COVID-19 AND COMPLEX CONFLICTS
The pandemic in Myanmar’s unsettled regions

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Smart Peace is a global initiative which combines the expertise of consortium members to address the challenges of building peace. Smart Peace works in Myanmar, Central African Republic and Nigeria, seeking to combine peacebuilding techniques, conflict analysis, rigorous evaluation and behavioral insights. The resulting lessons will help communities, international organizations and governments to implement peace strategies with greater confidence. Smart Peace is funded by the UK Government.

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List of acronyms

AA Arakan Army
EAO Ethnic Armed Organization
IDP Internally Displaced Person
KIA Kachin Independence Army
KNU Karen National Union
NCA Nationwide Ceasefire Agreement
NLD National League for Democracy
NRPC National Reconciliation and Peace Center
RCSS Restoration Council of Shan State
TNLA Ta’ang National Liberation Army
INTRODUCTION

This report is a compilation of briefings on how Covid-19 has affected conflict in Myanmar. It presents an initial overview of key dynamics and events during the pandemic’s first wave, followed by three case study chapters covering Kachin, Rakhine and Shan States. Exploring a wide range of topics, from the impact of lockdown measures on local livelihoods to geopolitical competition which has complicated the response to Covid-19, this report aims to inform domestic and international policymakers, donors, civil society leaders, and others engaging with both the pandemic and conflict issues in Myanmar.

Written originally as a series of short papers to inform pandemic response efforts, each chapter of this report offers a present-tense summary of events and risks as the health crisis unfolded. The chapters focus on areas of Myanmar suffering from entrenched and long-term conflict. Since the military takeover of government on 1 February 2021, these regions, and much of the rest of Myanmar, continue to be paralyzed by strikes and protests which have shuttered public institutions and businesses, plunging urban and rural communities into levels of economic stress not seen in decades. Political tensions in Myanmar are extremely high, with ousted democratic lawmakers and elected officials in exile operating a parallel governance structure that commands popular support and growing legitimacy both domestically and internationally.

Tension between the Tatmadaw, as Myanmar’s military is known, and some ethnic armed organizations (EAOs) has led to new outbreaks of armed conflict since 1 February. The Peace Process Steering Team, the leadership council representing ten EAOs who signed the Nationwide Ceasefire Agreement in 2015, officially suspended all engagement with the Tatmadaw on formal peace process matters. In parallel, the military regime dissolved the government’s peace negotiation body, the National Reconciliation and Peace Center, casting doubt on any substantive engagement in formal peacebuilding for the foreseeable future.

Although the situation is still unfolding at the time of writing, the political turmoil has significantly hampered the response to Covid-19 across Myanmar. Many foreign governments have suspended funding to public institutions now under military control, further impeding service delivery. As the crisis escalated with a third wave of the pandemic in June 2021, new pledges of aid toward humanitarian and lifesaving support were made. However, Myanmar’s fractured health system has been unable to mount sufficient defense against the spread of the virus or offer even basic care, resulting in devastating loss of life.

The military regime has prioritized political control and its crackdown on the opposition above the functioning of public services and institutions. Many medical professionals within the country’s healthcare system have been on strike since February and are delivering care clandestinely outside formal settings. Where public care has been offered, including vaccines purchased by the previous government, many people have refused to receive it in protest. The regime’s mismanagement of the pandemic response has directly resulted in
shortages of lifesaving medication and equipment.\textsuperscript{6}

In many conflict-affected parts of the country, mixed governance arrangements between central authorities and local armed groups have historically produced a patchwork of health service delivery systems that received limited support from organized national level programs or funding streams. Since 1 February, the situation has been further challenged by reductions in foreign aid that supported local healthcare providers, particularly for communities living in displacement camps, and also by additional limits on cross-border movements which were already restricted by measures to counter the spread of Covid-19 in the region. Crackdowns by the Tatmadaw have restricted civil society organizations supporting local communities. EAOs have stepped up their own responses to the outbreak in some areas where they are influential or hold authority. Some groups, especially those adjacent to the border with China, have accessed vaccines through Chinese authorities and are inoculating people living in their territories.\textsuperscript{7}

\begin{quote}
"Myanmar’s fractured health system has been unable to mount sufficient defense against the spread of the virus or offer even basic care, resulting in devastating loss of life."
\end{quote}
Covid-19 and Complex Conflicts: The Pandemic in Myanmar’s Unsettled Regions

Kachin State reported few Covid-19 infections in the first and second waves of the pandemic. Following decades of conflict between the Kachin Independence Army (KIA) and the Tatmadaw, the State is home to many displaced communities. Weak hygiene and sanitation infrastructure, as well as cramped living conditions and access challenges, were particular concerns as the virus began to spread.

