanitarian interventions will continue to be a key area of Switzerland's support, especially in areas of recent ceasefire agreements and areas where humanitarian access is a challenge. More emphasis will be placed on protection of the civilian population and disaster risk reduction. Switzerland's established role in Myanmar as a neutral transparent party engaged in addressing humanitarian concerns will be capitalised on through a longer-term development cooperation approach and support to the peace building process, for which the situation has now become more conducive.

Switzerland can add value to the economic transition by helping the private sector grow, specifically in a way that shifts the balance of control of economic assets from elites to small and medium-sized entrepreneurs. One of the challenges of sustainable natural resource governance will be to support equitable access: here Switzerland can contribute to national economic growth by helping assure small-holders access to land, forests and fisheries, as well as the inputs and technologies needed to make their natural assets productive. Moreover, to harness the benefits of foreign investment while reducing potential negative social and environmental impacts, Swiss private sector investors, service providers and financiers will be encouraged to work in an accountable and transparent manner, and adhere to standards of corporate social responsibility.



Switzerland's long-standing experience in supporting transitions from war to peace will be a strong asset. Switzerland will support the decentralisation that forms the basis of a political solution to the conflicts by helping local governments, communities and cease-fire actors work together to set policies and deliver social services within a national system framework. The strength and potential of Myanmar's growing local civil society is unprecedented in the region, and together with those government actors committed to reform, provides effective partners for development cooperation.

4 Swiss foreign policy objectives in Myanmar

The overall strategic orientation in Myanmar is guided by the Swiss foreign policy 2012–2015. In accordance with the two strategic axes of the current legislative period that are “strategic partnerships” and “stability beyond Europe”, the March 2013 “Stratégie Myanmar” pursued by the Federal Department of Foreign Affairs (FDFA) intends to intensify political and economic relations as well as to enhance international cooperation.

These foreign policy objectives are aligned with those of the Swiss Parliament’s Message on International Cooperation 2013–2016, which are: preventing and overcoming crises, conflicts and catastrophes; creating access for all resources and services; promoting sustainable economic growth; supporting the transition to democratic, free-market system; and helping to shape pro-development, environmentally-friendly and responsible globalisation. Specifically for the Mekong region, the message aims to maintain Switzerland’s engagement in Laos, to make a qualitative shift of the cooperation with Vietnam (a middle-income country since 2010) towards increased support for the integration into world markets through SECO, to maintain the humanitarian aid engagement in Myanmar as well as to expand development cooperation to Myanmar and Cambodia. Through its commitment Switzerland intends to contribute to peace and stability in the whole region. This Swiss Cooperation Strategy for Myanmar 2013-17 also complies with the Message on Civilian Peace Promotion 2012–2016.

Accordingly, in the Mekong region and in particular in Myanmar, Switzerland pursues a whole-of-government approach and in a coordinated manner uses the instruments of the different offices: FDFA’s political and economic relations tools, SDC’s development cooperation and humanitarian aid approaches as well as Human Security Division’s (HSD) peace-building and human rights promotion instruments. In addition, SECO in the area of economic development cooperation supports a few regional and global projects which are carried out by multinational organisations such as the International Labour Organisation (ILO). This engagement is in line with the above mentioned strategic framework as well as SECO’s strategy. The integrated embassy of Switzerland in Myanmar has created an institutional framework to respond to Myanmar’s multiple needs through a practical and coherent whole-of-government approach that brings the relevant instruments together under one roof.



5 Strategic orientation and priorities 2013–2017

Overall goal and hypothesis of change

The **overall goal** of the Swiss cooperation strategy for 2013–2017 is that:

Swiss cooperation contributes to political, social and economic transitions in Myanmar that aim at a peaceful, inclusive and equitable society as well as democratically legitimised institutions.

The **vision** is that Myanmar's transitions will lead to a diversified social, economic and political system with transparent and equitable processes for the sharing of resources. The vision is for an equitable access to social services, but also to political and economic positions of power. A peaceful society is one that has moved from armed conflicts to negotiated peace, and in which diversity is respected and differences are settled without the need to resort to violence. The vision for democratic governance is that women and men of all ethnic groups and sectors of society have a voice in a political process that uses national and regional systems to address local needs.

This vision calls for the following **overall hypothesis of change**: The people of Myanmar gradually gain confidence in, and benefit from their State institutions and services. Despite temporary setbacks they are increasingly able to share and manage resources peacefully and take advantage of economic opportunities. Switzerland promotes the transformation of conflicts, supports the process towards democratic governance and contributes to inclusive economic growth by addressing long-term drivers of conflict and poverty that lie in the core of fragility in Myanmar.

The **target population** of the strategy is disadvantaged populations, defined as those who are fully or partly deprived of basic needs and rights, with a particular emphasis on populations affected by conflict, ethnic minorities, and women.

Transversal themes

The following transversal themes will be applied and mainstreamed in a compulsory and context-specific manner in all interventions of the SCSM:

Gender equality – is the equal enjoyment by women and men of socially valued goods, potentials, resources and rewards with the aim that life opportunities of women and men become and remain equal. Adherence to this theme calls for gender awareness analysis and measures for mainstreaming in all interventions, for sex-disaggregated outcomes and respective monitoring data as well as for case-based gender-specific targets.

Good governance – is based on five principles to which a state should adhere to exercise good governance practices: accountability, participation, non-discrimination, efficiency and effectiveness, and transparency. This applies to how power is exercised at the different levels (national, sub-national, local), how decision-making processes function and how the state relates to citizens and private sector. In the Myanmar context, of particular importance may be proactive support for ethnic and other vulnerable and marginalised groups and promotion of access to information to support accountability and transparency.

Climate change and disaster risk reduction – to adapt to the effects of climate change and mitigate the impacts of climate change and non-climate natural disasters (e.g. earthquakes) to human life and property. This requires building capacity in climate protection and management of climate change and its effects. For the SCSM this implies in particular promoting sustainable use of soils, water and forests to alleviate negative impacts of disasters such as droughts and floods; supporting broader disaster-resilient development measures such as adequate construction; and fostering local risk management capacities.



Strategic guiding principles

In addition, a number of strategic guiding principles based on global development practice, on the country context, and on lessons from Switzerland's ongoing in-country experience, will be used to implement the strategy. These guiding principles are:

Whole-of-government approach - Switzerland will work through all the instruments at its disposal to support achievement of the outcomes in this strategy. These instruments include diplomatic practices for strengthening bilateral relations, SDC's range of tools for development cooperation (both from Regional Cooperation and Humanitarian Aid) as well as the peace promotion approaches applied by Human Security Division. The whole-of-government approach will be applied pragmatically through all levels of interventions: at project level, for support to policy dialogue and promotion of donor coordination.

Mix of implementation modalities – To respond in particular to changes in the political environment and to the situation of conflict, Switzerland will choose the most appropriate combination of implementation modalities. This covers bilateral contributions of different size and nature and mandates to a variety of implementing partners; collaboration with government, NGOs and private sector; direct implementation modality and provision of technical expertise; contributions to multi-partner programmes and funds that may imply also delegated cooperation arrangements; and contributions to multi-bi endeavors. As a tendency, multilateral and joint partnerships may become predominant in the overall portfolio mix.

Alignment and harmonisation - The Naypyitaw Accord for Effective Development Cooperation of January 2013, oriented on the Paris Declaration

(2005), Accra Agenda for Action (2008) and Busan "new deal" (2011), marked the Myanmar government commitment to enabling donor alignment with national strategies and objectives. Stated priorities include reform, economic liberalisation and the reconciliation process. The Busan New Deal for Engagement with Fragile States sets out the five goals of legitimate politics, justice, security, economic foundations and revenues and services. Switzerland is committed to these agreements and will actively support their practical implementation.

Conflict sensitive programme management - Switzerland applies conflict sensitive programme management (CSPM) in fragile contexts, particularly in countries such as Myanmar where conflict has been and continues to be an underlying cause of poverty and constraint to development. Identifying dividing and connecting forces in the dynamic and heterogeneous context of Myanmar will enable Switzerland to handle the potential for social tension and unrest in sensitive contexts, for example when supporting ethnic minorities and land governance. Promoting platforms for dialogue and exchange between different communities, civil society organisations and local authorities will be an important means to support trust and confidence building. Additional political economy and context assessments that include 'do no harm' analyses may be used if necessary.

Flexibility and opportunity-driven - To remain relevant while making an impact in the rapidly changing country context, flexibility and opportunistic programming will be important strategic principles. Myanmar is currently being flooded by an 'aid tsunami', and Switzerland is committed to making a difference with the amount of funds at its disposal. A flexible approach to steering and applying the institutional procedures to take quick advantage of opportunities must be based on close monitoring of both threats and opportunities related to the coun-

try strategy. Opportunities will arise from the country context as well as from Switzerland's experience in country, and include building from already-established relationships and partners in a strong position to scale-up scope and impact of interventions.

Additional strategic guidance is given through the geographic focus area section below.

