



This action is funded by the European Union

**ANNEX 3**

of the Commission Implementing Decision on the Annual Action Programme 2015 in favour of Myanmar/Burma to be financed from the general budget of the European Union

**Action Document for EU Peace Support in Myanmar/Burma – PEACE II**

**INFORMATION FOR POTENTIAL GRANT APPLICANTS**

**WORK PROGRAMME FOR GRANTS**

This document constitutes the work programme for grants in the sense of Article 128(1) of the Financial Regulation (Regulation (EU, Euratom) No 966/2012) in the following section concerning calls for proposals: 5.3.1 – Grants – call for proposals “Support to the Peace Process in Myanmar/Burma” (direct management).

<b>1. Title/basic act/ CRIS number</b>	EU Peace Support in Myanmar/Burma – PEACE II DCI-ASIE/2015/038-070 Financed under the Development Cooperation Instrument
<b>2. Zone benefiting from the action/location</b>	Myanmar/Burma The action shall be carried out at the following location: Yangon and the ethnic states of Myanmar/Burma
<b>3. Programming document</b>	Multiannual Indicative Programme (2014-2020) for Myanmar/Burma
<b>4. Sector of concentration/ thematic area</b>	Peace-building support
<b>5. Amounts concerned</b>	Total estimated cost: EUR 20 255 263 Total amount of EU budget contribution: EUR 20 000 000 This action is co-financed in joint co-financing by other donors (contribution not yet known) contributing to the Joint Peace Fund. This action is co-financed by potential grant beneficiaries for an indicative amount of EUR 255 263.
<b>6. Aid modality(ies) and implementation modality(ies)</b>	Project modality – Direct management – grants – call for proposals – Direct management – procurement of services – Indirect management with an International Organisation (UNOPS)
<b>7. DAC code(s)</b>	15220 – Civilian peace-building, conflict prevention and resolution; 15230 – Post conflict – peace-building

<b>8. Markers (from CRIS DAC form)</b>	<b>General policy objective</b>	<b>Not targeted</b>	<b>Significant objective</b>	<b>Main objective</b>
	Participation development/good governance	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	Aid to environment	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Gender equality (including Women In Development)	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	Trade Development	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Reproductive, Maternal, New born and child health	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	<b>RIO Convention markers</b>	<b>Not targeted</b>	<b>Significant objective</b>	<b>Main objective</b>
	Biological diversity	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Combat desertification	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Climate change mitigation	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Climate change adaptation	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	<b>9. Global Public Goods and Challenges (GPGC) thematic flagships</b>	N/A		

#### **SUMMARY**

Myanmar/Burma's government has identified the conclusion of comprehensive settlements to end all armed conflict as a key national priority. Since August 2011, it has successfully negotiated bilateral ceasefire agreements with 14 of the 16 Ethnic Armed Groups (EAG). In addition, a final draft of a Nationwide Ceasefire Agreement (NCA) has been agreed by negotiating teams. Nevertheless, armed clashes continue in certain areas and the signing of the NCA incurred delays in 2015. The signing of the NCA is foreseen to be followed by a national political dialogue addressing the concerns of ethnic groups seeking greater political and economic autonomy for their regions.

The overall objective of this action is to contribute to lasting peace, security, stability and sustainable development in Myanmar/Burma. The action aims to provide support for monitoring ceasefire agreements, for carrying out a national political dialogue and for socio-economic recovery in former conflict-affected areas through activities such as building confidence of key actors in the transition to peace and transforming institutions directly related to the conflict. The EU intends to increase aid effectiveness in the area of peace and to contribute further to the Joint Peace Fund (JPF), delivering coordinated international financial and technical assistance to the Myanmar/Burma peace processes. The JPF is currently in its final stage of formulation and should be operational before the end of 2015.

All ethnic areas in Myanmar/Burma face unique challenges. As part of the support for socio-economic recovery in former conflict-affected areas, particular emphasis will be given to Rakhine State (affected by inter-communal tensions and movement restrictions) and Chin State, which are the most impoverished areas of the country. Simultaneously, attention will be paid to the vulnerable refugee populations and Internally Displaced People (IDPs) situated along the Thai border and in the Southeast of Myanmar/Burma, to support durable solutions.

## 1 CONTEXT

### 1.1 Sector/Country/Regional context/Thematic area

#### **Political, economic and social situation**

Following 50 years of authoritarian military rule, Myanmar/Burma has embarked upon a remarkable transition, which is evolving at a rapid pace. The government has acknowledged that neither democracy nor prosperity can be achieved in the absence of a lasting peace and that the ultimate success and sustainability of Myanmar/Burma's political transition strongly depends on the stability in the country, and more particularly on the evolution of the situation in the ethnic states. The government is committed to inclusive negotiations for a lasting political settlement. However, while this has led to improvements in certain areas, the situation remains volatile in many ethnic states, with particularly worrying situations in Rakhine, Kachin and Northern Shan States.

Reliable socio-economic data is generally lacking, with politically sensitive religious and ethnic data from the 2014 census embargoed by the government until at least early 2016. Nevertheless, it is generally accepted that despite Myanmar/Burma's advantageous geographical location and rich natural resources, the country remains one of the poorest in Asia, lagging behind the majority of its neighbours on social and economic development indicators.

The EU, along with other major development partners, is providing support to the multi-dimensional transition in a spirit of cooperation and partnership. However, Myanmar/Burma still faces major challenges during its transition, not least the need to secure sustainable peace with its numerous ethnic groups and to address serious inter-communal violence affecting mainly Buddhist and Muslim communities.

#### **Sector context: policies and challenges in the peace process**

Myanmar/Burma is one of the world's most heterogeneous countries in terms of ethnicity and religion with 135 officially recognized ethno-linguistic groups. Since the earliest years of independence it has faced widespread ethnic insurgencies. Post-colonial Myanmar/Burma has never been at peace or entirely under central government control. During the 1960s-1980s, several EAGs were able to carve out effectively independent micro-states with their own rudimentary governments, service provision and foreign policies, and this remains the case in certain areas. Myanmar/Burma's transition necessarily involves simultaneous large-scale legal, economic and democratic reforms, which to date have been significant and rapid. Should they continue to be effectively implemented, the positive effect may be profound. In parallel, the government is actively pursuing a peace process with 16 EAGs. Some of them have been fighting the central government since independence, and many have well-established administrations and service provision in their territories. It is essential that all activities pay significant attention to the principle of 'do no harm' and of conflict sensitivity.

The government has targeted the conclusion of comprehensive settlements to end all armed conflict as a key national priority. Since August 2011, it has successfully negotiated bilateral ceasefire agreements with most of the EAGs, although armed clashes continue to occur in some areas. To address a plethora of ethnic groups' concerns prior to union level political dialogue, the government announced its willingness to pursue an NCA in October 2013. Subsequently, according to the government's five-step peace plan, the aim has been to (1) conclude an NCA; followed by (2) the negotiation of a Framework for Political Dialogue; (3) an inclusive National Political Dialogue; (4) the signing of a National Peace Accord; and (5) the demobilisation of combatant soldiers and wider security sector reform. This plan broadly corresponds with the expectations of the main EAGs.

Although negotiations for the NCA stalled in September 2014, on 12<sup>th</sup> February 2015 (the 68<sup>th</sup> Anniversary of the signing of the Panglong Agreement in 1947) President U Thein Sein made an unprecedented step and signed a Deed of Commitment to establish a federal democratic union (Pyidaungsu), and in so doing rejuvenated negotiations and political will for an NCA from both sides. This is something all ethnic leaders, political parties and armed groups have been calling for since 1948 when Myanmar/Burma came into being. Following a successful seventh official round of talks in Yangon, on 31<sup>st</sup> March 2015 agreement was reached between all negotiating parties on a final draft text of the NCA. A revised final draft text has now been agreed and it is hoped that an NCA can be signed before the 8<sup>th</sup> November 2015 general elections.

