



DENMARK – MYANMAR COUNTRY POLICY PAPER 2016-2020

CONTENTS

1 INTRODUCTION	3
2 DENMARK'S PARTNERSHIP WITH MYANMAR – STRATEGIC DIRECTIONS	6
3 ANALYSIS OF THE SITUATION IN MYANMAR	11
4 THEMATIC OBJECTIVES AND PRINCIPLES FOR ENGAGEMENT	18
5 MONITORING OF RESULTS AND RISK MANAGEMENT	22
ANNEX 1 KEY DATA	23
ANNEX 2 DENMARK'S DEVELOPMENT COOPERATION WITH MYANMAR DIVIDED BY THEMATIC AREAS	26
ANNEX 3 MYANMAR'S PROGRESS TOWARDS THE MILLENNIUM DEVELOPMENT GOALS	28

1 INTRODUCTION

DANISH INTERESTS AND RATIONALE BEHIND CHOICE OF PRIORITY COUNTRY

Myanmar is a country in transition with great opportunities but also with many challenges. It is one of Asia's poorest and least developed countries. Since independence, the history of the country has been characterized by civil war, military dictatorship and oppression of democratic forces as well as international isolation. In 2011, Myanmar initiated a comprehensive reform process aiming to achieve a transition towards a more democratic, market-based and socially equal society that creates shared prosperity for all in tandem with an ongoing peace effort.

Denmark has for decades supported the democratic forces and provided humanitarian assistance to the many refugees and internally displaced people in the border areas.

By making Myanmar a priority country for Danish development assistance and opening an Embassy by 1st August 2014, Denmark confirms its support to the ongoing ambitious and long-term transition process. At the same time Denmark will continue its humanitarian support in conflict areas as needed.

Part of the new long-term partnership with Myanmar is a more active political dialogue both bilaterally and together with the EU and other development partners. The ongoing transition in Myanmar also holds promise for much stronger commercial cooperation between Denmark and Myanmar in the years to come.

Through the partnership Denmark aims at supporting the government and people of Myanmar in implementing their own priorities and plans. At the same time, Denmark will work in close coordination with other relevant partners, including international partners.

The country policy paper acknowledges that Myanmar is in a long-term transition process towards a peaceful and more democratic society with equitable, sustainable and inclusive growth. However, key challenges are likely to remain unsolved for some time to come and this call for a realistic and pragmatic approach. The risk of increased tension and violence and serious set-back in the reform process cannot be ruled out. The policy paper therefore allows flexible application of instruments and adaptation of prioritised interventions.

DENMARK'S PREVIOUS COOPERATION WITH MYANMAR

Denmark has had an active policy towards Myanmar based in the late 1990's on primarily humanitarian aid for refugees and support for the exile community within the limits of EU sanctions that were suspended in 2012 and lifted in 2013 except for the continued arms embargo.

Furthermore, from 1977 to 1982 Denmark provided a number of state loans to Myanmar amounting to some US\$ 140 million in 2015 prices to support the fisheries sector. The program included building fish trawlers, inspection ships, cold chains and infrastructure for transportation of fish products. In 2013, the Danish government decided to give a complete debt relief as part of a larger debt write-off through the Paris Club, which helped clear the way for renewed multilateral engagement in Myanmar for both the World Bank and the Asian Development Bank.



Map No. 4168 Rev. 3 UNITED NATIONS, June 2012
 Modified by BGRAPHIC, December 2015

Department of Field Support
 Cartographic Section

Since 2006 Denmark has provided around US\$ 100 million in development assistance and humanitarian support inside the country and to refugees in neighboring countries.

The development assistance has focused on democratization, good governance and human rights, health, education, and livelihoods. In all areas, the Danish engagement has focused on creating the foundations for sustainable and equitable growth while promoting human rights, including for marginalized groups and women, and on empowering the population to create changes for themselves.

Substantial humanitarian assistance has for years been provided to refugees and internally displaced people in the border area between Myanmar and Thailand. Following the escalation of conflicts in both Rakhine and Kachin states in the past few years, more humanitarian resources have been directed to these areas through support to both international NGOs and UN agencies. The humanitarian situation for the many internally displaced persons and the refugees in neighbouring countries continues to be of concern, and there is no apparent solution in sight. Denmark therefore expects to continue providing humanitarian assistance in the foreseeable future, with a particular focus on protection and sustainable solutions. It is imperative for the delivery of humanitarian assistance that partners are allowed full access to all population groups in need of humanitarian assistance.

Denmark also provided substantial assistance to Myanmar to alleviate the effects of the cyclone Nargis in the immediate aftermath of the disaster in 2008.

The Danish development assistance has previously been implemented through NGOs, multi-donor funds and multilateral organizations in parallel with government systems due to sanctions towards Myanmar. As a result of the lifting of sanctions in 2013, it is now possible to work with the government on a range of issues, and Denmark has together with other development partners engaged more actively with the Myanmar government recently to ensure aid effectiveness, national ownership and sustainability.

Denmark has played a catalytic role in liberalizing the media sector, strengthening civil society's ability to address human rights issues, improving basic education, providing livelihood options for the rural poor, and working towards accomplishing the education- and health-related Millennium Development Goals as well as humanitarian relief operations. A number of Danish NGO's such as Danish Refugee Council, Danish Church Aid, International Media Support, Mellempfolkeligt Samvirke/ActionAid, DanMission, Danish Red Cross and the Danish Institute for Parties and Democracy are also engaged in Myanmar.

2 DENMARK'S PARTNERSHIP WITH MYANMAR – STRATEGIC DIRECTIONS

VISION FOR THE PARTNERSHIP

The overall vision for Denmark's partnership with Myanmar is to contribute to the development of a peaceful and more democratic society with equitable, sustainable and inclusive growth that promotes human rights for all people. Denmark will support Myanmar's goal of graduating from its status as a Least Developed Country within a decade and of realizing the post 2015 Sustainable Development Goals (SDGs).

Denmark recognizes that the transition process in Myanmar is likely to be nonlinear and may experience rapid improvements or set-backs. Each of the major reform areas that Myanmar is currently focusing on presents both opportunities and vast challenges that are being reinforced by the multitude of transitions undertaken simultaneously. Thus the environment is complicated and there are risks for push backs as the stakes are immense for both the people and the old elites. In Myanmar, power has for decades been concentrated among a few key groups of people, which complicate the reform processes further, as there is a need to broaden both institutions and the distribution of power significantly to implement reforms in a sustainable and democratic way.

There is thus a need to accept that reform processes will take time and that flexibility and patience will be needed from the international community.

The outcome of the general election in the fall of 2015 is an important milestone for the country's further development.

The independent risk consultancy Control Risk¹ has presented the following scenarios for the medium to long-term (five year) prospects for Myanmar, which are relevant for the Danish development assistance within the period 2016-2020.

The overall goal of the Danish policy paper as well as the thematic areas of interventions are expected to remain constant across scenarios, whereas the response might change and be adjusted to the situation at hand (type of interventions, partner choice, scope of the engagement and volume).

Active political dialogue with the Government of Myanmar and other stakeholders will be pursued in all three scenarios with a view to promote peace, democracy, respect for human rights and reforms even though from a different point of departure depending on which scenario unfolds.

In the most likely scenario of continued reforms Denmark will continue the present policy of engaging the Government of Myanmar in development efforts and supporting the building up of sustainable institutions able to promote democracy and respect for human rights as well as improve service delivery.