The KIA is an important member of the Northern Alliance group of EAOs which remain outside formal peace negotiations with the government of Myanmar and have been actively opposing the Tatmadaw on several fronts since 2011. Through the Northern Alliance and more widely, the KIA has some influence on the political positions of other armed groups, including those involved in heavy fighting in Rakhine and Shan States.

Shan State experienced several outbreaks of Covid-19 during the first and second waves. The proliferation of smuggling and informal border-crossings along Shan State’s borders with Thailand, Laos and China, much of which are connected with clandestine businesses run by armed actors, made control over movements difficult. Rural livelihoods were affected across Shan State as farmers were unable to bring goods to market.

The conflict landscape of Shan State is particularly complex, an overlapping patchwork of government-controlled territories, areas under EAO control, and ethnic self-administered areas. The region hosts many lucrative mines as well as being the main location for the China-Myanmar Economic Corridor, and land ownership rights are strongly contested. Tensions between ethnic Shan, Ta’ang, and Kachin leaders also remain volatile amidst violent confrontations between EAOs.

Rakhine State reported severe outcomes of the Covid-19 crisis in Rakhine State. The area is home to many displaced people living in conditions that can accelerate viral transmission. Local and international humanitarian actors already faced significant obstacles in the delivery of much-needed aid before the pandemic, circumstances that only deteriorated in 2020, particularly with the onset of Myanmar’s second wave which started in Rakhine State.

The Arakan Army has emerged as a major armed force, making it central to prospects for sustainable peace in Myanmar. The group has maintained closer relations than other EAOs with the post-February military government and has expanded its administrative authority at ground level. Tensions between ethnic Rakhine and Rohingya remain a major challenge to human security and to the establishment of a trusted and representative local governance system. An internet shutdown in many townships contributed to the vulnerability and isolation of communities while exacerbating anger and hostility toward the central government. Disenfranchisement of huge swathes of Rakhine’s population from the November 2020 election stoked tensions further.
KEY FINDINGS AND CONSIDERATIONS

As the fallout from the military takeover continues, close monitoring is needed to assess the impacts of twin Covid-19 and conflict crises in different parts of the country. Many ethnic areas across Myanmar are facing overlapping vulnerabilities stemming from Covid-19 and ongoing violence. Local conflict dynamics are rapidly changing among various armed actors as they compete for influence and resources in the aftermath of the military takeover. Conflict conditions are fluid and varied even within small areas. Long-standing tensions have reignited clashes in some regions, challenging humanitarian and pandemic responses as civil unrest in some parts of the country turns to armed resistance against the Tatmadaw. Meanwhile, the regime’s mishandling of the pandemic – upending the vaccine rollout programs initiated by the previous civilian government, even purposefully limiting the public’s access to critical resources such as oxygen supplies and cracking down on the healthcare sector due to its role in civil disobedience movements – exacerbated the gravity of the crisis.

Responses to Covid-19 need to be localized in an effective and open manner. There is a need to include local humanitarian responders in higher-level coordination mechanisms. Effective coordination between the myriad actors involved in pandemic response, including government institutions, the Tatmadaw, EAOs and civil society, remains elusive. During the early waves of the pandemic, political leaders sought to boost their legitimacy by promoting specific healthcare interventions, often leading to heightened tensions and missed opportunities. Political point-scoring was prioritized even as armed conflict threatened frontline workers and humanitarian responders. Government action focused largely on urban and Bamar-dominated areas, often failing to include the diverse needs of minority groups. In many areas, ethnic organizations and civil society groups had to mobilize their own efforts to fill the gap. Some higher-level cooperation was seen between state and non-state actors, pointing to the potential for pandemic response as an opportunity for trust-building between opposing groups. However, the 1 February 2021 political transition overturned these relative gains.