Although the agreed draft NCA represents a huge political achievement, numerous technical and implementation challenges remain. Major elements of a sustainable peace accord such as a military code of conduct and joint ceasefire monitoring mechanisms remain to be agreed and the framework for political dialogue is still being developed.

Nevertheless, the agreement and signing of the NCA by EAG leaders, the government and the Myanmar Armed Forces (Tatmadaw) represents a unique opportunity to establish a comprehensive and robust mechanism, including joint ceasefire monitoring mechanisms at national, state and local levels, and an early warning and response system to conflict.

Substantial international technical and financial assistance would be required to either establish new institutions, or support the widened mandate of existing institutions, to ensure that they function effectively and have a degree of independent oversight. This is recognised by both the Union Peace Making Working Committee (UPWC) and the Nationwide Ceasefire Coordination Team (NCCT). The subsequent National Political Dialogue, which framework remains to be finalised, will similarly require substantial investment in capacity development of participants, as well as international technical and financial assistance for supporting institutions, and exploring appropriate solutions to outstanding issues. In parallel to supporting the political processes, the international community seeks to address the needs of local communities in conflict-affected areas in ways that support longer-term peacebuilding.

Negotiators of the recently agreed NCA have described the subsequent signing of the NCA as representing the second Panglong Agreement and a foundation for a new Myanmar/Burma based on a federal democratic model. Nevertheless, in the midst of this optimism and renewed political will, armed clashes escalated in some areas of Myanmar/Burma in 2015 illustrating the complexity of the context and the real challenges in achieving sustainable peace. With ethnic groups represented on the NCCT engaged in open conflict with the Tatmadaw, question marks remain over who will sign the NCA even once a final agreement is reached.<sup>1</sup>

The situation in Rakhine State poses one of the greatest challenges to Myanmar/Burma's democratic transition. Inter-communal violence, which broke out between Buddhist Rakhine and Muslim Rohingya communities in 2012 left some 240 people dead and 140,000 people displaced and living in camps for Internally Displaced People (IDP). Violence targeting other Muslim citizens spread to other parts of the country in 2013 and tensions further increased in 2014 after the alleged killing of 48 Rohingya by security forces. Serious concerns remain about conditions in IDP camps and the rise of hate speech, often instigated and led by radical nationalist Buddhists.

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<sup>1</sup> The Kokang Myanmar National Democratic Alliance (MNDAA), the Arakan Army (AA) and the Ta'ang National Liberal Army (TNLA) are all in active conflict with the Government, with the latter considering both AA and MNDAA excluded from signing the NCA despite both being NCCT members.

Full citizenship for the stateless Rohingya remains highly controversial. They are called 'Bengali' by the government to stress their alleged foreign origin and are not included among the country's 135 distinct ethnic groups officially recognised. The 2014 census, the first exercise in 31 years, did not allow the Rohingya to self-identify. Many Rohingya carry no form of national identification or hold Temporary Registration Cards (TRCs). Following a Presidential Notification, from 31<sup>st</sup> March 2015 these TRCs were invalidated without any other form of legal identification being provided as a replacement. While around 400,000 of the estimated 650,000 Rohingya who carried TRCs have reportedly relinquished their cards by the deadline of May 31<sup>st</sup> 2015, many thousands have refused. This continued erosion of citizenship rights is deeply concerning for an already marginalised population. The plight of the Rohingya population has been the focus of renewed international attention due to the growing crisis of the so-called 'boat people' exploited and abused by smugglers in the Andaman sea during passage to other ASEAN nations including Thailand, Malaysia and Indonesia. Many of these migrants are Rohingya from Rakhine State.

Since 2014, the International Organization for Migration (IOM) and the United Nations Refugee Agency (UNHCR) have reported increasing numbers of departures from northern Rakhine State and Bangladesh, but with disparities in the numbers of arrivals, with thousands unaccounted for in sea passages each month. Not only has the recent situation highlighted the suffering and desperation of the Rohingya population, who lack access to livelihood options and fundamental human rights in Rakhine State, but it has also hardened the government's stance on the issue. Government statements rejected responsibility as a source country and created greater friction between Myanmar/Burma and other ASEAN nations and the international community at large.

#### **Sector context: development in the ethnic areas**

The debate about development interventions in ethnic areas centres on a question common to all conflict affected countries around the world. Does peace come before development or does development lead to peace? The EU concept of the security and development nexus acknowledges that peace cannot hold without development and vice versa. This is a complex issue and this action seeks to deliver some basic services and implement trust-building and peace-building activities in some ethnic areas, provided that meaningful consultations with local communities and other relevant key stakeholders are held in advance to ensure 'no harm' is done to the peace process.

The situation in the south-east (Kayah, Kayin, Mon and Tanintharyi) is quite stable. This is the region from where the majority of the Myanmar/Burma refugees in Thailand originate. Currently, an increasing number of international and national NGOs are implementing community-level activities and livelihood and rehabilitation support in the areas of return. Should the positive socio-political and security developments within Myanmar/Burma continue, and humanitarian access and activities in return areas be assured, then the voluntary repatriation of refugees may become a durable solution.

In Kachin, northern and eastern Shan States, a series of renewed armed clashes between the Tatmadaw and the Kachin Independence Army (KIA) in 2014 resulted in the displacement of several thousand people. Violence by armed actors against the affected population remains a key threat to those living in Kachin and northern Shan States. In addition, part of the population is faced with protracted displacement, while some have been displaced multiple times and others very recently. While the majority of conflict-affected people are located in Kachin State, most of the new armed clashes in 2014 and 2015 have been in northern and eastern Shan State leading to increased numbers of IDPs and refugees seeking temporary refuge in China. Unconfirmed reports estimate that at least 62,000 IDPs have been created by the conflict since fighting began on 9<sup>th</sup> February 2015, with numbers rising if border crossings

to China are considered. Tensions in Shan and Kachin States remain between the Tatmadaw and the Ta'ang National Liberation Army (TNLA) and Kachin Independence Army (KIA), creating casualties on both sides and new IDPs. The protracted nature of the displacement requires continuous assistance across sectors, as temporary shelters and sanitation facilities require renovation and items distributed early on need to be replaced. International cross-line missions remain challenging in many of these contested areas, especially those under armed group control. A range of emergency, early recovery and livelihood assistance is needed across all sectors in areas both within and beyond government control.

Rakhine and Chin States are the poorest of Myanmar/Burma. Although Chin State is extremely poor, isolated and difficult to access, it is ready to put in place development initiatives that will consolidate the peace process and advance the social and economic wellbeing of the Chin people. Rakhine State meanwhile, is characterized by the inter-communal tensions that erupted in 2012. Around 140,000 people remain displaced across ten townships as a result of the violence, and the situation of IDPs and people affected by the crisis continues to be marked by threats of violence. Lack of access to livelihoods and the very high dependency on humanitarian assistance, as a result of movement restrictions, places these populations under stress and weakens their coping capacity. The government is developing and implementing parts of an Action Plan for Rakhine State. There has been some low-key return and resettlement of Rohingya IDPs by the government, indicative of perhaps cautious change. This offers the growing possibility of area-based development interventions across dividing lines that could support community reconciliation.

However, limitations to freedom of movement and access to livelihoods for Rohingya populations are likely to be exacerbated by the recent expiry of temporary registration cards. The fatigue from more than two years of displacement and deepened isolation of certain communities has led to increased psychological stress. This is highlighted by the recent plight of Rohingya making sea passages across the Andaman Sea to ASEAN nations. Out-migration of this vulnerable population has risen month by month for the past year, with increasing abuse by smugglers. With political posturing for the general elections in full swing, and the growth of radical Buddhist nationalism, the space to tackle these complex issues at a national level is increasingly limited. Meanwhile, an isolated upsurge of conflict between the Arakan Army and government forces in Chin State is indicative of the lengths armed groups may go to in order to assert their interests in the NCA process and ensuing political dialogue.