If reforms stall for a prolonged period of time engagements with central government institutions will be reviewed in order to assess if the objectives of specific interventions can be achieved or adjustments are needed.

In a scenario of serious instability, interventions will to the extent possible be adjusted or redesigned in order to provide support to the target groups in the most efficient way outside of government.

In all scenarios support for peace, democracy and respect for human rights will be implemented through appropriate funding channels.

Scenarios will often differ in details as reality catches up. Denmark's concrete engagements will be shaped by recurring reviews of the most relevant and timely opportunities for engaging in Myanmar.

1 <https://www.controlrisks.com/en/our-thinking/analysis/myanmar-scenarios>

SCENARIO	THE MOST LIKELY SCENARIO (55% PROBABILITY)	THE FIRST ALTERNATIVE SCENARIO (30% PROBABILITY)	THE SECOND ALTERNATIVE SCENARIO (15% PROBABILITY)
Politics	Political and economic reforms continue as a basically stable compromise government emerges from the 2015 elections.	Reforms stall and politics begin to look less stable as a post-2015 government succumbs to intra-coalition and intra-party politicking.	Serious political, social and economic instability prompt military intervention on 'national security' grounds.
Foreign investments	Foreign investment accelerates and annual GDP growth hovers around 5%-7%, but the regulatory and business environments remain challenging and fluid.	Many foreign investors (especially from outside Asia) lose interest as 'honeymoon' excitement fades. Economic growth is slower.	Foreign investors come under increasing pressure to withdraw as Western countries re-impose sanctions. Economic growth returns to heavy dependence on gas and raw material exports, and intra-Asia investments.
Reforms	Institutional foundations stay weak, reforms are uneven and populism grows in policy significance.	Some groups call for re-imposition of targeted sanctions to get reforms back on track.	Political liberalisation is reversed and economic reforms stall.
Stability	Communal and ethnic-minority frictions remain reputational – and in some areas security – considerations.	Populism and communal frictions more serious.	Domestic stability is in doubt.

THE MAIN INSTRUMENTS FOR THE DANISH ENGAGEMENT

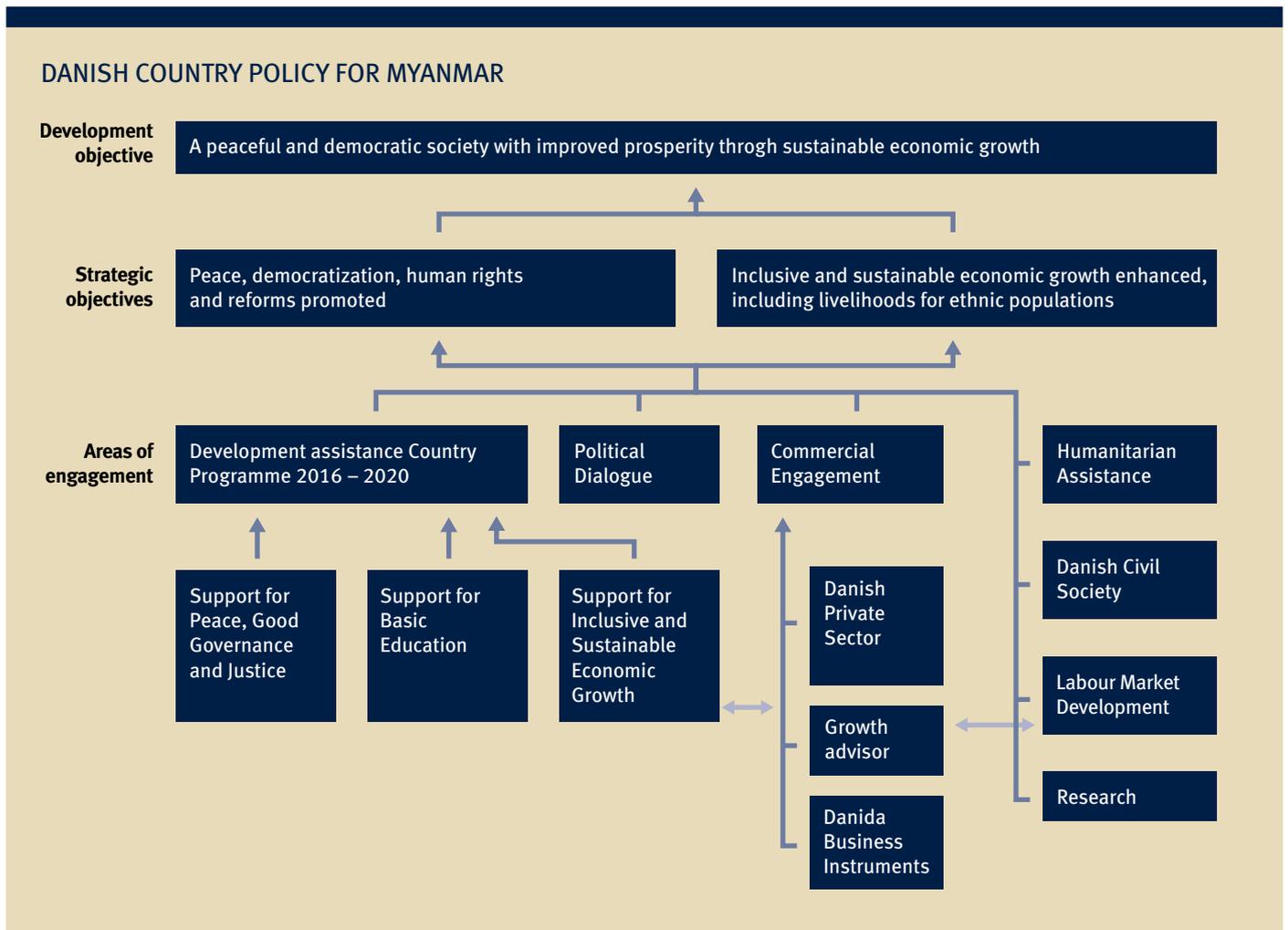
The main instruments for the Danish engagement will be long-term development cooperation, continued political dialogue, and building commercial relations.

DEVELOPMENT COOPERATION

Denmark is committed to continuing the development assistance to Myanmar with the aim of promoting a more peaceful, democratic, and equal society with respect for human rights and the rule of law.

Denmark will strengthen its support to the peace process as peace is a critical and necessary prerequisite for the long-term development prospects of Myanmar.

To continue recent democratic reforms, a key achievement will be for the Myanmar government to carry out credible and transparent general elections, as well



as creating a more legitimate and accountable government supported by strong and impartial institutions that respond to the needs and priorities of all people in Myanmar. Improving the rule of law and establishing an independent judiciary will contribute to a more just society for the people and can help attract more international investors to improve the long-term growth prospects of Myanmar. These developments can build the foundation for a more decentralized and responsive public sector with considerable autonomy to the states and regions as well as significantly more public spending in social sectors.

It is important to recognize the strong interdependence and synergies between democratic reforms, promotion of human rights, peacebuilding and economic growth. Denmark will support Myanmar's objectives of carrying out reforms in all these areas together with other development partners with the aim of creating a more democratic, equal and prosperous society.