Domains of intervention

Domain one: Employment and Vocational Skills Development

Rationale: Myanmar's economy still relies heavily on agriculture (which accounts for about 1/3 of GDP), while both the manufacturing and service sector are barely developed. Accordingly, the wage market for unskilled labour of Myanmar's thirty million-strong labour force (of which 40% are women) is limited. Labour market trends indicate an increasing surplus influenced also by demographic growth and the slightly declining agricultural labour market that currently absorbs about 70% of the labour force. Approximately one million young people leave school every year and only 10% have access to some sort of vocational skills training.

The technical and vocational education and training (TVET) sector is weakly developed and poorly organised, with rural areas completely underserved. Government offers TVET under 14 ministries with poor coordination with the private sector and insufficient orientation to actual labour market demand. Opportunities represent the ongoing economic reforms, along with the potential increase of FDI and the planned integration in ASEAN that will stimulate demand for skilled labour.

Domain goal: Systemic changes in the vocational skills sector enable disadvantaged women and men of all ethnicities in peri-urban and rural areas to increase employment or self-employment.

Outcomes:

1. *Increased access* to relevant vocational skills development offers has furthered employment and self-employment of disadvantaged women and men of all ethnicities in peri-urban and rural areas.

Relevance of vocational skills development offers will be pursued through clear labour market orientation, dialogue and partnership with private sector that adapts the principles of the dual vocational

skills model to the Myanmar context, with a focus on youth and the challenge of rural economic transitions.

2. Contributions to *systemic sector changes* have enhanced the responsiveness of the VSD sector to national and regional labour market demands.

Through concrete projects and programmes and in dialogue with all relevant partners (government, private sector, development agencies) strategically important elements for *policy change* will be targeted such as qualification frameworks, standards, certification mechanisms and institutionalising of cooperation with private sector. An emphasis on *outreach* will make a significant contribution to the number of new students trained through innovative formal and informal offers, to the number of vocational teachers prepared, to institutional capacity building and to new partnerships forged among governmental, private and development actors.

Domain two: Agriculture and Food Security

Rationale: While agriculture, forestry and aquatic resources comprise one third of Myanmar's GDP and two thirds of all employment, Myanmar's great natural potential for agricultural growth is constrained by a legacy of misguided policies, poor productivity, high rates of landlessness, and state-controlled markets. Pockets of chronic and acute food insecurity persist, especially in conflict areas. In the context of the transition to the market economy, including privatisation of resources, the commercialised private sector is taking an increasingly strong role in shaping options for agricultural development. The increased availability of domestic and foreign investment capital creates both opportunities and threats for smallholder farmers - in access to land, inputs, technologies, and markets - with ethnic minority upland cultivators and women being particularly vulnerable. Institutions supporting the shift to the market economy include new laws that create a land market, privatise land use rights, and provide a framework for industrial-scale agricultural land concessions - yet one in four agriculture-dependent households remain landless. Creating a healthy balance between the interests of export-oriented industrial agriculture and those that favour smallholder farmers' contribution to national agricultural growth poses an enormous challenge yet to be tackled by the government.

Domain goal: Smallholder and landless farmers, including women and men of all ethnicities, have increased food security, access to livelihood assets, sustainable agricultural productivity and income.



Outcomes:

1. Access to land and productive resources - Rural populations, including women and minority ethnicities, have more secure and more equitable access to and control over land, forest and aquatic resources.
2. Food security and productivity – Smallholder farmers and landless improve food security and increase productivity through diversified household production, public and private extension services, and food assistance as needed.
3. Income – Smallholder farmers have increased income through access to functioning value chains that cater to more efficient local and regional markets.

The domain outcomes cover the range of support that smallholder farmers require for the development of their businesses: from access to assets and technical inputs to effective markets. Access to land will be achieved by supporting the adaptation of national and regional policies and institutions on the basis of needs and opportunities demonstrated by practical work with communities. A programme to

improve land governance, with a specific reference to smallholders, will draw on a SDC regional land governance programme and global expertise. Switzerland's regional experience in supporting uplands agricultural extension could help to inform interventions in Myanmar.

The newly-legalised farmer associations will enable farmers to cooperate effectively as they engage with the public and private sector to increase productivity and improve market access. In line with government request, Switzerland coordinates with other development partners through LIFT, a multi-donor fund for livelihood and food security, to achieve livelihood-related outcomes. Switzerland also supports local initiatives in the geographic focus area of the Southeast including the smallholder farmer rubber value chain in the coastal lowlands, and intensification of agroforestry and community forestry in the uplands, using sustainable technologies. Targeted populations are women and men of all ethnic groups, including remote and upland areas, with special attention to persons in post-conflict areas and those persons vulnerable to chronic and acute hunger. Food assistance will be provided in critical and emergency situations, through partners like WFP.

Domain three: Health, Social Services and Local Governance

Rationale: Based on government's overall commitment for democratisation and decentralisation there is a clear need for building up local governance capacities along with improved basic community services. For instance, the national budget for 2012/13 foresees now for public health a still low 3% that is, however, a real increase against the less than 1% the former military government spent on public health. In the southeast, marked by decades of conflict, it is likely that refugees and IDPs will return voluntarily, and interventions will thus give special attention to the needs of these populations and their host communities, as well as ethnic minorities. Switzerland's domain interventions build on the SDC HA engagement that continues in the southeast and will apply a synergetic approach, combining humanitarian, development and peace-building instruments in a practical and delivery-oriented manner.

Domain goal: Disadvantaged people in rural communities, including conflict-affected and vulnerable populations, have access to better basic social infrastructures and services and are enabled to hold their local governments accountable for these services.

Outcomes:

1. Access to, use and public financing of basic public health services has improved.
2. Equitable access to and use of quality community infrastructure and services, especially in conflict-affected areas and areas of potential return, have improved.
3. Citizens, in particular women and vulnerable groups, can voice and address their needs, exercise their rights and participate in local decision-making.

The broad domain calls for practical strategies of different intervention levels including provision of social and community infrastructure (schools, rural health centres, local access roads, bridges, water and sanitation, etc.), support to community health and building up of local governance capacities. Apart from the infrastructure programme, concepts and interventions in health and local governance have yet to be developed. Those combined activities, carried out with a variety of local and international partners, shall also aim at improving protection capacities in areas with possible return of IDPs and refugees and their host communities and ultimately contribute to consolidate ceasefire agreements and to the peace process.

Domain four: Promotion of Peace, Democratisation and Protection

Rationale: After decades of armed conflict, Myanmar has entered into a period of transitions both in terms of political reforms towards democracy and in terms of the society's capacity to deal with conflicts without resorting to violence. The Swiss intervention in the area of promotion of peace and democratisation aims at supporting these transitions by assisting political negotiations and the building of institutions through which conflicts are resolved peacefully, in view of creating a more democratic and inclusive polity in Myanmar. However, the situation in ethnic minority areas of the southeast remains volatile. With significant areas isolated for decades under active conflict, distrust and protection issues such as forced displacement, landmines, land confiscation, human trafficking, and lack of access to basic social services remain a challenge for the transitional process. Therefore Switzerland also aims to strengthen the capacities of communities and other relevant actors to improve protections of conflict-affected civilians, including those displaced and potentially returning to their places of origin.

Domain goal: Political negotiations have resulted in nascent institutional reform processes, leading to a more inclusive and democratic polity, and conflict-affected people are better protected from violations of their basic rights.

Outcomes:

1. Key negotiating parties have articulated their aspirations and have presented them in the ceasefire and political peace negotiations which lead towards a democratic and inclusive Myanmar.

Peaceful conflict resolution processes are promoted mainly through two broad lines of intervention: direct support to negotiation parties and promotion of a broader inclusion of civil society and women in the negotiations. Although detailed interventions



are difficult to foresee, the focus lies on strengthening relevant institutions with technical, financial and conceptual resources; upon request retreats and capacity building seminars are organised for negotiators and advisors, or more active roles assumed if requested by all partners.

2. Shared democratic and human rights norms and values within Myanmar society and institutions are enhanced.

Democratisation is enhanced through three sets of activities: first, the legal framework is improved by assisting relevant reforms (e.g. electoral system, judiciary) and by advocating for the ratification of key international instruments, including capacity building for their application; second, a shared sense of history is promoted and truth-seeking mechanisms (e.g. related to the Rakhine conflict) are supported; third, small actions are foreseen to strengthen non-profit civil society organisations and their capacity to interact with the government and with private business.

3. Conflict-affected people from selected areas can live in, or return to, a place of their choice in dignity and without fear, and have access to assistance as required.

This outcome is achieved, on the one hand, through advocacy for enhanced humanitarian access and broader policy changes with government and armed non-state actors; on the other hand, Switzerland works through partnerships with key bilateral and multilateral partners engaged operationally in protection. In all its activities special consideration is given to vulnerable segments, in particular IDPs, refugees, returnees, children and victims of trafficking.