### ***1.1.1 Public Policy Assessment and EU Policy Framework***

The 'Comprehensive Framework for the European Union's policy and support to Myanmar/Burma', adopted by the Foreign Affairs Council in July 2013, sets out the framework for EU policy and support to the ongoing reforms in Myanmar/Burma. The EU has pledged to support the peace process on all sides and has established a regular political dialogue involving all concerned stakeholders to a) achieve sustainable peace in Myanmar/Burma by addressing longstanding differences in an inclusive way; b) to consolidate democratic achievements; c) to strengthen human rights and the rule of law; and d) to adhere to international agreements. The EU has provided substantial financial support and expertise to the Myanmar Peace Centre (MPC) and for the political leadership representing ethnic groups, as well as for a raft of activities implemented by NGOs in all ethnic states. Crucially, the EU provides substantial support to community-based organisations in conflict-affected areas aimed at protecting human rights, improving livelihoods and fostering reconciliation. This action aims to expand and build on such interventions.

### *1.1.2 Stakeholder analysis*

The main parties to the ceasefire negotiations are the government, the Tatmadaw and the EAGs. The national political dialogue will include all political parties and some civil society organisations. The exact list of signatories to the NCA remains unclear. The main beneficiaries include ethnic communities and ultimately the population as a whole.

- The government has publicly and repeatedly committed to ending all armed conflicts through political settlements. Special institutions have been created to advance the peace process, including the Union Peace Making Committee, the Union Peace Making Work Committee and the Myanmar Peace Centre (EU-supported since inception). The Parliament has so far played only a limited role in the peace process, but members of its Internal Peace Making Committee are part of the government team in ceasefire negotiations, as are members of the Tatmadaw.
- The Tatmadaw is a key actor in the peace process. Local commanders have been closely involved in the negotiation of bilateral ceasefires in their areas, and senior generals are part of the negotiations of the NCA. The interests of the Tatmadaw do not necessarily correspond with those of the government, even though most members of the latter are retired military officers. Traditionally, the Tatmadaw has perceived itself as the sole guarantor of national unity and sovereignty, and has historically been adamantly opposed to any discussion on federalism, which it perceives as a threat to Myanmar/Burma's territorial integrity. On 12<sup>th</sup> February 2015, three senior generals signed the Deed of Commitment to establish a federal democratic Pyidaungsu as per specific orders from the Commander-in-Chief, representing a significant move from their historical position. It nevertheless remains unclear exactly what degree of authority the government has over the Tatmadaw, or who from the Tatmadaw would sign the NCA. The Tatmadaw will be keen to protect their economic interests and, with elections at the end of 2015 that may herald a new balance of power, there is an urgent need to define a framework for national political dialogue that locks in key actors such as the Tatmadaw.
- There are broadly 16 major EAGs (excluding a significant number of small splinter groups), 14 of which currently have bilateral ceasefire agreements with the government. In addition the Kachin Independence Organisation (KIO), despite recent major battles with the Tatmadaw, has an informal agreement, which effectively serves as a ceasefire agreement. The EAGs' goals vary greatly, as does their strength and local support. Over the past two years, major progress has been made in shaping a common negotiating position, working through groups such as the United Nationalities Federal Council (UNFC), the Working Group of Ethnic Coordination (WGEC) and the NCCT. However, the 16 EAGs recognised by the government are not the same 16 that are represented on the NCCT. Four members of the NCCT who have negotiated the recently agreed NCA draft are not recognised by the government, such as the MNDAA. Uncertainties also remain about the position of several groups on key issues, such as the United Wa State Party/Army (UWSA) which is by far the strongest of the EAGs but has not been a formal part of NCCT negotiations thus far. An important parallel issue is the war economies that currently sustain many EAGs, like UWSA which sustains a force of approximately 30,000 fighters and is considered as the largest and wealthiest player in Myanmar/Burma's narcotics trade. They also require that the peace dividend is significant in order to secure their buy-in to the NCA and political dialogue process. All EAGs are committed to remaining part of the Union, but are demanding greater local autonomy under a genuine federal system.
- The political parties have yet to become formally involved in the peace negotiations. The major opposition party, the National League for Democracy (NLD), has kept a low

profile, arguing that peace is the government's responsibility. There have however been recent indications of a change in approach by the party, as demonstrated by a recent meeting between the Karen National Union and the leader of the NLD, Daw Aung San Suu Kyi. Some of the ethnic political parties are working closely with EAGs, by helping them to work out a political strategy. The role of the political parties, however, is set to increase significantly once the national political dialogue and 2015 election campaigning gets underway. The NLD has held several meetings in order to develop its own draft framework for the national political dialogue. Additional draft frameworks have been developed by a coalition of 56 political parties and by the United Nationalities Alliance, a group of seven ethnic political parties formed after the 1990 elections.

- Like the ethnic political parties, many ethnic civil society organisations are working with EAGs, particularly in support of social service delivery and other support for local communities. Meanwhile they often challenge the top-down, authoritarian structures of EAGs and, in this respect, play a critical role in local democratisation processes. This is particularly the case for a number of well-established and effective ethnic women's organisations.
- Local ethnic communities have suffered immensely from the armed conflicts and are a major driver of the push for peace. In some areas, EAGs enjoy significant popular legitimacy; yet in others local communities generally resent all armed groups.

### *1.1.3 Priority areas for support/problem analysis*

Concluding comprehensive settlements to end the open conflicts has been identified as a priority for the government. While it has successfully negotiated ceasefire agreements with most of the existing insurgent movements, a high degree of ethnic-religious tension persists. After the signing of a comprehensive NCA, a joint ceasefire monitoring mechanism will be set up and international financial and technical assistance will be required.

Most of the ethnic minority areas are extremely poor and economically underdeveloped. At the same time, many of these regions have an abundance of high value natural resources such as teak, gemstones and gas. In many ethnic areas war economies have developed that make settlement of conflicts even more challenging. Drug cartels, which often have alliances with the EAGs, the Tatmadaw and/or the government, exploit the lack of stable state structures. Interventions in conflict affected areas are very complex, as the contested spaces remain politically contentious. Due to the difficulty of ascertaining who has 'rightful' authority over these contested spaces, any approach should take great care to respect the welfare of the conflict-affected communities.

In addition, there has been an escalation of tensions between Buddhist and Muslim communities. This is most serious in Rakhine State, where religious differences are aggravated by ethnic tensions. Due to the unpopularity of the issue and considering the general elections at the end of 2015, the main political players (e.g. government, Tatmadaw and NLD) have avoided tackling religious violence.

Furthermore, should ethnic groups seek to play a key role in the institutional architecture of the country, their transition to political parties is vital. Legally this should be secured in the agreed draft NCA which exempts all signatories from the Unlawful Associations Act. Strengthening their administrative capacities will be necessary, and a comprehensive review of the security sector of both government and the EAGs is required if a political settlement is to be reached.

Consolidating comprehensive peace settlements will probably require a significant devolution of power and the transformation of the country into a federal union of semi-autonomous states. This outcome can only be achieved through a National Political Dialogue. Such



dialogue should involve the government, the political parties, the various ethnic and religious minorities and local civil society groups. The political dialogue should be extra-parliamentary. It would then be the government’s responsibility to amend the Constitution accordingly.

The government has a responsibility to ensure that the humanitarian needs of all affected communities are met urgently, and should facilitate the operations of development and humanitarian assistance partners as needed. The government needs to focus on adherence to international principles on human rights, and urgent action to ensure that durable solutions are found for displaced people to return home or to resettle, voluntarily and safely.