Thus, Denmark is looking to support the continued democratization process by assisting the government in strengthening

public financial management and administration which will allow for improved service delivery, increased taxation, and a more decentralized public sector that better responds to people's needs. Judicial reforms and creating an improved legal education including in human rights and legal aid for poor and marginalized groups will be another focus for Danish assistance.

Denmark will promote broad-based economic development that reduces poverty and ensures decent jobs while gradually reducing dependency on development assistance by enabling citizens to empower themselves. More than 60 percent of Myanmar's population is engaged in the primary sectors, and the overwhelming majority of poor in Myanmar live in the rural areas.

Denmark will engage in inclusive green growth within the inshore fisheries sector where there is significant scope to improve management, productivity, market access and regulations to benefit poor and marginalized people in coastal areas, including women. Small and medium-sized enterprises are also fundamental to poverty reduction and

Denmark may support initiatives to develop them further as they have long suffered under excessive government interference in the private sector.

A fundamental building block for a more prosperous and enlightened society is better education, and Denmark thus plans to continue support to the primary education sector that has for decades been severely under-prioritized and remains at a very basic level.

POLITICAL DIALOGUE

Denmark has long been engaged in an active political dialogue with central political actors in Myanmar both directly and through multilateral institutions. It is evident that the Myanmar government is increasingly engaging with international partners to enhance and deepen the transition towards a more open and democratic society. Denmark will strengthen the bilateral dialogue while at the same time actively engage in political dialogue through the EU and with other development partners.

COMMERCIAL DEVELOPMENT

Some Danish companies are already established in Myanmar and more are looking for trade and investment opportunities in this growth market with long-term potential. The business and investment climate is still challenging due to a lack of inputs, infrastructure, transparency and weak government systems, but there are opportunities for first movers willing to take risks. The Embassy will continue to provide advice and support for Danish companies in all sectors and utilize available Danish Business Instruments to support them. Improvements in regulation of the labour market will directly support the competitiveness of Danish companies which have a strong focus on Corporate Social Responsibility (CSR). The planned support for small and medium-sized enterprises in Myanmar will have the potential to strengthen relations to Danish businesses.

COHERENCE AND SYNERGIES BETWEEN DIFFERENT INSTRUMENTS

There are strong synergies between the different instruments as continued democratic and institutional reforms

are crucial for achieving long-term peace in a society where the country's different ethnic and religious groups can coexist harmoniously. These political and democratic objectives will in turn support economic growth prospects by attracting foreign investors and expanding job opportunities for the poor and marginalized to reduce poverty. Coordination with humanitarian assistance will be important to achieve this peace dividend.

Enhancing the government's capacity for public service delivery goes hand in hand with strengthening the education system and is an important step towards a legitimate government that responds to people's needs. Improving the judiciary as well as legal education and services will further enhance accountability and respect for human rights.

Danish commercial interests in Myanmar will also benefit from a more democratic society with greater transparency, the rule of law, economic growth and a better educated workforce.

3

ANALYSIS OF THE SITUATION IN MYANMAR

POLITICS, PEACE, DEMOCRATIZATION

The history of Myanmar has since independence in 1948 been characterized by civil war, military dictatorship, and suppression of democratic forces, endemic poverty, and humanitarian catastrophes while the country gradually became more isolated internationally after the military coup in 1962. In 2003, however, the military government launched a 7-step plan towards disciplined democracy which was concluded when the current government took office in 2011. In the 2012 by-election the opposition party National League for Democracy led by Nobel Peace Prize laureate Aung San Suu Kyi won 43 parliamentary seats, but the current parliament and government is still heavily dominated by the military itself and the Union Solidarity and Democratic Party, started by the military. The continued military influence is enshrined in the 2008 constitution that gives 25 percent of all seats in both the lower and upper house of parliament to the military while also ensuring a veto over any constitutional changes. Furthermore, the 2008 constitution bans Aung San Suu Kyi from becoming president as she has children that are not Myanmar citizens.

Myanmar is now undergoing a complex and wide spanning transition towards a more free, open and prosperous society with greater political rights, enhanced media freedom, the release of political prisoners, involvement of civil society, open constitutional debates, and an opening of the economy internationally.

While Bamar is the largest group (app. 60% of the population) the population consists of about 135 different ethnic groups. A number of ethnic minorities have for decades through armed groups fought for greater autonomy. The groups have different motives but control of natural resources is often a key issue. Foreign investment and exploration of natural resources have increased tensions. The conflict affected populations suffer from violence and other abuses. The situation is especially dire for the people belonging to the Rohingya minority and other minorities in Rakhine State. The government has signed bilateral ceasefires with most of the ethnic armed groups but fighting still flares up in Northern Shan State and Kachin State. The government aims to end one of the world's longest running civil wars by negotiating a National Ceasefire Agreement between the government, the military and the armed ethnic groups.

A peace and reconciliation process including the government, the Parliament, and the military on one side and 16 ethnic armed organizations on the other is essential for stabilisation of the country. Civil society, political parties, the private sector and other stakeholders are expected to take part. Such a process holds the promise of creating the constitutional and political foundations for a more inclusive and peaceful society based on democratic principles, respect for human rights and a federal structure as well as more equitable resource sharing. At the core of the process is a fundamental nation-building effort, the outcome of which will fundamentally shape the social cohesion and structure of the country and hopefully help create a common identity for all the people of Myanmar.

The recently empowered Parliament has proven influential and decisive and has played an overall positive role in the past few years, although there are concerns that some new laws are passed hastily without proper consultation or legislative preparations. The opening of the media sector has also proven a catalyst for democratic change as most restrictions on publishers and journalists have been lifted.

The country is currently witnessing a radicalization of parts of the population led by extremist monks and a number of Buddhist individuals seeking to create further division between the many different ethnic and religious groups in Myanmar, e.g. through hate speech spread on social media. These racist and xenophobic currents pose a grave risk for the cohesion and long-term development potential of the country, as it might lead to further sectarian segregation, mistrust and inter-communal violence.

Recent developments have thus led Myanmar to an important crossroads between remaining a relatively authoritarian country with significant military involvement in politics, limited human rights and a semi-closed state-dominated economy or developing into a democracy with transparent and inclusive elections, rule of law, respect for all human rights and an open economy that promotes shared prosperity for all. The upcoming elections will be an important test of the government's willingness to pursue the democratic path as it will challenge elite groups with vested interests in preserving status quo at the expense of developing democratic principles, human rights, and economic development for all.

THE REGIONAL CONTEXT

Myanmar is strategically located between China and India and has the potential to become a regional trading hub. During the EU and US sanctions regimes, Myanmar built a strong alliance with China in both the economic and military sectors, and has for a long time relied heavily on trade with China as well as Chinese investments in natural resource extraction.

Since 1997 Myanmar has also been a member of ASEAN, as the other countries in the region preferred to engage rather than isolate the military regime, and in 2014 Myanmar held the chairmanship of the organization signalling an important step towards international recognition. The member countries are currently negotiating the important *ASEAN Economic Community* (AEC) treaty that aims to facilitate the free flow of goods, services, capital, investments and skilled labour across all member states in principle by 2016. The AEC poses a great opportunity for Myanmar to enhance its exports but will also present challenges as manufacturers have to compete with high-productivity neighbours with greater access to capital, infrastructure and skilled labour.

Finally, regional relations continue to be impacted by the continued presence of refugees from Myanmar in neighbouring countries, including in particular Bangladesh and Thailand, but more recently also China.