6 Geographic focus area: Myanmar's southeast

Building on more than a decade of experience of humanitarian aid interventions in Myanmar, Switzerland will focus its support in southeast Myanmar. With a land area about the same as Switzerland, the greater southeast region includes Kayah State, Kayin State, East Bago Division, Mon State and northern Tanintharyi Division, and is home to a number of ethnicities living in coastal plains, deltas and hilly uplands. While the area is dominated by ethnic minorities, the Burman national majority ethnic group is also represented in areas of the southeast, especially Tanintharyi Division⁶. The southeast has been the focus of several of the longest-running armed conflicts in the region, with resulting displacement of persons, loss of assets to smallholder, and related abuses of human rights. Cease-fire agreements have been achieved with the major ethnic armed groups in Kayah, Kayin and Mon State. Nevertheless, about 140,000 persons remain in refugee camps strung along the Thai side of the border and 200,000 persons remain internally displaced within the border areas, who might eventually choose to return to their home areas in the southeast. Due in part to the conflict, access to social services in these areas remains very limited with poor transportation, infrastructure and local governance structures. Over decades of isolation and conflict, most ethnic armed groups have established a certain level of basic social services through their political organisations.

The economy in the southeast is characterised by its proximity to Thailand, with high rates of internal and cross border migration. This border was for decades the most important location for cross-border trade, as black-market routes supplied the majority of the consumer products used in country. The agriculture systems have a great potential to strengthen production through smallholder farmers in both the rubber-producing coastal lowlands of Mon State and northern Tanintharyi, and in the uplands characterised by sloping lands and rotational fallow systems of agro-forestry. One of the primary east-west transportation corridors planned under the Asian Development Bank (ADB)-financed Greater Mekong Subregion development will end in the southeast - one terminating near Mon State's capital of Mawlamyine, and the other in northern Tanintharyi's Dawei, where a deep-water seaport and a major

industrial zone intends to be one of the country's first special economic zones. New opportunities in the special economic zones and growth of small and medium enterprises can be supported through the vocational skills initiatives that will also target migrant labourers, who form the bulk of workers in the southeast. The free flow of goods and people across the border will be formalised when the ASEAN Free Trade Agreement (AFTA) comes into force in 2015.

The southeast exhibits characteristics that demand a whole-of-government approach: build on Switzerland's humanitarian aid interventions and complement them with initiatives in development cooperation and peace promotion and democratisation. While the majority of the overall efforts across the domains will be dedicated to the southeast⁷, part of the support (likely up to 30 percent) will be devoted to synergetic initiatives with a national scope for advocacy and policy development, including through multilateral initiatives and multi-donor funds. Emergency aid will be provided country-wide as needed in moments of crisis, and peace building initiatives will be driven by opportunities toward a national vision.



⁶ SDC also supports majority Burman development initiatives through contributions to multi-donor funds, such as the LIFT livelihoods fund which has a strong Dry Zone focus

⁷ including refugee camps in boarder areas of Thailand

7 Management and strategic steering

Management structure and processes

The newly-established integrated Embassy of Switzerland provides a framework for a whole-of-government approach in the field. The overall responsibility for strategic guidance and coherence is with the Ambassador whereas the Director of Cooperation, together with the Head of Political and Economic Affairs, are responsible for the management and strategic steering of the programme under the SCSM 2013-17. The structures and processes in the Embassy are designed such that synergies between Switzerland's political and economic interests, development cooperation and peace promotion can be exploited, while thematic coordination and mutual learning are ensured. The Director of Cooperation is also a member of the SDC Regional Coordination Team of the Mekong Region Programme, and Myanmar adds value to both country-specific and regional outcomes through participation in selected SDC regional programs.

Strategic steering and monitoring

The actual steering of the SCSM, including the results frameworks for the domains, is in accord with SDC's institutionally defined structures and instruments and ensures coordination with HSD's procedures. Achievements of outcomes are measured and documented on an annual basis in the Annual Reports and the common Management Response by Head Offices. Monitoring of programme results will draw on progress reports, field visits and partner dialogue and end-of-phase reviews. Monitoring of SDC's contributions to development results will mainly rely on end-of-phase reviews and selected formal impact studies, when required major programme adaptations are evaluated and decided accordingly. Due to the lack of robust data, the results frameworks do not yet have established baselines. Those will be established once the different domains possess sufficient relevant data, i.e. as soon as the major engagements in the domains are defined that will mainly be made throughout 2013-14. In 2015, after the planned general elections in Myanmar, a major mid-term review of the strategy will be undertaken including an updating of the results frameworks assuming that by then new experience worth incorporating will have been made, while changes in the context may need to be reflected.

Besides programme monitoring, the monitoring system includes regular political and economic reporting by the Embassy as well as the participatory context-change monitoring instrument of MERV, which will be carried out on a six-monthly basis. This system shall ensure the timely availability of the necessary information on context and on programme development for steering, obviously giving importance of risk monitoring and assessment relevant for programme development.

Financial management

The annual financial allocation for Switzerland's aid programme foresees a gradual increase from CHF 11m in 2012, to CHF 18m in 2013, and up to CHF 33m from 2016 onwards (including SDC and HSD contributions, but excluding the Embassy running costs); details are shown in Annex H. Given the dynamic and still uncertain trends in the context, and the fact that most of the portfolio still needs to be built up, best possible flexibility for the actual allocation is required. The challenge will be to apply an adequate mix of aid modalities to absorb the substantial budget in a yet-to-be developed and expanded portfolio, without overstressing the available staff capacities in the Embassy.



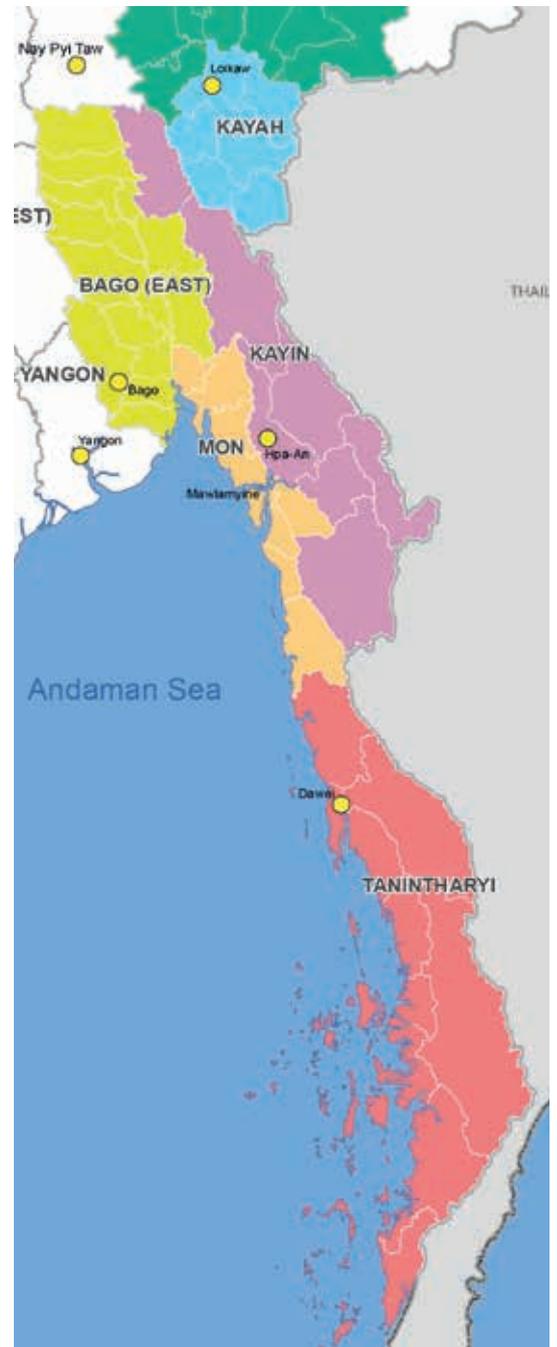


8 Annex

Annex A: Map of Myanmar (with geographic focus area for Swiss cooperation)