**2 RISKS AND ASSUMPTIONS**

<b>Risks</b>	<b>Risk level (H/M/L)</b>	<b>Mitigating measures</b>
The agreed draft NCA text is rejected by ethnic group leaders and negotiations do not conclude with the signature of the NCA.	H	Given that concessions were made by EAG representatives on the NCCT, there remains a possibility of the NCA not being signed. In the case of failure to conclude an NCA, it is anticipated that the current bilateral ceasefires will remain in place and should be 'revitalised' and promoted.
EAGs are split on their agreement to the NCA text and there is only partial buy-in to the NCA, with some groups signing, while others are excluded.	H	Under this scenario, a dual approach of strengthening existing bilateral ceasefires and their accompanying monitoring mechanisms for non-NCA signatories, while promoting a fully inclusive national political dialogue framework would be necessary.
A federal system is rejected by the government, the Parliament and/or the Tatmadaw.	M	The recent Deed of Commitment, where the federal concept is included, has already been signed by the government and a commitment to the federal concept is part of the agreed NCA text.
A failure of the peace process will have serious repercussions on the government and particularly on the decentralisation process.	M	It is hoped that the NCA will be signed shortly setting the basis for political dialogue. Additionally, the government has shown willingness to start the political dialogue as soon as possible, even without a signed NCA.
Failure to agree on a framework for national political dialogue, results in disillusionment in the peace process and lack of inclusion of important political actors.	H	The critical framework for national political dialogue will require synchronisation of at least four existing proposals which is as yet incomplete and faces a tight deadline due to general elections. Given the important military issues that have been pushed to the national political dialogue, including ceasefire monitoring, military code of conduct and troop deployment, this will be an incredibly high stakes process. International diplomacy may be able to play a role in helping to alleviate these problems, but has the least influence on issues of domestic political will and unity of purpose.
The government’s approach to peace	H	Aid and donor support should not get ahead

is dominated by fostering the expansion of economic development and service delivery to areas that are not under their control (i.e. ‘peace dividends’).		of the political process. It will be positioned just behind and in support of it. International projects will include the widest possible consultations with all relevant stakeholders, including local communities.
The 2015 elections are likely to distract attention from the peace process and create new tensions between key political players.	H	Robust international diplomacy and assistance can help alleviate these problems, but has the least influence where it matters most, i.e. on domestic political will and unity of purpose.
Unclear post-election dynamics between, for example, NLD and the Tatmadaw which could have a major impact on the entire peace and reconciliation process	M	It remains unclear how these two players, who have previously regarded each other as archenemies, would be able to work together. If a framework for national political dialogue has not been agreed, or the process has not yet begun, it is unclear if these actors will remain committed to the same process, or work cohesively alongside other ethnic groups. Flexibility to an as yet unknown post-electoral environment may be required.
General election results in Rakhine State result in a landslide victory for Rakhine nationalist parties. This may lead to renewed calls for an ethnic Rakhine to be appointed as Chief Minister.		If the Chief Minister of Rakhine State continues to be an appointee from Nay Pyi Taw, political tensions between the union and state level will likely increase. So far many of the improvements in access in Rakhine State for development partners have been attributed to the former Chief minister. Under this scenario the international community will likely experience renewed scrutiny for actions in Rakhine State and will need to take care to avoid being a tool of power struggles between the state and union level. Flexibility to an as yet unknown post-electoral environment may be required.
Weak capacity of local groups, including the government, EAGs, political parties and civil society organisations and community-based organisations results in major constraints for the implementation of the peace process.	M	Careful attention should be paid when selecting implementing partners, as well as flexibility in standard funding modalities. It requires many substantive projects to be accompanied by capacity development of implementing partners.
Continued or renewed armed conflict and/or inter-communal violence in some areas could make it impossible to deliver the kind of peace-support envisioned by this action.	M	Renewed efforts may be required to deliver traditional humanitarian assistance to the affected areas, as well as to any new IDPs or refugees. These actions should be conducted in close consultation with ECHO.

International actors continue to be perceived as being biased towards Muslim communities in Rakhine State. Consequently, international interventions that are considered as marginalising Buddhist communities or as favouring Muslim communities carry with them the risk of strengthening rather than banishing ideological justifications for conflict.	H	The EU and other international actors should demonstrate the impartiality of development assistance to all communities whatever their faith/ethnicity. Conflict sensitivity measures will be applied at all stages of project implementation through thorough analysis conducted by the JPF Technical Secretariat.
International actors inadvertently fuel tensions and possibly cause violent conflict to erupt/escalate through (the perception of) their actions and the way they are implemented or communicated (by themselves or by implementers funded by them)	M	The EU itself is fully committed to good practice on conflict sensitivity to avoid the risk of doing harm. It will promote this principle in international cooperation / donor coordination. The EU will require implementing partners to demonstrate capability and proven track-record of employing conflict sensitivity principles, and will monitor their performance on this aspect.
<b>Assumptions</b>		
<ul style="list-style-type: none"> <li>• The on-going process of economic and political transition continues.</li> <li>• Progress in the national peace process will continue, culminating in an agreement that will allow the relevant structures and processes for sustaining peace to be put into place.</li> <li>• The government will continue to cooperate constructively with development partners allowing the reforms to progress effectively and efficiently with international funding to support a peaceful transition.</li> <li>• Both government and development partners continue to apply the principles of the Nay Pyi Taw Accord for Effective Development Cooperation.</li> </ul>		

### 3 LESSONS LEARNT, COMPLEMENTARITY AND CROSS-CUTTING ISSUES

#### 3.1 Lessons learnt

- **Be realistic about what international aid can accomplish.** External actors can support but should not lead transitions to peace and inter-communal reconciliation, as these processes must be locally owned. This global lesson is all the more relevant in Myanmar/Burma since the government sees no need or place for international mediation or peacekeeping.
- **Ensure adequate (and up to date) understanding of the (conflict) context through adequate conflict analysis and continued monitoring of developments.** Without a sound understanding of specific dynamics in each of the conflict areas, experience elsewhere points at the risk of doing harm or of failing to support opportunities for peace in the right way or at the right time.
- **Do not let development assistance get ahead of the political process.** For local actors, negotiating peace is an extremely sensitive endeavour, which involves engaging with former enemies to identify a workable compromise, often without wholehearted or united support from their own groups. It is critically important that international support does not undermine those committed to finding common ground by engaging in activities that are perceived as threatening by others less inclined to negotiate. The peace process is still at an uncertain stage, characterised by a lack of confidence on the part of many ethnic

communities that existing ceasefires are sustainable and genuine peace possible. International actors must be careful not to engage in state-building or development activities in ethnic areas unless or until there is broad local support for such activities.

- **Work for transformative outcomes.** Peace-building is fundamentally a political project. The primary aim must be to build the confidence of key actors in the transition to peace and transform institutions that are directly related to conflict. Such transformational outcomes require aid strategies that are different from the vast majority of development assistance models. The process is often as important as the output, and there is a primary need to work flexibly with all significant stakeholders across conflict lines to counter negative mind-sets and established patterns of behaviour in order to forge new common ground.
- **Diplomatic/political engagement is necessary to complement/reinforce development assistance.** The EU will need to act not just as donor, but also as a diplomatic partner of Burma/Myanmar in its peace process, and accompany work by implementers with political engagement that goes beyond monitoring and donor dialogue.
- **Do not assume that development is conducive to peace.** The relationship between peace and development in subnational conflicts is highly complex. Development cooperation can support peace by building bridges between former hostile or estranged groups by explicitly targeting communities that are marginalised and suffering discrimination. But it can equally as easily exacerbate tensions. In Myanmar/Burma, consultations show that many local ethnic communities prioritise security over development and are deeply suspicious of development delivered by the government, which in the past has often had strongly negative effects on the welfare of local communities.
- **Be flexible.** Like all transitions, peace processes are inherently uncertain and tend to move in fits and starts according to no particular timetable. Donors and implementing agencies alike must ensure that projects can be easily adapted to changing political circumstances. They must be able to respond quickly at key political moments to fill spaces while other structures are negotiated, and to revise objectives and methodologies as the peace process evolves.
- **Consult.** Consultations with all stakeholders affected by international interventions are necessary, not only to identify local needs and appropriate methodologies, but also to ensure that projects enjoy broad legitimacy in situations of deeply contested authority and local communities have a sense of ownership. To achieve this, consultations must be meaningful and properly resourced, addressing where, how, if and what kind of interventions are needed.
- **Recognize an intractable situation.** There are no easy or quick fixes to the situation in Rakhine State and elsewhere. Changing the politics and governance will be difficult and will take a long time. The role of humanitarian assistance and development agencies is to support vulnerable populations during this process, not to create the necessary changes themselves. Most critical at the present moment is the provision of health care and education, creating and/or strengthening livelihood opportunities, and building resilience for vulnerable populations through disaster risk reduction and promotion of intercommunal reconciliation. The recent high profile attention given to the migrant crisis in the Andaman Sea has brought into focus the inflexible position of many national actors on this issue, renewing tensions with the international community and forewarning of a situation that will unlikely be improved with national elections in 2015.
- **Grievances must be better understood and acknowledged.** Rakhine communities have many of the same concerns and aspirations as other ethnic communities, and a similar

legacy of discrimination and oppression. This can be overlooked in the debate over the status of the Muslim population and highlights the need to foster inclusive and sustainable peace dividends. This need to understand grievances and issues on all sides applies to other areas as well.