DEVELOPMENT CHALLENGES

Despite recent political and economic gains, Myanmar has among the worst social indicators in Asia. The socio-economic changes for the vast majority of the population are few especially the poor and marginalized parts of the population. Myanmar is thus ranked 150 out of 187 countries in UNDP's Human Development Index, and the country is not going to fulfil all the Millennium Development Goals by the end of 2015. The World Bank has recently estimated that 37.5 percent of the population in 2010 lived in poverty with most of the poverty concentrated in rural and ethnic areas. Another 1/3 of the population is just above the poverty line.

Myanmar has an estimated GDP per capita of approximately US\$ 1,000 and a predominantly low-productivity agricultural sector employing over half the workforce. The service sector employs

around a third of the workforce while the industrial sector only accounts for 12 percent of employment. The majority of the population lives in rural areas and is dependent on agricultural production or fisheries for at least part of the year, with many working as day labourers during parts of the year with limited agricultural activity. Agricultural productivity faces significant constraints from a severe lack of extension services, technology, banking and credit systems, poor infrastructure and pervasive issues of land rights and land-grabbing.

The education sector in Myanmar has suffered from chronic under-investment for decades which has led to poor teacher training, inadequate facilities and an unusually large share of out-of-pocket educational spending required from households. It is estimated that over one million children are still out of school, less than 70% of primary school age children complete a full course of primary education at the correct age, and only about 20 percent finish lower secondary school. Of those students only 36 percent were able to pass the matriculation exam in 2010. On the positive side, nominal budgets for the sector have increased fivefold in just five years accounting for approximately US\$ 1.1 billion or roughly 2 percent of GDP in the financial year 2014/15 which is, however, still very low in a regional perspective.

Myanmar is highly vulnerable to climate changes and is placed second globally in terms of vulnerability to extreme weather events, e.g. in coastal areas impact of cyclones and rising sea level. The country is compared to other countries in the region less prepared to respond to the challenges posed by climate change. Water scarcity is a major obstacle for agriculture in large part of the country and it is believed to worsen with climate change and this calls for strong adaptation measures.

Myanmar still has a relative low energy demand but with the projected economic development there will be an increasing request for energy. It is important for energy security and mitigation of climate change that this energy provision is provided within a low-carbon development path utilizing opportunities for embedding economic progress within a green growth paradigm. Early introduction in this development path of renewable energy solutions is important.

DEVELOPMENT PARTNERS

An increasing number of development partners are engaged in Myanmar with traditional actors such as EU, Japan, Australia, the United Kingdom, the United States and the Nordic countries among the largest donors. For years China has also been heavily engaged in Myanmar

with infrastructure support, soft loans and joint ventures in the extractives industry aimed at promoting Chinese business and geopolitical interests. However, the donor landscape is rapidly changing with the multilateral organizations (World Bank, Asian Development Bank) reengaging with substantial investments and the emergence of a number of regional development partners such as South Korea, Thailand and India.

As donor support was until recently generally provided outside of government systems, multi-donor trust funds that are often administered by UN organisations are widely used. However, most of the large donors are currently in the process of drafting long-term strategies for their development cooperation taking into account the changing situation.

Bilateral donors have traditionally been supporting humanitarian emergencies, livelihoods for the rural poor, basic education and the health system as well as human rights, democratization and good governance projects. Lately a number of large infrastructure, water supply, electricity, and natural resource management programs have been initiated and donors have provided significant funds for health projects and technical and vocational training.

MACROECONOMIC ASSESSMENT

The recent economic reforms and the opening up of the economy have helped accelerate growth to current levels of 7.5-8 percent in the years 2013-2015 but it is narrowly driven by primarily natural gas production, construction and tourism with very little growth in rural areas.

Macroeconomic performance has improved with a more stable exchange rate following the floatation of the exchange rate in 2012. The Central Bank of Myanmar has also been given the autonomy needed to implement more effective monetary policy, and there has been a policy shift from reliance on the printing of money towards greater use of treasury bonds. The deficit on the state budget is being kept at a reasonable level of around 5 percent. However, there is still limited institutional capacity for macroeconomic management, no formal inter-bank market, and a continued inflationary pressure from monetization of the fiscal deficit. Addressing these issues in the coming years will be important to improve long-term macroeconomic performance.

The opening of the economy, the inflow of capital and significantly increased public spending is pushing up inflation to around 6 percent year-on-year and the country has developed a trade deficit of 5.5 percent of GDP in 2014 as imports continue to rise while exports are flat. All this gives Myanmar a relatively favourable growth outlook over the medium term, but it will be essential to broaden the tax base, enhance public finance management, and invest in the social sectors as well as necessary infrastructure to realize the country's long-term growth potential.

Better taxation and management of natural resources will be a key challenge on the country's development path as Myanmar has abundant natural resources with large amounts of oil and gas, teak wood, precious stones and water resources usable for hydropower. Many of these resources are controlled by the state or ethnic armed groups, and they only benefit the civil population to a limited degree. A pervasive problem relates to land-rights with farmers and other less privileged groups routinely being forced from their lands with little or no compensation to make way to large-scale projects. Furthermore, much of the profit from these projects is not properly taxed and is kept off-budget which limits transparency and creates significant scope for corruption.

HUMAN RIGHTS AND GENDER EQUALITY

The human rights situation has generally improved since 2011 with notable improvements including the release of more than 1,000 prisoners of conscience, lifting of pre-publication censorship for the press and greater freedom of expression, assembly and association, much larger space for civil society and the establishment of a National Human Rights Commission in 2011.

However, developments over the last years have not changed the fact that Myanmar faces many challenges from a human rights, democracy and rule of law perspective such as the suppression and forced displacement of the Muslim Rohingya population in Rakhine state, impunity for serious human rights violations, land rights issues, excessive legal actions against journalists, limitations in the right of assembly and free speech, limitations in religious freedoms, and the arbitrary arrest and detention of political prisoners. Myanmar has also for decades been the subject of yearly UN resolutions regarding the country's human rights issues.

RANKING BODY/INDEX	RANK	RANKING SCALE (BEST–WORST POSSIBLE)
World Bank Rule of Law Index	10.9 (2013)	100-0
World Justice Project Rule of Law Index	89 (2014)	1-99
World Press Freedom Index	145 (2014)	1-180
World Bank Voice and Accountability Index	6.6 (2013)	100-0
Transparency International	156 (2014)	1-175
Freedom House: Freedom in the World	STATUS: NOT FREE FREEDOM RATING: 6	1-7
Foreign policy: Fragile States Index	24 (2014)	178-1
Web Index	85 (2014)	1-85

A major human rights issue is the continued suppression of the Muslim population in Rakhine State where approximately a million people are denied citizenship. Intercommunal violence has flared up and resulted in the displacement of 140,000 Muslims to IDP camps in Rakhine. In Kachin State, clashes between the military and the ethnic armed groups have displaced more than a hundred thousand people who risk grave violations of basic human rights. Furthermore, the humanitarian situation in refugee camps on the border to Thailand have yet to improve substantially for the 120,000 refugees still living there. For Myanmar as a whole, UNHCR estimates that as many as 900,000 persons are of particular concern as either refugees or internally displaced people.

These challenges within good governance and human rights can be illustrated by the country's ranking in various global governance-related indexes.