Map Resource: MIMU368v05_www.themimu.info/maps/countrywide

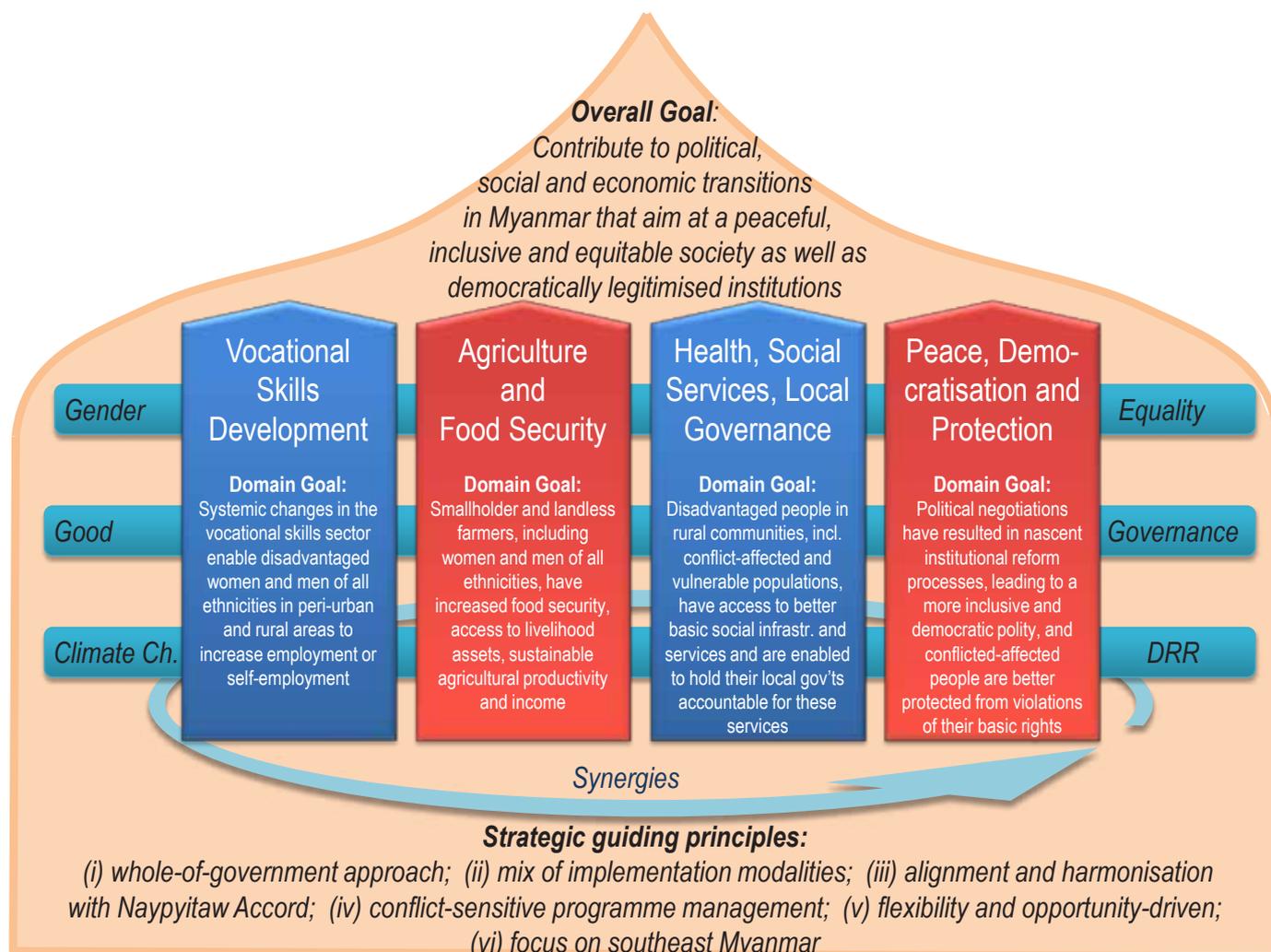


Map Resource: MIMU993v01_ (SouthEast) States and Regions_www.themimu.info

Swiss geographical focus:

Southeast of Myanmar - covers East Bago, Kayah, Kayin, Mon States and Northern Tanintharyi Division

Annex B: Graphic synopsis of Swiss Cooperation Strategy Myanmar 2013–17



Annex C: Results Framework: Domain one – Employment and Vocational Skills Development

Domain of intervention 1: Employment and Vocational Skills Development		
Domain goal: Systemic changes in the vocational skills sector enable disadvantaged women and men of all ethnicities in peri-urban and rural areas to increase employment or self-employment.		
(1) Swiss portfolio outcomes	(2) Contribution of Swiss programme	(3) Country development
<p>Outcome statement 1:</p> <p>Disadvantaged women and men, including youth, migrants, returning IDPs and refugees, have access to relevant vocational skills development offers, as well as to employment and self-employment.</p> <p>Indicators:</p> <p><i>Relevance:</i> Applicability and relevance of the competencies and skills learned in their jobs from both trainee/graduate and employer perspective</p> <p><i>Employment:</i> Percentage of trained and employed people (disaggregated women/men, minorities, youth, returned IDPs and refugees; source: tracer studies)</p>	<p>Links:</p> <ul style="list-style-type: none"> - Preparation of actors at implementation level for new approaches and new duties in coordination with Government of Myanmar (GoM) authorities <p>Intermediary results:</p> <ul style="list-style-type: none"> - VSD has been promoted among potential students and employers - Labour market needs have been assessed more appropriately and training offer adjusted accordingly - The awareness, motivation and capacity in the VSD sector has been increased <p>Risks, assumptions:</p> <ul style="list-style-type: none"> - Trained people might migrate - Opening of border (ASEAN) and migration of skilled and unskilled labour 	<p>Outcome statement 1:</p> <p>The Ministry of Education recommends to conduct vocational training courses in line with the needs of both the private sector and learners, as applicable in “real-life situation”; and to prioritise skills-building for mid-level personnel in respective economic sectors.</p> <p><i>(Priority Programme, National Level Education Development Plan 2012)</i></p> <p>A new comprehensive education sector plan is currently under preparation by government and development partners for mid 2014, which will articulate recommended directions for vocational skills development. A revised legal framework for VSD is also in preparation.</p> <p>“Youth employment” has been declared a priority by both government and opposition</p> <p>“Create enabling environments for women by providing quality applied technical skills, trainings and opportunities for the enhancement of women’s livelihoods and poverty reduction.” <i>(Strategy 7, National Strategic Plan for the Advancement of Women 2012–2021, Government of Myanmar)</i></p>
<p>Outcome statement 2:</p> <p>Enhanced responsiveness of Myanmar’s vocational skills development system to national and regional labour market needs</p> <p>Indicators:</p> <p><i>Systemic change:</i> No. of crucial elements for Myanmar’s VSD policy changes (qualifications framework and standards, certification mechanisms, dual system approach, its context specific application)</p> <p><i>Outreach/scale:</i> No. of trainees benefitted from Swiss portfolio interventions; No. of trainers/ consulting personnel have improved VSD training capacities; No. of organisations, private sector partners offering VSD support (financial, technical, partnerships for in-practice trainings)</p>	<p>Links:</p> <ul style="list-style-type: none"> - The inclusion of VSD and VSD stakeholders (eg. private sector) will contribute considerably to the quality and comprehensiveness of a sector plan to serve the needs of the country - Contribute views and concerns of actors at implementation level to the policy definition - Gained experience can be contributed to the development of sector plan - Support the implementation of regional initiatives at national level <p>Intermediary results:</p> <ul style="list-style-type: none"> - Exposure of national experts/decision makers to best practice example (south – south, south - north) - Partnership between GoM and NGOs, VSD providers and private sector have been improved and enhanced <p>- Risks, assumptions:</p> <ul style="list-style-type: none"> - Lack of prioritisation and valorisation of VSD issues in education sector review - Lack of coordination capacity (large number of involved Ministries) - Delays and/or lack of preparedness on ASEAN 	<p>Outcome statement 2:</p> <p>The Ministry of Science emphasises the role of the private sector in setting priorities for practical occupational and skills development.</p> <p><i>(Department of Technical and Vocational Education, Ministry of Science and Technology, Principal Objective b & c)</i></p> <p>“Assist CLMV countries to meet ASEAN-wide targets and commitments towards realising the ASEAN community”</p> <p><i>(Initiative for ASEAN Integration Strategic Framework, 2009–2015)</i></p>

(4) Lines of intervention (for all outcomes):

- Support technical and vocational education and training (VSD) at local, regional level (as nuclei and in-situ models, through gov't and NGOs)
- Provide special VSD interventions for requirements of new economic zones (if assessment positive)
- Implement special VSD programmes for 'migration preparedness'
- Assess and if feasible impart VSD projects tailored for child soldiers and returnees
- Seek partnerships with private sector actors, local, international – for enhancement of dual elements in VSD (for adjustment of VSD offer according to labour markets needs; training places offered by private sector; job placements, others) and contributions of national and international private sector partners to TVET endeavours as a whole
- Support the formulation of national qualification frameworks for specific professions, standards setting and certification mechanisms for specific trades/occupations
- contribute to national policy dialogue and policy improvements, support leadership of government and coordinate with all relevant national and international actors

(5) Resources, partnerships (Swiss programme):**Resources:**

- Budget of about CHF 8 mio./year by 2017 (around 1/3 of SDC RC budget for Myanmar).