International agencies and donors should seek to better understand the roles of existing local networks and groups in humanitarian and pandemic responses. Non-governmental service providers – networks of civil society and community organizations, parahita (community welfare) groups, EAO political and health organizations, and religious institutions – remain central to Covid-19 relief and humanitarian support for vulnerable communities. In areas where the government response is inadequate, local networks plug gaps by identifying and responding to needs within their respective communities, simultaneously navigating challenging conflict conditions. A decentralized approach is important for delivering effective support in areas already burdened by difficult conflict landscapes.
There is a need to support devastated livelihoods and address economic fallout as communities suffer from the effects of lockdowns and restrictions on movement. Myanmar’s border areas, some of the country’s most conflict-affected, have faced specific challenges throughout the pandemic. With neighboring countries locking down and sealing international borders, Myanmar saw an influx of migrants returning through land crossings. Weak pandemic control measures such as low testing rates in these areas, and insufficient enforcement of lockdown measures, added to concerns. Overlapping authorities and contested territories also complicated the pandemic response, hindering the delivery of effective assistance. Border closures and restrictions on movement devastated local livelihoods as cross-border trade plummeted, farmers’ crop prices fell, and migrant workers were stranded. Lockdowns also disrupted supplies of essential goods and impaired local networks’ abilities to deliver aid.

The international community should stay focused on supporting peace and reconciliation even as the conflict landscape shifts and new humanitarian needs arise. Covid-19 relief should reinforce peacebuilding efforts. Numerous geopolitical rivalries and security challenges – particularly between China and the United States – are at play in Myanmar's experience of Covid-19. As the third wave rages the country, vaccine diplomacy has become a new ground for international competition. After the military takeover halted vaccine rollout programs of the previous government, the regime relied on China for purchased and donated vaccines. Simultaneously, the US announced a USD 50 million humanitarian assistance package to Myanmar, some of which will help with the supply and administering of vaccines. Other regional and Western countries are also involved in this competitive diplomacy. Support to encourage peacebuilding initiatives at local and national levels has shrunk further since the political turmoil of early 2021.

Since the military takeover ended Myanmar’s democratic decade, the lived experiences of and responses to the Covid-19 pandemic have shifted dramatically. Beginning in June 2021, Myanmar saw a third wave of virus, the country’s deadliest yet, with death tolls mounting rapidly amidst political and economic instability and the mismanaged health response. Testing and vaccination systems, key to preventing the outbreak from spreading, all but halted, and reliable information was scarce.

Though the bulk of initial data collection for this report was carried out in 2020, key findings and recommendations have remained relevant. It is possible that Myanmar will continue to experience further waves of the virus. All support to manage the pandemic in Myanmar should apply nuanced understanding of fluid and varied local conflict conditions and should build on the existing efforts of local stakeholders who are critical to effective responses on the ground.
Chapter 1

HOW HAVE MYANMAR’S CONFLICTS BEEN AFFECTED BY COVID-19 AND WHAT SHOULD BE DONE ABOUT IT?

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At a glance…

The Covid-19 crisis has had mixed impacts on Myanmar’s disparate conflicts and the ongoing peace process. This chapter aims to explore some of the key events and initiatives that have been witnessed in conflict-affected parts of the country in the first half of 2020, with a particular focus on the implications for ongoing and longer-term peacebuilding efforts.

- The Covid-19 crisis has not unfolded in Myanmar as catastrophically as many had anticipated, with only 350 confirmed cases and 6 deaths as of 28 July 2020, although rates of testing are comparatively low.\(^1\) Risks of a significant escalation remain, such as the continued return of migrant workers from neighboring countries and the spread of disease through makeshift quarantine and treatment facilities. At best, Myanmar has bought precious time to put in place risk communications systems, stockpile equipment, prepare quarantine facilities, and raise awareness of the dangers of the pandemic.