Gender equality in Myanmar is relatively high in a regional perspective. According to the UNDP Gender Inequality Index (GII), Myanmar ranks 83 out of 151 countries with comparable countries such as Lao PDR and Cambodia being ranked 105 and 118 respectively. There are, however, still significant challenges in gender equality notably related to violence against women, wage employment with women mostly concentrated in the lower-ranks and lower-skilled jobs, as well as access to equal participation in politics as the proportion of seats held by women in parliament is much lower than other

countries in the region. Also, cultural norms and recently proposed legislation on marriage and sexual restrictions continues to challenge fundamental sexual and reproductive rights in clear violation of Myanmar's international human rights obligations. Furthermore, the reform agenda only to some extent addresses gender equality and women's rights explicitly, although the National Strategic Plan for the Advancement of Women does provide an avenue to tackling gender issues.

GOVERNANCE, CAPACITY AND PARTNERSHIP STRUCTURES

The governance structure in Myanmar remains highly centralized with strong central government control over policy development, spending and day-to-day management of the public sector.

At the top-level, much of the reform process is driven by the president's six offices. The line ministries vary a lot in power ranging from quite minor ministries to the three powerful ministries of Defence, Home Affairs, and Border Affairs all of which have ministers appointed directly by the Commander-in-Chief and not the president. At the administrative level, the key governance structure is the General Administration Department (GAD) that forms the vertical core of the government at all levels and is responsible for managing the country's administrative structures not least at the subnational levels. The GAD is placed under the Ministry of Home Affairs and is thus military-controlled, which has major implications for the distribution of power in Myanmar and helps secure a prominent role for the military at all levels.

The reform and implementation capacity of the executive, legislative and judiciary is limited after decades of highly centralized and arbitrary rule in a command economy that was focused on punishing dissidents and stifle independent thinking. Both the administrative and education sectors have focused exclusively on following the military's orders, and it will take sustained efforts and a great deal of resources to foster a climate of innovation and

the capacity needed to become a modern, democratic society. It will be a key focus area to assist the government in prioritizing and sequencing reforms over the next decade while continuously providing useful capacity building in line with public absorption capacity.

The Myanmar government has developed a reform strategy titled the *Framework for Economic and Social Reforms* (FESR) as an interim strategy from 2012-2015 to identify key reform areas in the short to medium term, while it is currently finalizing a twenty years *National Comprehensive Development Plan* setting the policy directions for reaching the ambitious target of becoming a modern, developed and democratic nation by 2030. The FESR identifies four policy priorities: a) Industrial and agricultural reforms, and rural development; b) increased resource sharing among states and regions; c) bottom-up improvements in education, health and living standards; and d) better statistical data to inform policy decisions.

Furthermore, the government has initiated the Nay Pyi Taw Accord for Effective Development Cooperation in 2013 together with development partners in order to establish some fundamental principles of development cooperation in Myanmar on the basis of the Paris Declaration, the Accra Agenda, and the Busan Agreement. Denmark has been fully committed to supporting this accord and the underlying coordination structures since its inception and has participated actively in developing various sector plans and joint analyses.

BUSINESS OUTLOOK, TRADE RELATIONS AND DANIDA BUSINESS INSTRUMENTS

The opening of the economy and the suspension of US sanctions and abolishment of EU sanctions has greatly improved business prospects in Myanmar with a large number of international companies keen to invest in an Asian growth market that has been largely closed for decades. This surge in interest is evident in the sharp rise in inflows of Foreign Direct Investment from just over US\$300 million in the fiscal year 2009-2010 to a projected US\$7 billion of Foreign Direct Investment inflows in financial year 2014-15 stemming mostly from the energy sector.

There are still, however, major impediments to conducting business in Myanmar and the country is thus ranked a mere 177th out of 189 countries in the World Bank's Doing Business index. Major issues include a lack of access to finance, access to electricity, access to land, corruption and an inadequately educated workforce. Furthermore, many companies complain that the government bureaucracy is inefficient, and that government dominance in key sectors has a detrimental effect on the business environment as government companies routinely gain preferential treatment over private companies. Many small and medium-sized companies (SMEs) in Myanmar also report fearing government interference as a major factor in avoiding company registration. The government has initiated a number of reforms for improving access to finance and

DENMARK – MYANMAR TRADE RELATIONS: IMPORT AND EXPORT FROM 2010 TO 2014

MIO. DKK	2010	2011	2012	2013	2014
Import from Myanmar	8.4	6.7	8.2	18.3	15.1
Export from Denmark	4.4	7.1	17.5	13.6	29.4

electricity, but the real challenge of completing this part of the reform agenda will be the political will to ensure a fair, well-regulated and transparent business and investment climate. This will require the emergence of strong, impartial and non-corrupt institutions, and a dismantling of the formidable patronage networks associated with the old elite including companies owned by the state or the military.

Trade relations between Denmark and Myanmar have increased rapidly in the past five years though from a very low base. Currently, relatively few Danish companies have established themselves in Myanmar with Carlsberg and Maersk being the most prominent. Several Danish companies are presently looking into expanding their operations in Myanmar either through subsidiaries or a physical presence in the country. Most business opportunities are in the renewable energy, water, oil and gas, garments, pharmaceuticals and manufacturing sectors.

Denmark operates a number of business facilitation tools in order to strengthen both investments and trade by Danish companies in global, developing markets, including Myanmar. They include the *Danida Business Explorer* (DBE) facility which supports companies' preliminary exploration of business opportunities to meet the development needs of developing countries, the *Danida Business Delegations* that aims at promoting Danish companies' export, internationalization and trade with developing countries, the *Danida Finance* as well as the *Investment Fund for Developing Countries*. The two latter instruments can both assist the private sector development in Myanmar by creating jobs, transferring knowledge, and providing access to markets and capital as well as help Danish companies gain a foothold in a new and emerging market.

4 THEMATIC OBJECTIVES AND PRINCIPLES FOR ENGAGEMENT

Myanmar's development challenges are daunting and it will require a long-term and concerted effort to create the political, social, and economic changes that are needed. Denmark is fully committed to cooperating closely with Myanmar and all development partners to address these challenges for the benefit of the people of Myanmar.

The Danish government has adopted a human rights-based approach to development, which means that Denmark will continuously address the core human rights principles of non-discrimination, public participation, transparency and accountability in all areas of cooperation with Myanmar.

Recognizing the international principles of development assistance regarding national ownership, a focus on results and strong partnerships between all actors as well as transparency, Denmark seeks to align to national frameworks for development cooperation and coordination structures whenever possible.

Based on the recent positive developments in Myanmar, Denmark will work more closely with the Government of Myanmar to help institutionalize the reforms already underway and to assist in the continued reform process towards democratization and respect for human rights. The modalities for Danish development assistance to Myanmar will be contingent on such a continued

reform process while it is recognized that the implementation of some of the reforms already initiated will be challenging and require great efforts at all levels of government.

Denmark will continue to cooperate closely with all relevant stakeholders to the extent that they are prepared to contribute positively to continued reforms. This entails the Myanmar government, the parliament, civil society, the private sector and other development partners.

Denmark will also engage in donor harmonization structures whenever feasible, including in multi-donor trust funds, enhancing EU joint programming and other co-financing setups. Denmark will also actively analyze together with other development partners the possibilities for channeling development assistance directly through government systems and gradually transitioning to such modalities when the necessary safeguards are in place and the absorption capacity is deemed sufficient.