Potential important partners:

- CVT, development partners (bi-, multilateral, UN-Organisations); Government: Ministry of Labour, Employment and Social Security, Ministry of Economy, Ministry of Industry, Ministry of Science and Technology; local government institutions; private sector; international VET specialists and institutions

Annex D: Results Framework: Domain two – Agriculture and Food Security

Domain of intervention 2: Agriculture and Food Security		
Domain goal: Smallholder and landless farmers, including women and men of all ethnicities, have increased food security, access to assets, sustainable agricultural productivity and income.		
(1) Swiss portfolio outcome	(2) Contribution of Swiss programme	(3) Country development outcome
<p>Outcome statement 1:</p> <p>Access to land and productive resources – Disadvantaged rural populations, including women and minority ethnicities, have more secure access to and control over land, forest and fisheries</p> <p>Indicators:</p> <ul style="list-style-type: none"> - increased % of farmers with secure land tenure (by gender, ethnicity and holding size) - existence and implementation of inclusive local resource management planning processes 	<p>Links:</p> <p>Assured access to a productive resource such as land is the basis for any agricultural investment.</p> <p>Intermediary results:</p> <ul style="list-style-type: none"> - policies and institutions that support equitable access to land, with a focus on women and upland farmers, have been strengthened and implemented - local organisations are effectively defending the interest of the smallholder farmers and communities affected by infrastructural developments (mines, dams, pipelines, land concessions) - local (village, township, and/or state/region) governance plans reflect sustainable natural resource management - local authorities, govts. and communities have increased capacities for inclusive decision-making over natural resources <p>Risks, assumptions:</p> <ul style="list-style-type: none"> - and management becomes too sensitive an issue to work on - elites may assert economic interest through means that are not transparent or accountable - may be seen as a national security issue 	<p>Outcome statement 1:</p> <p>The <i>Farmland Law and Vacant, Fallow and Virgin Land Law</i> of March 2012 created a land market and promotes the regularisation of land tenure, while also providing rudimentary grievance mechanisms, and enabling large-scale agricultural concessions.</p> <p>In August 2012 President Thein Sein set a policy guideline for government agencies to address landlessness and indebtedness of rural farmers, in part to address the problem that <i>24% of the agriculture-dependent population is landless</i>, (Framework for Economic and Social Reforms 9/9/2012) [IHLCA 2009–2010]</p> <p>An inter-ministerial <i>Land Allocation and Management Committee</i> formed in August 2012 is mandated to draft a <i>national land use policy</i> by 2013.</p> <p>A parliamentary committee to investigate claims of land confiscation was formed in August 2012 with a one-year mandate to investigate and make recommendations on specific cases. (This process may lead to a country outcome formulation.)</p>
<p>Outcome statement 2:</p> <p>Food security and productivity – Smallholder farmers and landless improve food security and increase productivity through diversified household production, demand-driven public and private extension services, and food assistance as needed for targeted vulnerable persons</p> <p>Indicators:</p> <ul style="list-style-type: none"> - increased yield of targeted crops - Increased diversity of products - Perceived quality of extension services - Increase in food security on vulnerable populations in crisis situation <p>e.g. Township (Myanmar Agricultural Services), state and national level statistics on: Yield/acre for rice, oil crops, beans and pulses; Production, waste, consumption, and surplus for rice and edible oils</p>	<p>Contribution logic:</p> <p>Increased food security and productivity are a significant contribution to rural development and poverty alleviation, because they constitute the productive base for an improved livelihood situation of land/poor and landless women and men.</p> <p>Intermediary results:</p> <ul style="list-style-type: none"> - Demand-based public and private extension systems are in place and effective - Targeted vulnerable households have increased and diversified food production. - In case of crisis, food shortage has been effectively identified and addressed. <p>Assumption:</p> <ul style="list-style-type: none"> - Actors of public and private extension service providers are willing to work together in order to provide complementary extension services. 	<p>Outcome statement 2:</p> <p>Indicators (also for baseline)</p> <p>The Rural Development and Poverty Alleviation Central Committee in June 2011 set a goal to <i>reduce national poverty rate to 16% by 2015, with development of agricultural production; rural small-scale productivity and cottage industries; and rural cooperatives</i> among the eight priority areas</p> <p>The Ministry of Agriculture has set priorities to distribute high-yield paddy strains, disseminate technical knowledge, provide access to inputs and establish integrated farming methods. (<i>Objectives of Agricultural Production Priorities, Myanmar Rural Development and Poverty Reduction Strategy 2012</i>)</p>

<p>Outcome statement 3:</p> <p>Income – Farmers have increased income through inclusive and functioning value chains that cater to efficient local and regional markets</p> <p>Indicators:</p> <ul style="list-style-type: none"> - volume and value of product sales by farmer organisations - farmer organisation membership by gender and wealth rank (inclusiveness criteria) - % increase in income (and/or expenditure) 	<p>Contribution logic:</p> <p>Farmers with improved abilities to grasp socio-economic opportunities and generate increased incomes reduce national poverty and enhance rural development.</p> <p>Intermediary results:</p> <p>Farmers associations and/or producers cooperatives are formed around production, processing and marketing of agricultural commodities</p> <p>Risks:</p> <ul style="list-style-type: none"> - Farmer associations not firmly supported by local/regional authorities - The entry to ASEAN and strengthened economic links to Thailand outcompete local production rather than supporting it 	<p>Outcome statement 3:</p> <p>The Rural Development and Poverty Alleviation Central Committee in June 2011 set a goal to reduce national poverty rate to 16% by 2015, with development of agricultural production; rural small-scale productivity and cottage industries; and rural cooperatives among the eight priority areas.</p> <p>Ministry of Cooperatives Cooperative Society Law allows for the formation of production cooperatives as well as societies of cooperatives</p> <p>Farmland Law of 2012 and Labour Law of 2011 provide a legal framework for farmer associations, also supported by the Law of Association</p>
--	---	--

(4) Lines of intervention* (Swiss programme):

- Outcome 1:**
1. Support to formulation of land laws and policies, including national/regional land use, extension, and development policy
 2. Education on rights, local land adjudication, pilot tenure mechanisms
 3. Community-based natural resource management; support land use planning and at local and regional level, linking village and government processes
 4. Availability of quality information for policy and action
- Outcome 2:**
1. Support to agricultural/agroforestry research through government and/or research centres
 2. Improved agricultural technologies and knowledge through farmer-led extension/farmer field schools
 3. Crop diversification and income-generation activities
 4. Food assistance in case of crisis and protracted food insecurity
- Outcome 3:**
1. Link farmer's associations with gov't extensions and/or private investors
 2. Support farmer associations to conduct market and value chain studies
 3. Research and implementation on post-harvest processing
 4. Strengthen farmer access to information and power to negotiate contracts
- *Targeted population: Smallholder farmers and landless, including women and men of all ethnicities, and displaced persons, refugees and demobilised soldiers.*

(5) Resources, partnerships (Swiss programme):

- Resources:**
- Budget of about CHF 8 mio./year by 2017 by RC (around 1/3 of SDC RC budget for Myanmar); and CHF 2.5 mio./year by HA
- Important partners:**
- LIFT (multi-donor livelihoods fund), World Food Programme (WFP) as partner to SDC-HA on Outcome 2.4. Government agencies at national and (targeted) regional level responsible for land, forest, fisheries and planning, as well as for agricultural production and extension. Local and international non-governmental organisations and networks, land-related civil society organisations, farmer associations and commodity-producing organisations. Research organisations with expertise in agricultural technology and policy research. SDC's regional land programme and Mekong Institute will be important partners.

Annex E: Results Framework: Domain three – Health, Social Services and Local Governance

Domain of intervention 3: Health, Social Services and Local Governance		
Domain goal: Disadvantaged persons in rural communities, including conflict-affected and vulnerable populations, have access to better basic community infrastructures and services and are enabled to hold their local governments accountable for these services		
(1) Swiss portfolio outcome	(2) Contribution of Swiss programme	(3) Country development outcome
<p>Outcome statement 1:</p> <p>Health</p> <p>Access, use and public financing of basic health services has improved.</p> <p>Indicators:</p> <ul style="list-style-type: none"> - Number of people (men, women, children) treated in supported health centers - Balance coverage of target groups (remote/migration/conflict affected communities) - Qualitative indicator on health staff capacities (input from Health Network) - Assignment of governmental health staff to health centres; - Integration of basic health services costs in public budget 	<p>Intermediary results:</p> <ul style="list-style-type: none"> - Rural health centers are planned, developed and managed with inclusive local participation (community, leaders of ethnic minorities, government); financial viability discussed and agreed upon between government and leaders of ethnic minorities - Water and sanitation systems linking other infrastructure development in target areas are planned developed and managed through local participation - Selected basic health practices and services are improved in target areas: water and sanitation, mother and child health - Specific needs of selected vulnerable groups are addressed (mines victims, migrants, IDPs and returnees) - Switzerland brings (field) expertise into policy dialogue with the government on selected issues (like health budget, capacity health staff, regulatory systems, quality control of health, others) <p>Risks:</p> <ul style="list-style-type: none"> - Lack of coordination among multiple actors and donors involved in the health sector - Lack of political will to implement real change and the inability to see possibilities of change - Limited access to target areas - SDC being a marginal donor in the health sector requires a targeted intervention 	<p>Outcome statement 1:</p> <p>"Increase equitable access to quality social services" (<i>UN Strategic Framework 2, 2013–2015</i>)</p> <p>"Increase the accessibility of health care services through selection and training of new Village Health Workers (VHWs) and refresher training of old VHWs." (<i>Strategy 3.2, Community Health Programme, National Health Plan 2006–2011</i>)</p> <p>"...improve the health status of mother and children including newborn by reducing maternal, neonatal and child mortality and morbidity." (<i>Maternal, newborn and child health policy, Ministry of Health, 2011</i>)</p> <p>"Attain hygienic practice on water and sanitation... Reduce the incidence of water-borne and excreta-related disease." (<i>Objectives 3-.2.6&7 Environmental Health Programme, National Health Plan 2006–2011</i>)</p> <p>To ensure access to clean drinking water for people who live in border and rural areas. (<i>Development Plan of Priority Sector/Areas for Foreign Aid, Department of Rural Development, Ministry of Border Affairs, 2011–2016</i>)</p>