- The Covid-19 response has highlighted deep fragmentation across Myanmar society, in particular along ethnic lines. Large parts of the population, especially in rural and ceasefire areas, have not had access to government health services and support, instead relying on civil society or EAOs. Meanwhile, the government’s public health discourse largely targets Bamar Buddhist communities, failing at times to include the diverse needs and experiences of other groups.

- Some useful cooperation between state and non-state institutions on the pandemic response points to the potential for new and ongoing relationship-building or reconciliation. However, uninterrupted fighting and renewed clashes have continued in the West, the North, and the Southeast. Hopes for any progress in ongoing peace dialogues are extremely low.

- Many international funders in Myanmar, who ordinarily target a variety of issues including peacebuilding, have pivoted toward public health and humanitarian support. Mitigating the potentially devastating long-term effects of the pandemic on nascent livelihoods and governance systems, and the fragile social fabric of conflict-affected communities in particular, remains crucial. Focus must also remain on higher-level efforts to seek negotiated solutions to conflict and address the underlying causes of violence, while augmenting efforts for bottom-up support with incremental and small-scale peacebuilding initiatives.
**MYANMAR ON THE EVE OF THE COVID-19 PANDEMIC**

Covid-19 hit Myanmar when the country was experiencing a steady increase in active conflict and a deterioration in the prospects of achieving peace through a political dialogue that had made minor gains since 2016. In Rakhine State, the rise of the Arakan Army (AA) had led to the most intense fighting in the country in recent decades, whilst in Northern Shan State, conflict had been growing between the Tatmadaw and several groups including the Ta’ang National Liberation Army throughout 2019 and 2020. On the eve of the pandemic, thousands of people across Myanmar were living in conditions of displacement and without access to reliable health and sanitation services. As well as those affected by active conflicts with the Tatmadaw, tens of thousands of Kachin, Shan, Chin and Karen and an estimated 130,000 Rohingya, had been displaced across the country. Internally displaced person (IDP) camps have been described by Human Rights Watch as ‘tinder boxes’ for the spread of Covid-19. Although none have reported positive cases to date, public health concerns have reignited debates about IDP camp closures, particularly in Kachin State.

Despite calls by the United Nations (UN) Secretary General for a global ceasefire, conflict between the AA and the Tatmadaw has continued to intensify across Rakhine State. Since consolidating its stronghold in Northern Rakhine over the past two years, the AA has moved further into central townships, and now appears to be active in the South. In a further indication that new fronts may be emerging, a landmine explosion was recorded in Toungup township in Southern Rakhine State, on 1 July 2020, killing four people. Reports have continued to emerge of the Tatmadaw targeting civilians and destroying property in other parts of the State.

Myanmar’s peace process has been stalled since October 2018 when the Karen National Union (KNU) and Restoration Council of Shan State (RCSS) departed from the government-led negotiations. Despite an uptake in formal meetings between the EAOs, government and political parties showing promising signs of reviving the process in early 2020, the arrival of Covid-19 has diminished prospects of a breakthrough. By March 2020, face-to-face meetings and domestic travel had become almost impossible and the Panglong Conference scheduled for April 2020 was postponed. As Myanmar continues to face the new threat of Covid-19, the old challenge of resolving the country’s many conflicts still persists.

**COVID-19 RESPONSES SHOW UNEVEN COLLABORATION**

Although the official number of cases and the death toll from Covid-19 in Myanmar has so far been much lower than health experts may have first expected, the potential for the pandemic to spread exponentially across the country remains real. National support for Myanmar’s coronavirus response has been mixed, as it is marked by delayed, uneven and haphazard regulations, policies, and initiatives. The government has been praised by the World Health Organization and others for acting to suspend flights, ban mass gatherings, and instigate partial lockdowns in Yangon region. At the same time, civil society groups from conflict-affected areas have complained that special powers to tackle ‘misinformation’ have been misused to quash criticism of the Tatmadaw.