These principles and initiatives will help create and retain a high degree of national ownership while at the same time limiting the burden of donor coordination on national systems to the greatest extent possible. As Myanmar is still in the very beginning of a large transformation process, it is necessary with a level of flexibility regarding both aid modalities and partners. Programming of the Danish assistance must thus take into account

developments in the political, peace, and security areas as well as new opportunities arising during the implementation period.

Within this framework, Denmark will focus on three thematic objectives:

1. Peace, democratization, human rights and reforms promoted
2. Access to and quality of primary education improved
3. Inclusive and sustainable economic growth enhanced, including livelihoods for marginalized and ethnic populations

Denmark has for years supported the health sector in Myanmar with the goal of achieving the three health-related Millennium Development Goals. The military regime has neglected and under-financed this area for decades and most of the population remains without proper access to basic services. However, international support to this sector has increased massively over the past few years, and with a view to reducing the number of engagements it is envisaged that Denmark will not continue support to this sector in the new country program.

Denmark has also provided support for the media as a professional and independent media sector is very important for promoting democracy, the rule of law and human rights. As international support to the media sector is very comprehensive,

further assistance in this area is not foreseen. In order to focus the country programme support to civil society and its organisations it will be incorporated in the prioritized areas of interventions when relevant.

The thematic objectives are closely linked with the humanitarian work that Denmark has supported for many years as they address the root causes of the country's manifold crises and can help build the foundation for a durable peace with respect for human rights and the rule of law. It is also directly underpinning much of the work undertaken by Danish NGOs in Myanmar. In Rakhine State the possibility of initiating a multi-stakeholder and long-term process to seek durable solutions to the displacement crisis and address some of the underlying causes will be considered.

On the commercial side, increased broad-based economic growth will both create more opportunities for Danish investments, goods and services, a better sourcing base for Danish companies and prospects of more export for Myanmar companies. The opening of the economy as well as increased adherence to international labour standards and practices will contribute to making Myanmar a more attractive country for Danish companies to invest in thus creating more decent jobs in the country.

THEMATIC OBJECTIVE 1

PEACE, DEMOCRATIZATION, HUMAN RIGHTS AND REFORMS PROMOTED

Continuing the peace process is fundamental for the long-term development prospects for Myanmar, and the outcome of this process is closely interlinked with other development objectives regarding further democratization, good governance, promoting human rights, and increased government capacity for service delivery. These processes and reform areas will be fundamental for improving human security and help create the foundations for a more decentralized and people-centered society with respect for the rights of all people.

Under this thematic objective Denmark plans to support the following areas:

The Peace Process: As the peace efforts are unfolding, there will be a need for jointly-identified and flexible support to the process and to the peacebuilding needs in the conflict-affected areas as well as relief, transitional justice, rehabilitation and demobilization activities at a later stage. This can help consolidate peace and prevent any resurgence of violence during Myanmar's transition to long term peace. Furthermore a successful peace process is a pre-requisite for advancing democratization, good governance and protection of human rights in the areas currently affected by conflict.

Public Finance Management and

Administration Reform: Denmark has provided initial funding for support of modernization of public finance management and public administration performance reforms based on the government's Framework for Economic and Social Reform. The purpose is to improve the ability of authorities to deliver services efficiently and transparently in line with citizen needs as well as improving the tax base. Denmark is planning to expand support for these reform areas as they will be crucial for Myanmar's continued development during the next five to ten years, not least in the social sectors that badly need more effective service delivery and much greater fiscal and political decentralization.

Justice and legal reforms: Comparative assessments place Myanmar among the countries in the world with the worst performances in terms of rule of law. As part of a long-term justice sector reform, a key concern is to improve legal university education and strengthen people's access to justice. International experience suggests that paralegal access to justice and legal empowerment initiatives have been successful in assisting poor and marginalized groups to access fair dispute resolution, address grievances and secure rights. Furthermore, it is essential to create an independent and functional judiciary, capable of upholding the rule of law and provide access to remedy for human right violations associated with development as well as to protect marginalized communities. It is planned to initiate a Justice Program to cover these areas.

THEMATIC OBJECTIVE 2

ACCESS TO AND QUALITY OF BASIC EDUCATION IMPROVED

Education reform is one of the key priorities set out by the government, and recently the government has substantially increased spending on education. However, the education sector is still massively under-funded, and there is a strong need for better educational policies to build a workforce capable of supporting Myanmar's development agenda and for promoting poverty reduction. Furthermore, the children from the poor, rural and ethnic communities are far more likely not to enroll in school, and those who do enroll fare much worse in matriculation exam and go to school for fewer years on average.

Under this thematic objective Denmark plans to support the following area:

Basic Education: The education system has been largely neglected during the last decades and there is a need to address this back lock to create the foundation for development of Myanmar. There is a fundamental requirement to improve the quality of basic education by better

training and accelerated hiring of teachers, to update the curriculum at all levels, to build better facilities, and to limit the out-of-pocket payments for private tuition and stationary which still keep many marginalized and poor students out of school. Giving more autonomy to states and regions regarding education-related issues will be very important in conflict-affected ethnic minority areas and can thus contribute to the ongoing peace process by addressing some long-held grievances of the ethnic groups towards the government. Education in the ethnic areas is a sensitive issue and for an extended period it will be necessary to support a dual system of government and non-government schools in some areas where the trust and capacity for service delivery is still low and where legitimacy of the different stakeholders is still contested.

THEMATIC OBJECTIVE 3

INCLUSIVE AND SUSTAINABLE ECONOMIC GROWTH ENHANCED

Denmark is committed to a human rights-based approach to assist in creating inclusive and sustainable economic growth and address the root causes of poverty and exclusion. When growth is sustainable, it builds on balanced economic, social and environmental development which ensures people's rights and promotes equality, including access to decent work, education, health and social protection. By promoting the full scale of human rights together with inclusive economic growth initiatives, Denmark is supporting the population's ability to create changes for themselves and their communities.

Under this thematic objective Denmark plans to support the following areas:

Coastal Fisheries: Within the objective of promoting inclusive green growth, Denmark intends to engage in the fisheries sector to help promote a more sustainable, community-based and responsible exploitation of natural coastal and marine fish resources. This vision will

be achieved by working closely with Myanmar authorities to create a more adequate legal and regulatory framework, and shift the mentality from an unsustainable and predominantly short-term growth-oriented policy paradigm towards a sustainable long-term resource development and pro-poor paradigm. In addition extensive collaboration with local small-scale fishers and their representative organizations is foreseen to develop co-management arrangements together with local authorities and other stakeholders in order to utilize coastal living aquatic resources sustainably and responsibly.

The fisheries sector is deemed to be a particularly important area of engagement, as it is the second largest contributor to employment opportunities and income in the primary sector after agriculture, providing direct employment to an estimated 3 million people. Small-scale artisanal fishers and their families are among the country's poorest and most vulnerable groups, and the sector generates employment opportunities both among women and in several predominantly ethnic areas both of which have been identified as key areas for Danish support.

However, the sector currently faces sharply increasing pressures for over-fishing mainly from large scale offshore operations that might lead to a complete collapse of the ecosystem thus threatening the livelihoods of millions of people dependent on this sector directly or indirectly.