### **3.2 Complementarity, synergy and donor coordination**

International support for the peace process to date has mainly taken two forms: support for negotiations between the governments and EAGs, and humanitarian and development assistance in ceasefire and, to a lesser extent, conflict-affected areas. The EU is a major provider of peace and conflict resolution support in Myanmar/Burma with a package of over EUR 80 million.

This action will build on and complement the action ‘EU Peace Support in Myanmar/Burma’ (DCI-ASIE/2014/037-338) under AAP 2014, and EU support for socio-economic recovery and development in ethnic areas under Aid to Uprooted People and Non State Actors, as well as on-going support through multi-donor trust funds for health, education and livelihoods. EU-funded assistance to the peace process includes continued funding to the Myanmar Peace Centre, and the EU has contributed to the funding of NCCT activities as part of the formal peace process. Projects to develop civilian ceasefire monitoring in Chin and Mon States and projects on mine action are also funded.

The preparation of a multi-donor Joint Peace Fund (JPF) began in early 2015, with implementation expected before the end of 2015. The goal of the JPF is to provide long-term support to national efforts to achieve a final and sustainable settlement to ethnic armed conflict, whether or not an NCA is signed prior to 2015 elections. It will support national efforts to reach a final and sustainable resolution to ethnic armed conflict; including the participation of the national parties to the NCA, working through the agreements, structures and processes determined by the parties. The JPF will focus on coordinating and channelling international support to the Myanmar/Burma peace process based on mutually agreed priorities and within nationally led processes and structures. It will seek to facilitate support where there is demonstrated value added, strengthen institutions and the capacity of national stakeholders as part of a more inclusive process and coordinate activities with other national and international programmes and funds. The JPF will be adaptable and flexible, serving as a platform for action and coordination rather than a rigid programme. It will also address peacebuilding actions in Rakhine State and intercommunal violence.

One of the most recent contributions to the peace process is the UK-funded Peace Support Fund. The goal of this fund is to increase the likelihood of sustainable peace by supporting demand-driven, small-scale, tailored initiatives that increase trust, confidence, engagement and participation in the peace process and which reduce inter-communal tensions. Other prominent donors supporting peace are Norway, Japan, United States, Australia and Switzerland.

There are two main groups seeking to coordinate international support for the peace process in Myanmar/Burma:

- **The Peace Support Group (PSG)** was initiated by Norway in 2012 at the request of President U Thein Sein to provide a common platform for dialogue between the government and the donor community, and to better coordinate international support for the peace process. The PSG includes development partners active in supporting peace in Myanmar/Burma, as well as the UN and the World Bank. It meets at ambassador level and has established a Working Group. Many PSG Members are actively working on the preparation of the JPF. The EU is a very active member of this group.

- The **International Peace Support Group (IPSG)** is an informal coordination network of over 20 international NGOs (many of them funded by the EU), most of which provide expert analysis and/or capacity development in support of the peace process. It meets monthly, followed by a briefing to interested donors.

This action will cooperate and coordinate with existing sector-specific multi-donor trust funds (health, education and livelihoods), all co-funded by the EU. The JPF will facilitate such sector support in conflict-affected areas, which has been difficult in the past.

### **3.3 Cross-cutting issues**

As in many peace processes gender equality is one of the most prominent cross-cutting issues. A strong effort will be made both to encourage and support increased participation of women in peace negotiations and in decision-making bodies, and to ensure that gender issues, including violence against women, are properly addressed. One practical way of doing this is to require implementing partners to demonstrate their proven track-record on incorporating gender aspects in peace support programmes. It could also be relevant for the gender balance of partner staffing. Finally, this aspect will also be a key element for the EU's political engagement with the peace process

Few of the anticipated activities are likely to have significant environmental consequences, but this will be assessed on a case-by-case basis. Still, development as aimed for by this programme includes economic development which will raise challenges in relation to environmental consequences as well as the management of and control over natural resources. Concerns of indigenous peoples and ethnic populations are considered through inclusive participatory planning. Ethnic communities will have the opportunity to design and develop proposals for interventions addressing their specific concerns.

Governance and human rights are overarching concerns while addressing ethnic grievances. The action will consider the status of the target groups as well as the concerns of the different ethnicities in the areas of intervention. Control over abundant natural resources and weak governance are among the root causes of the conflict.

## **4 DESCRIPTION OF THE ACTION**

### **4.1 Objectives/results**

The overall objective of the action is to contribute to lasting peace, security, stability and sustainable development in Myanmar/Burma.

The specific objectives are:

1. Successive milestones of the peace process are reached ensuring a nationwide ceasefire agreement is conducive for a national political dialogue process and a transition to sustainable peace in the country.
2. Improved socio-economic recovery in conflict-affected areas and areas affected by intercommunal violence.

Expected results:

Result 1.1: Ceasefire agreements concluded, honoured and effectively monitored by robust ceasefire monitoring mechanisms, leading to increased confidence between the government, the Tatmadaw and EAGs, and increased security for local communities.

Result 1.2: An inclusive national political dialogue reached a broad consensus on the main aspects under discussion, thus creating the political basis for sustainable peace.

Result 2.1: Prompt, effective and efficient delivery of assistance for recovery and development in former conflict-affected areas or areas affected by inter-communal tensions and violence, using appropriate peace-building methodologies.

## **4.2 Main activities<sup>2</sup>**

Possible activities for Result 1.1: (i) support for establishing new institutions or strengthening existing institutions required to monitor and sustain the ceasefires; (ii) support for the activities of these institutions, including training of staff, monitoring, liaising, conflict analysis and dispute resolution; (iii) provision of expert advice on the organisation and conduct of ceasefire monitoring; (iv) provision of international monitors/observers (as requested by relevant authorities); (v) conflict analysis (e.g. research on causes of conflict, but also stakeholders, dynamics, scenarios at national level but also the different conflicts in the different conflict areas); (vi) collation and communication of relevant information to the public; (vii) provision of mine action activities; (viii) additional ad-hoc activities to facilitate confidence building.

Possible activities for Result 1.2: (i) support, including technical, for new or existing institutions required to guide, manage and support the national dialogue process; (ii) support for activities of these institutions, including training of staff, meetings, research and consultations with constituencies; (iii) training and broader capacity development of participants in the dialogue; (iv) provision of expert advice on the organisation of national dialogue processes and solutions to substantive issues; (v) provision of international observers; (vi) research supporting identification of solutions to substantive issues; (vii) facilitation of broader confidence-building between the government, the Tatmadaw, EAGs, political parties and civil society groups; (viii) collation and communication of relevant information to the public; (ix) support for inclusion and empowerment of women in the dialogue process and priority attention to issues of particular concern to women.