Government action has focused on mitigating the arrival of infected individuals from overseas and limiting the waves of documented and undocumented migrants returning via land.
borders. Sporadic lockdowns have been applied in densely populated townships in Yangon in response to specific infection clusters. Outside the urban and Bamar-dominated areas, however, government pandemic responses have been less sweeping. In many areas, local governance actors and civil society organizations have stepped up to implement some of their own measures.24

How did this situation arise? Between mid-April and late May 2020, enhanced efforts were undertaken by a variety of stakeholders to assist EAOs with Covid-19 programming.25 Donor agencies and multilateral funds, along with scores of local and international non-governmental organizations, redirected their programming to meet the needs generated by Covid-19. This involved not only increasing support for health services and equipment to fight the virus, but also promoting public awareness campaigns, and supporting community screening and quarantine facilities. Initial research undertaken by The Asia Foundation and Saferworld highlights that these interventions have been more successful in Southeastern parts of the country than in other conflict-affected areas such as Shan and Kachin States. Efforts undertaken in Rakhine State appear not to have had any impact at all. A number of factors could be responsible for these geographic variations. There are differences in the number and scope of civil society networks, and in the ability of community health workers to work safely in certain areas but not others. The death of a World Health Organization worker in Minbya township, Rakhine State on 20 April 2020 whilst transporting coronavirus swabs out of a conflict zone is a stark reminder of the real barriers to accessing healthcare that exist for communities affected by conflict in that region.26

To date, there have been a handful of joint pandemic responses between the Tatmadaw and certain EAOs. These include agreements to set up screening check points, share personal protective equipment, and coordinate efforts to screen and quarantine suspected cases.27 However, expectations that increased cooperation in fighting Covid-19 will ultimately lead to sustained benefits for the peace process should be tempered. Recent initiatives have shown that the potential for successful joint interventions may be greater where they involve smaller armed groups and in areas where government control is sufficiently secure. In other areas, however, such as those governed by the KNU and RCSS, Covid-19 has coincided with reports of fighting and tensions, none of which are certain to abate when the health threat eventually diminishes.28 These are deeply embedded concerns, and in some cases, it is perceived that the Covid-19 crisis has actually created opportunities for the Tatmadaw to continue its tactics of intimidation and objectives of territorial expansion.29

There is evidence of both the Tatmadaw and EAOs increasing their public engagement through the Covid-19 crisis. The Tatmadaw has been seen to make ritualistic public donations of supplies and assistance to some EAOs, including the Wa, Mong La group and others, whilst EAOs have also looked to assert greater influence at the local level through their Covid-19 responses.30 The militaristic undertone of public health discourse by both...
the Tatmadaw and EAOs has caused clashes on several occasions, undermining both their efforts to work collaboratively on the pandemic response and potential future peacebuilding objectives.\textsuperscript{31}

**COVID-19 RELATED CEASEFIRE OFFERS LITTLE HOPE OF REAL ENGAGEMENT**

Throughout March and April 2020, with the presence of Covid-19 confirmed in Myanmar, public calls to the Tatmadaw by certain EAOs requesting a ceasefire increased, in line with international pressure, in particular by the UN Secretary-General.\textsuperscript{32} Whilst initially rejected by the Tatmadaw, which described the proposals as ‘not realistic’,\textsuperscript{33} a unilateral ceasefire was eventually declared on 9 May.\textsuperscript{34} It should be emphasized that, although cessation of violence should generally be accepted as a positive development, recent examples in Myanmar have yielded little by way of tangible results. Notably, the unilateral ceasefire declared by the Tatmadaw from late 2018 to August 2019 aimed to enable bilateral ceasefire negotiations with several EAOs but achieved no formal progress.\textsuperscript{35}

The Tatmadaw’s declaration made on 9 May 2020 includes the assertion that: ‘ethnic armed organizations need to control themselves and take responsibilities for avoiding attacks [sic]’.\textsuperscript{36} Beyond the vaguely threatening language of the text itself, there is a graver concern that the Tatmadaw’s ceasefire does not apply to the conflict in Rakhine State, given the government’s labelling of the Arakan Army as a ‘terrorist organization’ in line with the respective Myanmar laws.\textsuperscript{37} The ceasefire may also be seen as an attempt by the Tatmadaw to improve its image before submitting its first six-monthly compliance report on the implementation of interim measures in the Rohingya genocide case to the International Court of Justice. U Zaw Htay, a former military officer and current Director General of the State Counsellor’s Office, has acknowledged that the international legal claims that Myanmar is facing have ‘severely’ damaged the country’s reputation in the international community.\textsuperscript{38} In the absence of an all-inclusive ceasefire that extends to Rakhine State, it is difficult to see how the Tatmadaw’s recent declaration could bolster the image of the government in these circumstances.