Support for Micro, Small and Medium-sized Enterprises (MSME): State-controlled conglomerates have long dominated the private sector in Myanmar which has stifled the development of smaller scale enterprises which can provide employment opportunities, innovation and more broad-based economic development. There is thus a need for private sector initiatives aimed at supporting micro, small and medium-sized businesses to promote inclusive and broad-based economic growth in an economically and environmentally responsible way including promotion of fundamental labour rights and practices. Denmark plans to support the development of a dynamic and innovative MSME sector, including capacity for surveys to provide the necessary basis for policy development in the sector.

ADDITIONAL ACTIVITIES

In addition to the three thematic areas of the Country Programme the following activities will be supported under the Danish engagement:

Labour Market Policy and Occupational Health and Safety Inspections: Myanmar has very outdated labour market laws and policies, which undermines the creation of decent jobs and the promotion of human rights. Until recently unionization was banned, factory inspection authorities are largely non-existent, and pervasive issues with forced and child labor continues to be a problem.

Denmark is part of the Initiative to Promote Fundamental Labour Rights and Practices in Myanmar with a number of development partners and the government aiming to improve Myanmar's system of labor administration and foster stronger relations among employer and worker organizations, civil society and the government. As part of this initiative a direct collaboration is being developed between the Danish Ministry of Employment and the Myanmar Ministry of Labour on occupational health and safety. A Growth Advisor at the Embassy will be responsible for this direct collaboration as well as Danish inputs for labour market development.

Higher Education and Research:

Universities were forced to close during the military regime because of the students' role in the uprisings against the regime and a fear of independent thinking. Thus, the once leading higher education system is very weak and has limited international exposure. Denmark has initiated a joint bachelor program between the Danish Business College Niels Brock and Yangon Institute of Economics which will be continued. A number of Danish research institutions are also supported in conducting research in Myanmar. Denmark will furthermore seek to provide scholarships and training for Myanmar partners involved in Danish-supported activities.

5

MONITORING OF RESULTS AND RISK MANAGEMENT

Within each of the thematic areas, a number of indicators will be developed to closely monitor results and progress towards the outlined goals. To the largest extent possible, the indicators will be based on existing indicators already used by other development partners and the Myanmar government. All interventions will build on a theory of change with contribution pathways and results framework and will include a comprehensive baseline to measure these. There will be an additional effort to capture results through experimental designs which will strengthen the evaluations of the policy.

A risk register reflecting the different scenarios will be developed to continuously assess risks and assumptions underlying the theory of change of the program to facilitate considerations regarding potential adjustments to the program in terms of interventions or modalities.

ANNEX 1

KEY DATA

KEY ECONOMIC DATA	SOURCE	YEAR	VALUE	UNIT
Area	WDI	2014	653,290	Km ²
Population	WDI	2013	53.26	Million
GNI per capita	HDI	2012	3,998.06	2011 PPP USD
Annual economic growth (GDP)	WBA	2013/14	8.3	%
Ease of doing business	WDI	2014	177 of 189	Rank
ECONOMIC SECTORS (SHARE OF GDP)				
– Agriculture	WBA	2012	36.4	% of GDP
– Industry	WBA	2012	26.3	% of GDP
– Manufacturing	WDI	2004	12	% of GDP
– Services	WBA	2012	37.3	% of GDP
Government expenditures (% of GDP)	ADB	2013	27.2	% of GDP
Tax revenue	WDI	2004	3.3	% of GDP
Development assistance per capita	WDI	2013	74	USD
Net official development assistance	WDI	n.a.	n.a.	% of GNI
Total debt service	WDI	2013	8.2	% of exports of goods, services and primary income

KEY SOCIAL DATA	SOURCE	YEAR	VALUE	UNIT
Population growth	WDI	2013	0.9	%
Life expectancy, male	WDI	2013	63	Years
Life expectancy, female	WDI	2013	67	Years
Infant mortality (number of deaths per 1,000 live births during the first year)	WDI	2011	48	Deaths per 1,000 births
Percentage of population with reasonable access to an adequate amount of water from an improved water source	WDI	2012	86	%
Proportion of under-five children with suspected pneumonia taken to health provider	UN	2012	69	%
Births attended by skilled health staff	WDI	2010	71	% of total births
Number of physicians per 1,000 people	WDI	2012	0.6	Physicians per 1,000 people
People between 15-49 years living with HIV	WDI	2013	0.6	%
Literacy rate (aged 15 and older)	WDI	2012	93	%
Male literacy rate (aged 15 and older)	WDI	2012	95	%
Female literacy rate (aged 15 and older)	WDI	2012	90	%
Gross enrollment ratio (GER), primary education	WDI	2010	126	%
Male, gross enrollment ratio (GER), primary education	WDI	2010	126	%
Female, gross enrollment ratio (GER), primary education	WDI	2010	126	%
SOCIAL SECTORS				
– Education	WDI	2001	18.1	% of public expenditure
– Health	WDI	2011	1.3	% of public expenditure
Military expenditure (percentage of GDP)	SIPRI	2012	4.2	% of GDP
DISTRIBUTION OF INCOME				
– Income share held by highest 10%	WDI	n.a.	n.a.	%
– Income share held by lowest 10%	WDI	n.a.	n.a.	%

KEY ENVIRONMENTAL DATA	SOURCE	YEAR	VALUE	UNIT
Terrestrial and marine protected areas	WDI	2010	5.2	% of total territorial area
Carbon dioxide emissions per capita	WDI	2009	0.2	Metric tons
Consumption of ozone-depleting CFCs	UN	2005	14.8	ODP metric tons
KEY HUMAN RIGHTS DATA				
Ratification with main international human rights instruments	UNTC		1 ratification 4 accessions	No.

Sources:

ADB	Asian Development Bank Report, Myanmar Unlocking The Potential 2014, website: www.adb.org
HDI	Human Development Indicators, website: hdr.undp.org/en/countries/profiles/MMR
SIPRI	Stockholm International Peace Research Institute, website: www.sipri.org
UN	UN data, website: www.data.un.org
UNTC	United Nations Treaty Collection, website: www.treaties.un.org
WBA	World Bank Analysis No. 93050-MM 2014, website: www.worldbank.org
WDI	World Development Indicators, website: www.data.worldbank.org

ANNEX 1.1 OVERVIEW OF INTERNATIONAL HUMAN RIGHTS INSTRUMENTS

(bold: Myanmar ratification, italics: Myanmar accession)

- 1. Convention on the Prevention and Punishment of the Crime of Genocide.**
- International Convention on the Elimination of All Forms of Racial Discrimination.
- International Covenant on Economic, Social and Cultural Rights.
- International Covenant on Civil and Political Rights.
- Convention on the non-applicability of statutory limitations to war crimes and crimes against humanity.
- International Convention on the Suppression and Punishment of the Crime of Apartheid.
- Convention on the Elimination of All Forms of Discrimination against Women.*
- Convention against Torture and Other Cruel, Inhuman or Degrading Treatment or Punishment.
- International Convention against Apartheid in Sports.
- Convention on the Rights of the Child.*
- International Convention on the Protection of the Rights of All Migrant Workers and Members of their Families.*
- Convention on the Rights of Persons with Disabilities.*
- International Convention for the Protection of All Persons from Enforced Disappearance.