Possible activities for Result 2.1: (i) support for the establishment of new structures to manage needs assessments; (ii) support for pre-assessment consultations with local stakeholders (EAGs and ethnic communities), data collection, analysis and validation, and the formulation of recovery strategies; (iii) training of data collectors; (iv) establishment of a funding mechanism to facilitate rapid implementation of priority projects identified by needs assessments, including in conflict-affected areas in the ethnic States; (v) projects in Rakhine State promoting inter-communal dialogue and interfaith cooperation; (vi) funding of priority projects, including support for transitional governance arrangements in former conflict-affected areas, return of refugees and IDPs, reconciliation, empowerment of women, and oversight of development projects to ensure that negative social or environmental impacts are minimal.

## **4.3 Intervention logic**

External support can play an important role in the peace process by providing technical knowledge and financial resources, in combination with diplomatic/political outreach to support a peace agreement that is durable. The ultimate goal of this action is to support national efforts to achieve a final and sustainable settlement to ethnic armed conflict. The activities and results in section 4.1 reflect the vision and roadmap agreed by all relevant stakeholders, having a direct relationship with the NCA, and the participation of the national parties to the agreement. By implementing the range of activities illustrated under results 1

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<sup>2</sup> All activities mentioned below are indicative and will be eligible for Overseas Development Assistance (ODA) reporting.

and 2, the action should be able to provide the main expected outcomes. It is implicitly assumed that the government and (most) EAGs will sign an NCA, which will establish the confidence on all sides needed to move forward with an inclusive National Political Dialogue, aimed at reaching a National Peace Accord and permanent ceasefire. It is further assumed that a NCA will significantly expand the understanding and space for delivering aid into ethnic areas. Importantly though, neither the rationale for this action nor the relevance of the broad kinds of support proposed are dependent on the peace process unfolding in this precise way. In case the NCA is not signed, the existing bilateral ceasefires should be respected and reinforced. This would delay and complicate but not necessarily inhibit the initiation of the National Political Dialogue, which in turn may be carried out in any number of different frameworks and with different constellations of actors participating. Similarly, aid to former conflict-affected areas can be delivered through specific needs assessments, with information sharing and local ownership.

Considering the complexities and uncertainties, no single aid instrument can cover all the areas and priorities of the peace process. A mix of implementation modalities (call for proposals, procurement of services and indirect management with an international organisation) will allow coherent and effective aid to the emerging needs of the peace process, plus rapid and flexible delivery. The ultimate aim should be to support the peace process and a transition towards the use of the country's own systems for aid delivery in the future. The proposed mix is based upon the need to provide both rapid and sustainable delivery, and should in particular focus on specific grants and pooled funds that will allow addressing the main needs described above. Additionally, this will enable rapid release of assistance to the peace process while promoting coherence and coordination with other funding flows and mechanisms, such as the existing multi-donor trust funds on health, education and livelihoods, or humanitarian aid.

## **5 IMPLEMENTATION**

### **5.1 Financing agreement**

In order to implement this action, it is foreseen to conclude a financing agreement with the partner country<sup>3</sup>, referred to in Budget Article 184(2)(b) of Regulation (EU, Euratom) No 966/2012.

### **5.2 Indicative implementation period**

The indicative operational implementation period of this action, during which the activities described in section 4.1 will be carried out and the corresponding contracts and agreements implemented, is 60 months from the date of entry into force of the financing agreement.

Extensions of the implementation period may be agreed by the Commission's authorising officer responsible by amending this decision and the relevant contracts and agreements; such amendments to this decision constitute technical amendments in the sense of point (i) of Article 2(3)(c) of Regulation (EU) No 236/2014.

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<sup>3</sup> If it will not be possible to sign a financing agreement, this action will be implemented without financing agreement. The indicative operational implementation period of this action, during which the activities described in section 4.1 will be carried out and the corresponding contracts and agreements implemented, is 60 months from the date of adoption of the Commission Implementing Decision.



## 5.3 Implementation modalities

### 5.3.1 Grants: call for proposals 'Support to the Peace Process in Myanmar/Burma' (direct management)

(a) Objectives of the grants, fields of intervention, priorities of the year and expected results

The objectives and expected results of the grants will be peace, reconciliation, reintegration, rehabilitation and sustainable development of Myanmar/Burma, as described in sections 4.1 and 4.2.

(b) Eligibility conditions

In order to be eligible for a grant, the applicant must:

- be a legal person,
- be non-profit-making;
- be a specific type of organisation such as: non-governmental organisation, public sector operator, local authority, international (inter-governmental) organisation as defined by Article 43 of the Rules of application of the EU Financial Regulation;
- be directly responsible for the preparation and management of the action with the co-applicant(s) and affiliated entity(ies), not acting as an intermediary.

Participation shall be open to the above mentioned entities, which are established in an eligible country for funding under the DCI Regulation, as stipulated in Article 9 of the Common Implementing Regulation (CIR).

Subject to information to be published in the call for proposals, the indicative amount of the EU contribution per grant is ranging from EUR 600 000 to EUR 4 850 000 and the grants may be awarded to sole beneficiaries and to consortia of beneficiaries (coordinator and co-beneficiaries). The indicative duration of the grant (its implementation period) is 48 months.

(c) Essential selection and award criteria

The essential selection criteria are financial and operational capacity of the applicant.

The essential award criteria are relevance of the proposed action to the objectives of the call; design, effectiveness, feasibility, sustainability and cost-effectiveness of the action.

(d) Maximum rate of co-financing

The maximum possible rate of co-financing for grants under this call is 95% of the eligible costs of the action.

In accordance with Articles 192 of Regulation (EU, Euratom) No 966/2012, if full funding is essential for the action to be carried out, the maximum possible rate of co-financing may be increased up to 100 %. The essentiality of full funding will be justified by the Commission's authorising officer responsible in the award decision, in respect of the principles of equal treatment and sound financial management.

(e) Indicative timing to launch the call

First trimester of 2016.

### 5.3.2 Procurement (direct management)

Subject in generic terms, if possible	Type (works, supplies,	Indicative number of	Indicative trimester of
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	services)	contracts	launch of the procedure
Provision of Technical Cooperation related to peace	services	2	2 <sup>nd</sup> , 2016

### 5.3.3 *Indirect management with an international organisation*

A part of this action may be implemented in indirect management with the United Nations Office for Project Services (UNOPS) in accordance with Article 58(1)(c) of Regulation (EU, Euratom) No 966/2012. This implementation entails, subject to the provisions of the Delegation Agreement, the whole contract management cycle of the new multi-donor trust fund called Joint Peace Fund (JPF) that the EU and other interested donors (Australia, Denmark, Finland, Norway, Sweden, United Kingdom, United Nations, United States, World Bank) are preparing with the aim to fund the main elements contained in the NCA described above. It is foreseen that the JPF will be operational in the last trimester of 2015 and implemented in indirect management with UNOPS. Indirect Management with this international organisation is the best option to ensure a fully integrated and coherent implementation of the action.

This implementation is justified because UNOPS has an established presence and extensive experience in the management of multi-donor trust funds co-financed by the EU and other donors in Myanmar/Burma. This implementation is also justified because there are several advantages of the JPF managed by UNOPS: it permits joint ownership among the government, the EAGs, donors and other relevant stakeholders through an inclusive high level committee; it facilitates stronger coordination (including joint analysis, planning and distribution of funds) among donors, which is very much needed; it helps secure timeliness, flexibility and certainty of financial support for priority projects; it allows the pooling of financial and human resources, thus strengthening the capacity to meet the high demands for proper planning, oversight and evaluations of projects supporting a highly complex, fluid and sensitive peace process; and it reduces the already very high transaction costs for donors and the different government ministries and agencies, such as the MPC. Finally, the JPF managed by UNOPS avoids an excessive proliferation of instruments in the same sector.

The entrusted entity would carry out the following budget-implementation tasks: procurement and grant award procedures, and awarding, signing and executing the resulting procurement contracts and grant contracts, notably accepting deliverables, carrying out payments and recovering the funds unduly paid.