<p>Outcome statement 2:</p> <p>Community infrastructures and services</p> <p>Equitable access to and use of quality community infrastructure and services by vulnerable people with focus on conflict/post-conflict affected areas and areas of potential returnees are improved.</p> <p>Indicators:</p> <ul style="list-style-type: none"> - Number of people (men, women, school children, from diverse ethnic minorities) accessing and using supported infrastructures (schools, roads, small scale irrigation) - Balance coverage of target groups (remote/migration/conflict affected communities) - Community participation in infrastructure maintenance 	<p>Intermediary results:</p> <ul style="list-style-type: none"> - Community infrastructures are planned, constructed and managed with inclusive local participation (community, leaders of ethnic minorities, government); - Roles and responsibilities for infrastructure operation & maintenance are defined and implemented by local actors - Targeted communities are mobilised on specific issues such as DRR and environment, linked to the supported infrastructures - Involvement of local labor force is promoted; local construction skills are enhanced - SDC field expertise is fed into policy dialogue on National School Construction Guidelines <p>Risks:</p> <ul style="list-style-type: none"> - Limited access to target areas - Power groups try to use for their own interests the investment in community infrastructures in ongoing peace processes <p>Hypothesis:</p> <p>The access to community infrastructure and services through an inclusive and participative community approach is contributing to trust building among different local actors and creating peace dividends; it is also considered a means to enhance protection of the target population.</p>	<p>Outcome statement 2:</p> <p>“I would like to urge the effective implementation of people-centred development including development of township-wise GDP, increase in per capita income and improvement of household- education, health and living standards... Funds should be spent on infrastructure projects such as education, health, electricity, communications, roads, bridges...”</p> <p><i>Address delivered by HE U Thein Sein, President of GoM, 19 June 2012</i></p> <p>Strategic thrust:</p> <p>Effective implementation of people-centered development through community-driven, participatory approaches to improvement of education, health and living standards</p> <p><i>Framework of Economic and Social Reforms (FESR - Policy Priorities for 2012-15)</i></p> <p>Community driven development institution that support local governance in service delivery.</p> <p><i>(UN Country Outcome 1, 2013–2015)</i></p> <p>National Comprehensive Development Plan (NCDP) which consists of a set of four Five-Year Development Plans covering the period of 2011–31</p> <p>5-Year Development Plan 2011–2015 (pending approval by the parliament)</p>
--	---	---

Outcome statement 3:

Local governance

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

Indicators:

Number of development plans elaborated reflecting priorities of different groups (men, women, minorities)

Number of capacitated representatives of different groups participate in the preparation of development plans

Number of core activities coming from the development plans which are implemented (with donor or government funds)

Perception of improved responsiveness of local authorities by local population

Intermediary results:

- Members of township planning committee (duty bearers) are capacitated in participatory planning
- Right holders are capacitated in participatory planning and interacting with local government and administration
- Township administration capacitated in managing activities and budget deriving from participatory planning
- Capacity building of Legislative representatives at State/regional level
- Executive and legislative representatives are exposed on good practices on decentralisation and local governance (Swiss or south-south experience)

Assumptions:

- Union government pursues "bottom up development planning " (indicated in President address); decentralization reform agenda is pursued (with delegation of powers and management of budget)
- Policy direction as laid down by the Union Gvnt. on the composition of the township planning committee is implemented (inclusive composition)

Risks:

- Decentralisation reform agenda is not pursued
- Peace processes can contribute or hamper decentralisation agenda
- Traditional decision makers jeopardise local governance process
- Conflict of interest between local population and insurgent groups (less risk from the civilian administration)
- Influence of the military and NATALA (continues to override State authorities)

Outcome statement 3:

" We will enjoy much greater benefit from the emergence of good governance and clean government as transparency prevails between the government institutions and the people...a bottom up approach is to be widely applied rather than top down approach"

Address delivered by HE U Thein Sein, President of GoM, 19 June 2012

"GoM recognises participatory processes of policy consultations as a way of empowerment to the citizens and an important step toward democratic governance; therefore, it will scale up these practices in the future."

Framework of Economic and Social Reforms (FESR - Policy Priorities for 2012-15)

Promote democratic governance and the rule of law to strengthen democratic institutions and the advancement of human rights

(United Nations Strategic Framework for Myanmar 2012–2015)

"My Government will continue to do everything to turn the ceasefire agreements into lasting peace **in order to improve socio-economic conditions** of internally displaced people, returnees and ceasefire groups"

Address delivered by HE U Thein Sein, President of GoM, 19 January 2013 at the first Development Cooperation Forum, Nay Pyi Taw

(4) Lines of intervention (Swiss programme):

Outcome 1:

Construction of health centers as well as water and sanitation infrastructure at local level (SDC HA direct implementation, including partnering with UNICEF and other Agencies)

Awareness raising and community mobilisation to improve health practices

Strengthen formal and informal health staff capacities

Rehabilitation of mine victims, support to migrant's specific health needs

Participation in sector dialogue with other donors and government (policy dialogue and aid coordination)

Identification and provision of relevant Swiss expertise in health sector planning and development

Outcome 2:

Construction of community infrastructure

Community mobilisation and awareness raising on importance of operation and maintenance supported infrastructures including specific topics such as DRR, environmental issues, waste management

Advocate for an active role and improved service delivery by local authorities related to community infrastructures

Promotion of local labour force and construction skills development (possible synergies with domain 1)

Advocacy and dialogue with concerned Ministries to promote national school construction guidelines based on SDC field experience (in collaboration with UNICEF and other relevant stakeholders)

Outcome 3:

Civic education and social mobilization on constitutional rights (legal awareness)

Strengthening of Civil Society Organisations and local NGOs

Mediation and policy engagement with different groups

Exposure visits

Overall risk and mitigation measure:

High risk of duplication due to the sudden and substantial increase of development/humanitarian actors in Myanmar and the lack of an overall coordination mechanism led by the Government.

Switzerland will develop its interventions based on an active dialogue with other development/humanitarian actors and with the GoM.

(5) Resources, Partnerships (Swiss programme):

Resources:

Budget of about CHF 8 mio./year by 2017 (around 1/3 of SDC RC budget for Myanmar); plus CHF 2.4 – 3.4 mio. by HA

Important partners:

Outcome 1:

SDC direct implementation (health centers)

Cooperation within south-east consortium (SDC, Norwegian Refugee Council/NRC, ActionAid with funding from EuropeAid)

Cooperation with international NGOs and local NGOs

Cooperation with UN agencies (UNHCR, International Organisation for Migration, UNICEF)

Cooperation with relevant governmental actors (Ministry of Health, Department of Progress of Border Areas and National Races, Ministry of Border Affairs)

Outcome 2:

SDC direct implementation (community infrastructure)

Cooperation with south-east consortium (SDC, NRC, ActionAid with funding from EuropeAid)

Cooperation with local NGOs (to be developed)

Cooperation with UN agencies (UNICEF, UNHCR, ...)

Relevant governmental actors (Ministry of Education, Department of Progress of Border Areas and National Races, Ministry of Border Affairs)

Outcome 3:

Partnership with local NGOs, community based organisations, civil society organisations working on participatory planning processes