ANNEX 2

DENMARK'S DEVELOPMENT COOPERATION WITH MYANMAR DIVIDED BY THEMATIC AREAS

Denmark has been supporting a wide range of development activities in Myanmar as well as activities along the Thai–Myanmar border. The Danish assistance to Myanmar is focused in five areas:

1. Democracy, human rights, and good governance
2. Health
3. Livelihood and food security
4. Education
5. Humanitarian aid

The Danish assistance to Myanmar is divided between funding large scale multi-donor funds and bilateral agreements with UN organizations as well as international and local NGOs.

Democracy, human rights and good governance

Denmark is supporting activities promoting democracy, good governance and human rights in Myanmar. The activities include capacity building and support for the civil society and media, promotion of basic rights and democracy and establishment of a free and independent media sector. Denmark also provides assistance to interventions which support elections as well as the peace and reconciliation efforts in Myanmar. Among the implementing partners are ActionAid, International Media Support, Pyoe Pin, Building Markets, International Labour Organisation (ILO), Myanmar Center for Responsible Business (MCRB), International Commission of Jurists, etc. Denmark has also contributed DKK 23 million to the UNDP Country Programme, which aims to support the Government of Myanmar in achieving democratic transformation and poverty reduction in the country. In the area of good governance, Denmark has contributed DKK 30 million to the Myanmar Multi Donor Partnership Trust Fund (MMTF) in 2014. The fund is managed by the World Bank. The Danish contribution is earmarked for two activities: Modernization of Public Finance Management (MPFM); and Public Administration Performance (PAP) reforms. These activities aim for more efficient, effective, accountable and responsive service delivery to citizens in Myanmar.

Health

With very low public health expenditure (1.8% of GDP in 2012), the Myanmar people and Government have been relying on support from international donors. Denmark has since 2009

contributed with around DKK 6 million to the Three Diseases Fund (3DF), a multi-donor fund, which aimed to fight HIV/AIDS, tuberculosis and malaria in Myanmar. As a result of the return of the Global Fund, which took over most of the activities from 3DF, a new multi-donor fund within the health sector was established to replace the 3DF in 2012; the Three Millennium Development Goal Fund (3MDG). Denmark has contributed DKK 55 million to the 3MDG. The specific goal of the 3MDG is improved maternal, newborn and child health and a reduction in communicable disease burden. Denmark is also supporting some international NGOs within the health sector such as Medical Emergency Relief International (Merlin) and Populations Service International (PSI) which activities support and complement the work carried out by 3MDG.

Education

In Myanmar, public investment in education has been very low and still is – approximately 2 % of GDP (fiscal year 2014/2015). Less than half of the country's children currently complete primary school. Factors such as poverty, lack of infrastructure, poor nutrition and health, migration, parents' low level of education and a requirement that children must work to contribute to the family income, makes it difficult to keep children throughout primary education especially in regions with large numbers of ethnic minorities. Denmark has since 2006 supported the Multi Donor Education Fund (MDEF) administered by UNICEF. The purpose of the fund is to increase equitable access to and completion of quality basic education for all children. Denmark has contributed DKK 45 million to the second phase of the programme. The programme covers four areas: an extension of the existing Early Childhood Education programme, improving the quality of teaching in primary schools, improving the planning, management, monitoring and evaluation in primary schools and the education of children who have had to leave school. Denmark also contributed DKK 5 million to the Myanmar Education Consortium (MEC) in 2014. In particular, MEC will support capacity building of complementary non-government education systems and structures including community and school based early childhood development and non-formal education programs for vulnerable children and young people who cannot attend government schools.

Livelihood and food security

Following the impact of the cyclone Nargis, the Livelihoods and Food Security Trust Fund (LIFT), managed by UNOPS, was set up in 2009 to re-establish food security and sustainable livelihoods for the people in the affected areas. With the success of the initial phase, LIFT programme period has been extended to 2016 with an aim to increase food availability and raise incomes for two million target beneficiaries across the country. LIFT's strategy for achieving this objective is to increase agricultural production and incomes as well as to support non-agricultural households in livelihood activities. Efforts are also put into capacity building of local partners and introducing sustainable natural resource management together with environmental rehabilitation. LIFT also intends to introduce social protection measures for the chronically poor households by increasing food availability and raising incomes for two million target beneficiaries. Denmark joined LIFT in 2010 and has contributed in total 55 million DKK to the fund. Denmark also works with a number of NGOs such as Group For Research and Technology Exchanges (GRET), Action Contre La Faim (ACF) and Solidarites International to improve livelihoods of the people in Myanmar, especially in the marginalized and ethnic areas.

Humanitarian assistance

Denmark has provided humanitarian assistance to Myanmar refugees and internal displaced persons (IDPs) living along Thailand-Myanmar borders since the 1990's through Danish NGOs and UNHCR. Denmark will continue to provide humanitarian assistance to the refugees and IDPs with a particular view to preparing for their safe voluntary return. The Danish humanitarian assistance to Myanmar focuses on support to communities and IDPs in conflict areas such as Kachin, Rakhine and Karen states as well as IDPs and refugees living along Thailand-Myanmar border. The current activities include shelter and protection, mine risk education and support to protection and livelihood promotion targeting IDPs, refugees and communities affected by conflicts including host and future host communities for returning refugees and IDPs. Denmark has provided more than DKK 100 million in humanitarian assistance to Myanmar between 2010-2014 that has been channelled through various NGOs and UN agencies.

ANNEX 3

MYANMAR'S PROGRESS TOWARDS THE MILLENNIUM DEVELOPMENT GOALS

GOALS	WILL THE MILLENNIUM DEVELOPMENT GOALS BE ACHIEVED				
	ACHIEVED	LIKELY	POTENTIALLY LIKELY	UNLIKELY	LACK OF DATA
GOAL 1: ERADICATE EXTREME POVERTY AND HUNGER					
1A. Halve the proportion of people whose income is less than one dollar a day				X	
1B. Achieve full and productive employment and decent work for all				X	
1C. Halve the proportion of people who suffer from hunger				X	
GOAL 2: ACHIEVE UNIVERSAL PRIMARY EDUCATION					
Ensure children everywhere – boys and girls – complete primary schooling				X	
GOAL 3: PROMOTE GENDER EQUALITY AND EMPOWERMENT OF WOMEN					
Eliminate gender disparity in primary and secondary education by 2005 and in all levels of education no later than 2015		X			
GOAL 4: REDUCE CHILD MORTALITY					
Reduce under-five mortality by two-thirds		X			
GOAL 5: IMPROVE MATERNAL HEALTH					
5A. Reduce the maternal mortality ration by three-quarters				X	
5B. Achieve universal access to reproductive health					X

WILL THE MILLENNIUM DEVELOPMENT GOALS BE ACHIEVED					
GOALS	ACHIEVED	LIKELY	POTENTIALLY LIKELY	UNLIKELY	LACK OF DATA
GOAL 6: COMBAT HIV/AIDS, MALARIA AND OTHER DISEASES					
6A. Halt and reverse the spread of HIV/AIDS			X		
6B. Achieve universal access to treatment for HIV/AIDS for all those who need it				X	
6C. Halt and reverse the incidence of malaria and other major diseases					X
GOAL 7: ENSURE ENVIRONMENTAL SUSTAINABILITY					
7A. Climate change					X
7B1. Reverse loss of forest					X
7B2. Reduce biodiversity loss					X
7C1. Halve proportion of population without sustainable access to improved water source				X	
7C2. Halve proportion of population without sustainable access to improved sanitation				X	
7D. Improve lives of slum dwellers					X

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