If negotiations with the above-mentioned entrusted entity fail, that part of this action may be implemented in indirect management either with the United Nations Development Programme (UNDP), or the International Labour Organisation (ILO). The implementation by this alternative entrusted entity would be justified because of the long lasting problem free cooperation with these entities, their established presence in Myanmar/Burma and their experience in managing large scale programmes with multiple stakeholders. The alternative entrusted entity would be in charge of the whole contract-management cycle, subject to the provisions of the relevant Delegation Agreement. The alternative entrusted entity would carry out the following budget-implementation tasks: procurement and grant award procedures, and awarding, signing and executing the resulting procurement contracts and grant contracts, notably accepting deliverable, carrying out payments and recovering the funds unduly paid.

The alternative entrusted international organisations are currently undergoing the ex-ante assessment in accordance with Article 61(1) of Regulation (EU, Euratom) No 966/2012. The

Commission's authorising officer responsible deems that, based on the compliance with the ex-ante assessment based on Regulation (EU, Euratom) No 1605/2002 and long-lasting problem-free cooperation, these international organisations can be entrusted with budget-implementation tasks under indirect management.

If negotiations with the above-mentioned entrusted entities fail, that part of this action may be implemented in direct management in accordance with the implementation modalities identified in section 5.3.1.

#### 5.4 Scope of geographical eligibility for procurement and grants

The geographical eligibility in terms of place of establishment for participating in procurement and grant award procedures and in terms of origin of supplies purchased as established in the basic act and set out in the relevant contractual documents shall apply.

The Commission's authorising officer responsible may extend the geographical eligibility in accordance with Article 9(2)(b) of Regulation (EU) No 236/2014 on the basis of urgency or of unavailability of products and services in the markets of the countries concerned, or in other duly substantiated cases where the eligibility rules would make the realization of this action impossible or exceedingly difficult.

#### 5.5 Indicative budget

<b>Module</b>	<b>EU contribution (amount in EUR)</b>	<b>Indicative third party contribution, (in EUR)</b>
5.3.1 – Grants: Call for proposals "Support to the Peace Process in Myanmar/Burma" (direct management)	4 850 000	255 263
5.3.2 – Procurement (direct management)	500 000	N.A
5.3.3 – Indirect management with UNOPS (Joint Peace Fund)	14 000 000	Third party contribution is not known
5.8 – Evaluation <sup>4</sup> and 5.9 Audit <sup>5</sup>	150 000	N.A.
Contingencies	500 000	N.A.
<b>Total</b>	<b>20 000 000</b>	<b>255 263</b>

#### 5.6 Organisational set-up and responsibilities

For the JPF, it is foreseen that a high level committee will be set up to provide strategic direction and review overall progress. It is foreseen that this committee shall have three co-chairs, each appointed from within the respective stakeholder constituencies: government, EAGs that are signatories to the NCA (and therefore legalised organisations) and contributing donors. It might be comprised of two bodies, a plenary body and an Executive Working

<sup>4</sup> Where no financing agreement will be concluded, the financing of the evaluations shall be covered by another measure constituting a financing decision.

<sup>5</sup> Where no financing agreement will be concluded, the financing of the audit shall be covered by another measure constituting a financing decision.

Group, comprised of up to 12 members, appointed from within the 3 stakeholder constituencies.

## **5.7 Performance monitoring and reporting**

The day-to-day technical and financial monitoring of the implementation of this action will be a continuous process and part of the different implementing partner's responsibilities. To this aim, the implementing partners shall establish a permanent internal, technical and financial monitoring system for the action and elaborate regular progress reports (not less than annual) and final reports. Every report shall provide an accurate account of implementation of the action, difficulties encountered, changes introduced, as well as the degree of achievement of its results (outputs and direct outcomes) as measured by corresponding indicators, using as reference the logframe matrix. The report shall be laid out in such a way as to allow monitoring of the means envisaged and employed and of the budget details for the action. The final report, narrative and financial, will cover the entire period of the action implementation.

The Commission may undertake additional project monitoring visits both through its own staff and through independent consultants recruited directly by the Commission for independent monitoring reviews (or recruited by the responsible agent contracted by the Commission for implementing such reviews).

## **5.8 Evaluation**

Having regard to the importance of the action, a mid-term and a final evaluation will be carried out for the various components via independent consultants contracted by the Commission.

A mid-term evaluation will be carried out for problem solving and learning purposes, in particular with respect to the chosen implementing modality for the JPF and its efficiency and effectiveness in supporting the peace process in the right way.

The final evaluation will be carried out for accountability and learning purposes at various levels (including for policy revision), taking into account in particular the volatile peace process in Myanmar/Burma.

The Commission shall inform the implementing partner at least three months in advance of the dates foreseen for the evaluation missions. The implementing partner shall collaborate efficiently and effectively with the evaluation experts, and inter alia provide them with all necessary information and documentation, as well as access to the project premises and activities.

The evaluation reports shall be shared with the partner country and other key stakeholders. The implementing partner and the Commission shall analyse the conclusions and recommendations of the evaluations and, where appropriate, in agreement with the partner country, jointly decide on the follow-up actions to be taken and any adjustments necessary, including, if indicated, the reorientation of the project.

Indicatively, two contracts for evaluation services shall be concluded under a framework contract respectively just after the first half of the implementation period and just after the end of the implementation period<sup>6</sup>.

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<sup>6</sup> Where no financing agreement will be concluded, the financing of the evaluation shall be covered by another measure constituting a financing decision.

## **5.9 Audit**

Without prejudice to the obligations applicable to contracts concluded for the implementation of this action, the Commission may, on the basis of a risk assessment, contract independent audits or expenditure verification assignments for one or several contracts or agreements.

Indicatively, one contract for verification services shall be concluded under a Framework contract just after the end of the implementation period, upon reception by the EU of the final financial report<sup>7</sup>.

## **5.10 Communication and visibility**

Communication and visibility of the EU is a legal obligation for all external actions funded by the EU.

This action shall contain communication and visibility measures which shall be based on a specific Communication and Visibility Plan of the Action under modules 5.3.1, 5.3.2 and 5.3.3 to be elaborated at the start of implementation and supported with their respective budget.

In terms of legal obligations on communication and visibility, the measures shall be implemented by the Commission, the partner country, contractors, grant beneficiaries and/or entrusted entities. Appropriate contractual obligations shall be included in, respectively, the financing agreement, procurement and grant contracts, and delegation agreements.

The Communication and Visibility Manual for European Union External Action shall be used to establish the Communication and Visibility Plan of the Action and the appropriate contractual obligations.

The EU will ensure active participation in the high level committee of the JPF to influence strategic decisions and to monitor that visibility provisions are respected. A comprehensive Communication and Visibility Plan will be prepared which will serve as the framework for all visibility actions of the JPF. To ensure that EU messages are conveyed correctly to the public, all press releases should receive prior approval from the EU. The EU will also ensure that appropriate communication materials (brochures, pamphlets, etc.) as well as activities such as special events, alongside the traditional media and personal communication techniques will be maximised to the fullest to convey both general and specific communication messages in the context of the EU to its intended stakeholders.

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<sup>7</sup> Where no financing agreement will be concluded, the financing of the verification mission shall be covered by another measure constituting a financing decision.

## APPENDIX - INDICATIVE LOGFRAME MATRIX<sup>8</sup>

The activities, the expected outputs and all the indicators, targets and baselines included in the logframe matrix are indicative and may be updated during the implementation of the action without an amendment to the financing decision. The indicative logframe matrix will evolve during the lifetime of the action: new lines will be added for listing the activities as well as new columns for intermediary targets (milestones) when it is relevant and for reporting purpose on the achievement of results as measured by indicators.