Representative from the legislative and executive at different levels

Representative from Non State Actors

General administration department at township and State level

Township planning committee

Other development partners

Annex F: Results Framework: Domain four – Peace, Democratisation and Protection

Domain of intervention 4: Promotion of Peace, Democratisation and Protection		
Domain goal: Political negotiations have resulted in nascent institutional reform processes, leading to more inclusive and democratic polity, and conflict-affected people are better protected from violations of their basic rights.		
(1) Swiss portfolio outcome	(2) Contribution of Swiss programme	(3) Country development outcome
<p>Outcome statement 1:</p> <p>Key negotiating parties have articulated their aspirations and have presented them in the cease-fire and political peace negotiations which lead towards a democratic and inclusive Myanmar.</p> <p>Indicators:</p> <p>Key negotiating parties have formulated their process strategies as well as interests behind their positions.</p> <p><i>Baseline:</i> Certain positions are formulated without overall strategy</p> <p><i>Target value:</i> Positions are embedded in a strategy and underlying interests are formulated.</p> <p>Appropriation of democratic and human rights principles by key negotiating parties.</p> <p><i>Baseline:</i> to be determined during first year.</p> <p><i>Target value:</i> to be determined during first year.</p>	<p>Link between 1 and 3:</p> <p>The Swiss contribution to facilitating the inclusion of all key parties, women and civil society allows for a more holistic and sustainable peace. It helps the negotiating parties become more democratic and use the methodological and process-related skills linked to successful peace negotiations.</p> <p>Assumptions:</p> <p>The momentum towards cease-fires and national political dialogue is maintained. The negotiating parties acknowledge that external support can be an asset in the preparation for their direct negotiations. The negotiating parties want a democratically functioning society.</p> <p>Risks:</p> <ul style="list-style-type: none"> - Peace negotiations drag on without significant progress. - Spread of sectarian violence. 	<p>Outcome statement 1:</p> <p><i>Myanmar's process of national reforms is based on a consensus among all communities in the country resulting from an inclusive dialogue.</i></p> <p>The Swiss engagement builds on the GoM's commitment to seek lasting solutions to the political conflicts and promote Human Rights. This commitment has been reiterated several times, amongst others through:</p> <ul style="list-style-type: none"> - Presidential Message: Peace and Return of Refugees (on 19 June 2012) - Constitutional amendments and elections in 2012 - National Action Plan for the Demobilisation of Child Soldiers (and signing of the corresponding convention) <p>National level indicators are:</p> <ul style="list-style-type: none"> - Number and quality of agreements implemented (in terms of democratic visions enshrined in the agreements) - Number of groups included in the negotiations / in the political process
<p>Outcome statement 2:</p> <p>Shared democratic and human rights norms and values within Myanmar society and institutions are enhanced.</p> <p>Indicators:</p> <p>Ratification of international instruments.</p> <p><i>Baseline:</i> priority: Int. Convention on Civil and Political Rights; UN Convention against Torture; to be reviewed during first year.</p> <p><i>Target value:</i> to be determined during first year.</p> <p>Civil society is strengthened in its capacity to promote human rights and democratic values.</p> <p><i>Baseline:</i> to be determined during first year.</p> <p><i>Target value:</i> to be determined during first year.</p>	<p>Link between 1 and 3:</p> <p>Swiss contributions with know-how for ratification and implementation working with civil society and capacity building</p> <p>Assumptions:</p> <p>See outcome 1.</p> <p>Risks:</p> <p>The reform agenda is too closely linked to a group of leaders. A change in leadership (through elections or other means) could result in a lack of commitment of GoM in implementing reforms.</p>	<p>Outcome statement 2:</p> <p>Government and civil society groups have enhanced their joint efforts in promoting human rights and an inclusive notion of citizenship in the country.</p> <p>The Swiss contribution to Democratisation and Human Rights is anchored in the government's commitment to reforms. GoM has undertaken remarkable efforts to improve the human rights situation in the country, a development that is also reflected in the recent UN resolutions and in statements of the international community. Most notably, censorship on media has been lifted, civil society groups are allowed to register and operate and the government is considering the adoption of several international covenants on human rights.</p> <p>National level indicators are:</p> <ul style="list-style-type: none"> - Quality of elections in 2015 (degree of freedom, fairness, transparency and peacefulness) - Numbers of international conventions signed and ratified - Legal reforms enacted (e.g. abolition or formal suspension of Section 17(1) of the criminal code) - More and institutionalized participation by civil society in the legal reform process

<p>Outcome statement 3:</p> <p>Conflict-affected people from selected areas can live in, or return to a place of their choice without fear, and have access to assistance as required.</p> <p>Indicators:</p> <p>Number of child soldiers demobilised, disarmed, rehabilitated and reintegrated.</p> <p>Perceived sense of well-being and safety in places of chosen residence (habitual residents and/or returnees).</p> <p>Increased number of people in need being assisted in conflict-affected and ceasefire areas.</p>	<p>Link between 1 and 3:</p> <p>Improved humanitarian access to affected people is a means to enhance their protection. Switzerland leverages a broad range of protection activities through advocacy, secondments and financial contributions to key partners (IOs, INGOs, relevant ministries) and focuses on direct assistance and on policy changes, thereby contributing to the country-level outcome.</p> <p>Assumptions:</p> <p>The national army (§ w) and the concerned armed groups cooperate in the demobilisation and reintegration of child soldiers together with the involved institutions. The situation is stable enough for people to feel safe and the displaced persons wish to return.</p> <p>Risks:</p> <p>Union(central)-level decisions are not transmitted and implemented at the local level. Armed/ethnic groups and/or regional officials do not want to engage with Switzerland. National staff is subjected to harassment and/or prosecution for engaging with armed groups other than for technical implementation of projects.</p>	<p>Outcome statement 3:</p> <p>Myanmar policies and legislation set a framework that is conducive to peaceful co-existence of all ethnic groups and citizens, and allows for effective remedies and assistance.</p> <p>The Swiss engagement builds on the GoM's commitment to seek lasting solutions to the political conflicts and promote human rights. This commitment has been reiterated several times, amongst others through:</p> <ul style="list-style-type: none"> - Presidential Message: Peace and Return of Refugees (on 19 June 2012) - Constitutional amendments and elections in 2012 - National Action Plan for the Demobilisation of Child Soldiers (and signing of the corresponding convention) <p>Move to synergies:</p> <p>SDC contributes to a referral system for protection information and cases (as the one of UNHCR); the trends analysis can be used in protection advocacy with the government and armed groups in cease-fire preparations and human rights dialogue.</p> <p>National level indicators on humanitarian access, returnees of refugees/IDPs, child soldiers (source: UNHCR reports, others)</p>
--	---	---

(4) Lines of intervention (Swiss programme):

<p>Outcome 1:</p> <p>Strengthening of coordination mechanisms (Myanmar Peace Centre, Civil Society Forum, Working Group on Ethnic Coordination (WGEC), International Peace Support Group) with technical, financial and conceptual resources; upon request organization of retreats for negotiators and advisors, provision of written input to negotiation teams, strengthening human resources in selected areas of strategic interest (in particular in order to increase the inclusiveness of, and public participation to, the negotiation process); strengthening of coherence of the ethnic groups' positions and interests (e.g. through WGEC / United Nationalities Federal Council); support to strategy building of key negotiating parties (strategic retreats with GoM and selected ethnic groups upon request); support reflection on experiences, best practices and past shortcomings of the multiple peace processes in Myanmar.</p> <p>Outcome 2:</p> <p>Advocacy, capacity building of Union-level government officials and civil society (yearly course); advocacy for ratification of key international instruments related to human security (including capacity building for their application); support to electoral process, including electoral assistance and observation as requested; support to initiatives promoting shared sense of history and to truth-seeking mechanisms (e.g. related to the Rakhine conflict); special consideration is given to inclusion of women. in decision-making processes, freedom of expression (hate speech, right to information, right to education in mother tongue), freedom of association (protection from exploitation, human rights defenders, farmers' or small producers' associations) and access to justice and alternative land-adjudication mechanisms – at policy, reporting and capacity building level (together with SDC regional cooperation); strengthening of complaints mechanisms (ILO); Small actions to strengthen non-profit civil society organisations and their capacity to interact with the government and with private business.</p> <p>Outcome 3:</p> <p>(1) Self-implementation:</p> <ul style="list-style-type: none"> - Advocacy for humanitarian access with GoM and armed non-state actors (together with HSD) - Contribute to a referral system for protection information and individual cases(together with HSD) - Active participation in protection coordination fora (example: National Protection Working Group) - protection mainstreaming in direct implementation projects (together with HSD) <p>(2) Financial assistance and technical expertise to bilateral and multilateral partners:</p> <ul style="list-style-type: none"> - Continued technical expertise (secondments) to relevant partners(like UNHCR and UNICEF) - Continued contribution to ICRC's (Myanmar) and to UNHCR's (Thailand) protection mandates - Special focus: IDPs, child soldiers, refugees, mine action, victims of trafficking etc. - Support to complaints and referral systems: ILO, national plan of action for the protection of children against the effects of armed conflict? (together with HSD)
--

<p>(5) Resources, partnerships (Swiss programme):</p> <p>Resources: CHF 1 mio. by HSD; CHF 3.1 - 4.1 mio. p.a. by HA</p> <p>Important partners:</p> <p>UN agencies; Union and State government institutions, INGOs, local NGOs, private sector, development partners</p>

Annex G: Context Scenarios

Scenarios	Most likely scenarios		Least likely scenarios	
	Stability increases without major political change	Fragility and conflict increase without major political change	Stability increases with major political change	Fragility and conflict increase with major political change
National level	<ul style="list-style-type: none"> - 2015 elections are more or less fair and result in more diverse party representation - A comprehensive national dialogue for peace shows results - Constitution changed to legitimise forms of local autonomy - Reforms continue to move forward with impact for the poor - Peace negotiations continue to move forward despite skirmishes - Sectarian violence is curbed 	<ul style="list-style-type: none"> - 2015 election results not widely accepted and/or do not result in greater ethnic representation - Results of an NLD-controlled (or other) government does not meet expectations and leads to unrest - Reforms continue but increasingly advantage cronies/vested interests; increased income disparity - Spread of sectarian violence - Peace negotiations interrupted by armed conflict; results limited 	<ul style="list-style-type: none"> - 2015 election results widely accepted with increased party diversity esp. in ethnic areas - Sectarian violence under control - Decentralised government/ authority functions accountably, incl. social services delivery, management of natural resources 	<ul style="list-style-type: none"> - 2015 elections are not held; or are widely manipulated and result in civil unrest - Military authority strengthened, or return to overt military rule - Economic reforms are halted or are fully co-opted by vested interests - Income (and power) disparities become critical lever for unrest - Resurgence of extensive active conflict - Spread of sectarian violence
Southeast region	<ul style="list-style-type: none"> - KNU, KNPP, NMSP and regional gov'ts cooperate for social services and support to returnees/IDPs - Local gov't/authorities increasingly accountable - Increased aid access - Increased agricultural productivity, employment income, household well-being 	<ul style="list-style-type: none"> - Political splinter groups defragment further - Large-scale land and infrastructural investments cause migration, civil unrest - IDP and refugee return unsuccessful - Humanitarian access further constrained - Extreme weather events impact local livelihoods 	<ul style="list-style-type: none"> - Significant degree of local autonomy for KNPP, KNU, NMSP results in accountable governance incl. social services and natural resource management - Refugee return and IDP support successful 	<ul style="list-style-type: none"> - Increased displacement and migration of populations - Conflict over resources / corruption of decentralised authority triggers increasing unrest - Aid delivery seriously constrained - ASEAN integration results in influx of skilled workers, unrest
Response	<ul style="list-style-type: none"> - Implement Swiss strategy as planned (i.e. convergence of social service systems, AFS and VSD in post-conflict areas) - Capacity dev't for gov't and authorities - Monitor balance of SE and national level intervention 	<ul style="list-style-type: none"> - Shift in targeting of peace-building focus, incl. hate speech, - Increase of humanitarian aid 	<ul style="list-style-type: none"> - Reduce humanitarian aid and increase development cooperation - Increasingly work through local gov't (state and autonomous region) for development support 	<ul style="list-style-type: none"> - Serious revision of current SCSM strategy - Increased peace-building focus and humanitarian aid; decreased development activities

Annex H: Finances – Expenditures 2011–12; Allocations 2013–17 (in CHF 1'000)

2011 - 2017 by Source	Real 2011	Real 2012	Plan 2013	Plan 2014	Plan 2015	Plan 2016	Plan 2017	Total 13-17	%
SDC Regional Cooperation (SDC RC)	2'874	3'151	8'000	13'000	16'500	21'000	25'000	83'500	54
SDC Humanitarian Aid (SDC HA)	7'582	7'998	9'400	10'000	11'000	11'000	9'000	50'400	33
Human Security Division (HSD)			1'000	1'000	1'000	1'000	1'000	5'000	3
Embassy Costs			2'735	3'210	3'210	3'260	3'260	15'675	10
Grand Total	10'456	11'149	21'135	27'210	31'710	36'260	38'260	154'575	100
2011 - 2017 by Domain	Real 2011	Real 2012	Plan 2013	Plan 2014	Plan 2015	Plan 2016	Plan 2017	Total 13-17	%
AFS (SDC RC)	2'500	2'080	2'650	3'950	5'100	6'600	7'950	26'250	
AFS (SDC HA)	1'973	2'297	2'500	2'500	2'500	2'500	2'500	12'500	
Agriculture and Food Security Total	4'473	4'377	5'150	6'450	7'600	9'100	10'450	38'750	25
Vocational Skills Development (SDC RC)	Real 2011	Real 2012	Plan 2013	Plan 2014	Plan 2015	Plan 2016	Plan 2017	Total 13-17	%
Total			2'050	3'900	5'100	6'600	7'900	25'550	17
HSDLG (SDC RC)	374	971	2'300	3'900	5'050	6'550	7'900	25'700	
HSDLG (SDC HA) *	3'814	3'527	2'400	2'800	3'400	3'400	2'400	14'400	
Health, Social Services, Local Governance Total	4'188	4'498	4'700	6'700	8'450	9'950	10'300	40'100	26
PPHRP (SDC HA)	1'146	1'589	3'500	3'700	4'100	4'100	3'100	18'500	
PPHRP (HSD)			1'000	1'000	1'000	1'000	1'000	5'000	
Peace, Democratisation and Protection Total	1'146	1'589	4'500	4'700	5'100	5'100	4'100	23'500	15
Others SDC RC		100	1'573	1'850	1'850	1'900	1'900	9'073	
Others SDC HA	649	585	1'209	1'210	1'210	1'210	1'210	6'049	
Others HSD			369	400	400	400	400	1'969	
Others Directorate for Corporate Resources			1'583	2'000	2'000	2'000	2'000	9'583	
Others Total (Embassy Costs, Small Actions)	649	685	4'735	5'460	5'460	5'510	5'510	26'675	17
Grand Total	10'456	11'149	21'135	27'210	31'710	36'260	38'260	154'575	100
* Third party funds not included above	730	2'700	1'670	1'860	1'860	1'860	1'860	9'110	

Annex I: Myanmar at a glance

General Information			
Government Type	Nominell zivile Regierung mit starker verfassungsrechtlicher Macht des Militärs		Head of State Head of Government
Capital	Naypyidaw (Nay Pyi Taw)	Ethnic Groups	President Thein Sein President Thein Sein Bama (68%), Shan (9%), Karen (7%), Rakhine (4%), Chinese (3%), Indian (2%), Mon (2%), Other (5%)
Land Area	676'578 km ²	Main religions	Buddhism (89%), Christian (4%), Muslim (4%), animist (1%), Other (2%)
Population	60,4 million (mid 2012)		
Population Growth	1.07 %		
Official Language	Burmese		
Exchange Rate	CHF 1 = MMK 1'093.20		
Economic indicators (as of July 2012)			
GDP	USD 50.62 Bil	Gross foreign reserves	USD 3.9 Bil
GDP /capita (PPP)*	USD 82.86 Bil/ 1,300	Total Export	USD 8.196 Bil
Real GDP growth	5.5%	Total Import	USD 5,982 Bil
External public debt	USD 5.8 Bil	Current account balance	USD 96.1 Mil
Inflation	5%	Budget deficit	4.5% of GDP
Bilateral Trade and Investment (2011)			
Swiss trade of goods with Myanmar (ranking for CH)	Exports Imports Trade balance	CHF 4'019'111 CHF 1'599'624 CHF 2'419'487	Existing bilateral economic agreements Air Service Agreement: 1960
Major Exports	1. Chemicals, cognate products 2. Machinery, appliances, electronics 3. Precision instrument, watches, bijouterie		72.15% of total exports from CH to Myanmar 11.64% 10.63%
Major Imports	1. Textiles, apparel, shoes 2. Agricultural and silvicultural products, fishery 3. Various goods (instruments, furniture, etc)		96.08% of total Imports from Myanmar to CH 3.09% 0.47%
Direction of Trade, Export (2011) (USD Mio)		Direction of Trade, Import (2011) (USD Mio)	
Thailand	2975.0 37.06%	China	5307.5 39.19%
China	1524.9 18.99%	Thailand	3095.5 22.86%
India	988.3 12.31%	Singapore	1333.6 9.85%
Japan	538.5 6.71%	Korea, Rep. of	733.6 5.42%
Korea, Rep. of	271.5 3.38%	Japan	560.0 4.14%
Malaysia	251.5 3.13%	Malaysia	522.0 3.85%
Bangladesh	75.7 0.94%	India	484.6 3.58%
Vietnam	104.7 1.30%	Indonesia	395.4 2.92%
Singapore	78.0 0.97%	Russia	250.9 1.85%
Germany	75.7 0.94%	Korea, Democratic Rep	74.6 0.55%
GDP by industrial origin at current market prices (2010) (Kyats Bn)			
Agriculture	14729.0 36.36%		
Manufacturing	7905.2 19.52%		
Trade	8037.8 19.84%		
Transport and communication	5577.5 13.77%		
Construction	1839.3 4.54%		
Public administration	866.6 2.14%		
Electricity, gas and water	418.5 1.03%		
Mining	367.0 0.91%		
Finance	31.4 0.08%		
Others	735.5 1.82%		

Sources: Eidgenössische Zollverwaltung EZV; Economist Intelligence Unit (EIU); CIA World Factbook; Reuters Article Myanmar economy, Feb 2,2012; Schweizerische Nationalbank; Asian Development Bank

Imprint

Editor:
Federal Department of Foreign Affairs FDFA
Swiss Agency for Development and Cooperation SDC
3003 Berne

Design:
Visual Communication FDFA, Bern

Photos:
SDC Bern and Embassy of Switzerland Yangon

Orders:
www.sdc.admin.ch (heading "Publications")

Specialist contact:
Swiss Agency for Development and Cooperation SDC
Domain of Regional Cooperation
East Asia Division
Tel. +41 31 322 35 17, Fax +41 31 325 93 57
www.sdc.admin.ch

Bern, July 2013