	Intervention logic	Indicators	Baselines (incl. reference year)	Targets (incl. reference year)	Sources and means of verification	Assumptions
Overall objective: Impact	To contribute to lasting peace, security, stability and sustainable development in Myanmar/Burma	National Peace Accord.  Sense of security in local communities.  Level of inter-faith and inter-communal relations, especially in Rakhine State.  Economic development/growth indicators.	On-going negotiations for nationwide ceasefire agreement, code of conduct, framework for political dialogue but no agreement as yet  On-going negotiations for amending structure of governance but no agreement as yet (Deed of Commitment 12 <sup>th</sup> February 2015 committed government and military to the federal concept).  On-going	– Signed NCA by end of 2015. – Commencement of the political dialogue process by 2016. – Improved economic development/growth indicators across all states and regions year on year from 2014-2020.	Government statistics.  Reports by projects, think tanks and specialised organisations.  National and international media.	

<sup>8</sup> Indicators aligned with the relevant programming document are marked with '\*' and indicators aligned to the EU International Cooperation and Development Results Framework with '\*\*'.

			negotiations framework for political dialogue (4 frameworks from different groups currently in existence) but no agreement on unified framework or implementation as yet. Pilot ceasefire monitoring mechanisms launched. Dispute resolution mechanism still to be agreed			
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<p style="writing-mode: vertical-rl; transform: rotate(180deg);">Specific objective(s): Outcome(s)</p>	<p>1. Successive milestones of the peace process are reached ensuring a nationwide ceasefire agreement is conducive for a national political dialogue process and a transition to sustainable peace in the country.</p> <p>2. Improved socio-economic recovery in conflict-affected areas.</p>	<p>Status of peace process – Number and scope of ceasefire agreements and functional codes of conduct and monitoring mechanisms.</p> <p>Number of IDPs and refugees.</p> <p>Level of reintegration of returnees into local communities.</p> <p>Stability and economic development/growth indicators in conflict-affected areas.</p>	<p>The starting point or current value of the indicator.</p> <p>On-going negotiations for nationwide ceasefire agreement, code of conduct, framework for political dialogue but no agreement as yet</p>	<p>The intended value of the indicator.</p> <ul style="list-style-type: none"> <li>– 80% less IDPs by 2020.</li> <li>– 50% reduction in incidence of conflict-affected areas by 2020.</li> <li>– Cooperation between government, Tatmadaw and EAGs in implementation of peace agreements.</li> <li>– Improved economic development/growth indicators year on year in conflict-affected areas.</li> </ul>	<p>Agreed and signed Nationwide Ceasefire Agreement, Code of Conducts and joint ceasefire monitoring mechanisms.</p> <p>Reports by recipient institutions.</p> <p>Reports by implementing partners.</p> <p>UNHCR Country reports Thai Border Consortium reports Population movement profiles</p> <p>National Political Dialogue Framework Secretariat reports</p> <p>Project surveys conducted by EU-funded implementing agencies</p> <p>Independent project evaluations.</p>	<p>Peace will contribute positively to other development objectives, including democratisation, broad-based economic development and human security.</p> <p>Cessation of armed hostilities will build the confidence needed on all sides to start negotiations of a national peace accord, dealing with the underlying causes of armed conflict, as well as to scale up efforts to promote recovery and development in former conflict-affected areas.</p>
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Outputs	<p>1.1. Ceasefire agreements concluded, honoured and effectively monitored by robust ceasefire monitoring mechanisms, leading to increased confidence between the government, the Tatmadaw and EAGs, and increased security for local communities.</p>	<p>Existence/implementation status of NCA.</p> <p>Existence / implementation status of a joint ceasefire monitoring mechanism, with an appropriate dispute resolution mechanism that documents and reports armed clashes to the relevant authorities and stakeholders, in designated areas</p> <p>Effectiveness of government/Tatmadaw-EAG liaison mechanisms.</p> <p>Existence/implementation status of Code of Conduct for Tatmadaw and EAGs.</p> <p>Number of armed clashes between Tatmadaw and EAGs.</p> <p>Number of victims of armed clashes.</p> <p>Number of children recruited by the Tatmadaw or any EAG.</p>	<p>Idem as above for the corresponding indicator.</p> <p>On-going negotiations for nationwide ceasefire agreement, code of conduct, framework for political dialogue but no agreement as yet</p> <p>Pilot ceasefire monitoring mechanisms launched. Dispute resolution mechanism still to be agreed</p>	<p>Idem as above for the corresponding indicator.</p> <ul style="list-style-type: none"> <li>– 90% reduction in victims of armed clashes by 2020.</li> <li>– No more children recruited by the Tatmadaw or any EAG after 2017</li> <li>– 50% reduction in number of intra-state armed clashes (including bomb blasts) by 2020.</li> <li>– Effective resolution of 90% of clashed via established mechanisms by 2020.</li> </ul>	<p>NCA monitoring reports.</p> <p>Code of Conduct monitoring report.</p> <p>Government/EAG documents and press releases.</p> <p>Reports by institutions engaged in ceasefire monitoring and associated activities.</p> <p>Reports by specialised external organisations</p> <p>Public surveys.</p>	<p>Sustained high-level commitment of government, Tatmadaw and EAGs to end armed hostilities.</p> <p>Minimal use of violence by local armed groups for economic purposes.</p>
	<p>1.2. An inclusive national political dialogue reached a broad consensus on the main aspects under discussion, thus creating the political basis for sustainable peace.</p>	<p>Level of satisfaction and extent to which minorities (ethnic groups and women) are involved in the national dialogue process.</p> <p>Diversity of representation of minorities (ethnic groups and women) in the national dialogue process.</p>	<p>Idem as above for the corresponding indicator.</p> <p>On-going negotiations for amending structure of governance but no agreement as yet (Deed of</p>	<p>Idem as above for the corresponding indicator.</p> <ul style="list-style-type: none"> <li>– Representation of wide spectrum of key stakeholders in national dialogue process.</li> </ul>	<p>Official agreements.</p> <p>Meeting minutes.</p> <p>National media reports.</p> <p>Constitutional amendments.</p>	<p>Sustained high-level commitment to resolve differences through political means.</p> <p>Sufficient symbolic and substantive concessions are</p>

		Number of constitutional amendments, laws and policy changes.	Commitment 12th February 2015 committed government and military to the federal concept).  On-going negotiations framework for political dialogue (4 frameworks from different groups currently in existence) but no agreement on unified framework or implementation as yet.	– Constitutional amendments enshrining mutually agreed structure of governance (including a system for sharing natural resources)	National Political Dialogue Secretariat reports.	made to allow compromise solutions.  Sufficient political will in Parliament – and, in case of solutions requiring constitutional amendments, in the broader population – to reach a national peace accord.
	2.1. Prompt, effective and efficient delivery of assistance for recovery and development in former conflict-affected areas or areas affected by inter-communal tensions and violence, using appropriate peace-building methodologies.	Volume of aid delivered promptly and effectively in former conflict-affected areas in ways that support longer term peacebuilding.  Trend in peacebuilding needs assessments carried out in former conflict-affected areas, using appropriate methodology and with results shared among all relevant stakeholders.  Level of acceptance in local communities of development support.  Extent to which formal and/or informal mechanisms to promote, facilitate and sustain inter-faith and inter-communal	Idem as above for the corresponding indicator.  Interim arrangements to be discussed in national political dialogue.  Joint needs assessment currently being negotiated amongst donors.  Government establishment of 'Centre for Harmony and Diversity' and other	Idem as above for the corresponding indicator.  – 75% reduction in new victims of landmines by 2020.  – 90% reduction in clashes resulting from inter-faith and inter-communal violence by 2020.	Donor reports.  Reports by implementing agencies.  Independent project evaluations.  Agreed, signed and implemented informal and/or formal mechanisms that act as forums for regular discussion.  Action plans that emerge from needs assessments.	Government does not limit access to former conflict-affected areas.

		<p>dialogue exist.</p> <p>Number of clashes resulting from interfaith and inter-communal violence.</p> <p>Existence of arrangements for formal and/or informal transitional mechanisms.</p> <p>Ratio of areas certified mine free over total mined area.</p> <p>Number of new victims of landmines.</p>	<p>commitments in Rakhine State Action Plan.</p>			
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