**KEEPING PEACE TALKS ALIVE DURING THE PANDEMIC RESPONSE**

With the peace process effectively stalled prior to the onset of Covid-19, those EAOs that had signed the Nationwide Ceasefire Agreement (NCA) were already expressing frustration at seeing little benefit from it. Meanwhile, with the Tatmadaw heavily engaged in fighting the AA in Rakhine State, there has been a growing perception of the Tatmadaw shifting their efforts beyond NCA signatories toward strengthening relations with powerful non-NCA signatory groups in the North, particularly the Kachin and the Wa.\textsuperscript{39} With Covid-19 challenges now adding further complexity to existing dynamics and frustrations, where does this leave the NCA? In late April 2020, the government formed the ‘Committee to Coordinate and Collaborate with Ethnic Armed Organizations to Prevent, Control and Treat Covid-19’ (‘Committee’). The four-member body comprises representatives from government-affiliated entities including the National Reconciliation and Peace Center (NRPC), the Peace Commission and the Ministry of Ethnic Affairs.\textsuperscript{40} The move was welcomed by both NCA signatory and non-signatory EAOs at the time, as evidenced by their participation in public discussion and information sharing on their own Covid-19 response plans.\textsuperscript{41} Importantly, the Committee has collected information from
14 EAOs, not limited to those who have signed the NCA, in a move that could lend hope to a growing space for dialogue between the EAOs and government. Still, practical challenges remain. The main functions of the Committee represent an ambitious list of propositions that recommend sharing information, integrating parallel systems, and working together to manage flows of people between separately governed areas. Given that these are some of the same fundamental issues at play in the ongoing political dialogue process (where no real progress has been made), expectations about the Committee’s effectiveness should be tempered.

**Functions of the Committee to Coordinate and Collaborate with Ethnic Armed Organizations to Prevent, Control and Treat Covid-19**

- Exchanging information and data on preventing, controlling, and treating on Covid-19;
- Coordinating for monitoring and examining on returnees who are passing border gates, exchanging information on suspected Covid-19 patients, referring the suspected patients and identifying the people who had contact with the suspected patients;
- Coordinating on quarantine and treating Covid-19 positive patients;
- Coordinating on complying health guidelines and directives;
- Coordinating on technologies and methodologies when implementing Covid-19 controlling activities to be in harmony;
- Coordinating on preventing, controlling and treating on Covid-19 among the EAOs and the State governments; and
- When there is emergency implementation needed on Covid-19 in the areas EAOs are operating, coordinating in line with the NRPC’s guidance.

**ANOTHER UNION PEACE CONFERENCE, AND THEN ELECTIONS**

Against this backdrop of multiple diverging engagements between EAOs, the Tatmadaw and other bodies, the government announced the possibility of convening another Union Peace Conference, scheduled for mid-August 2020 but with reduced attendance and designated social distancing protocols. Flights are to be arranged to transport EAO leaders from Thailand, and the agenda is to include discussions with NCA signatories on ‘security reconciliation.’ Previous Union Peace Conferences have often broken down in acrimony and produced little by way of measurable progress. If this year’s Conference proceeds, expectations of what it will be able to achieve in the midst of the Covid-19 emergency should be tempered.

Just as the military officials appear to prioritize form over substance in promoting a ceasefire, so the peace conference plans appear predicated on bolstering reputations ahead of the November nationwide elections. Even where EAO and government cooperation has been positive in responding to the health emergency, animus towards the Union civilian and military leadership will likely rise in many ethnic areas ahead of the November polls, and could escalate again where electoral expectations are not reflected in results, further deepening political divisions. Related concerns include whether safe and straightforward access to polling stations can be guaranteed for remote and conflict-affected communities.

The November elections may bring with them a reshuffle of the government representatives assigned responsibilities for the peace process, even though the National League for Democracy (NLD) is expected to retain its majority. More significant changes may be seen in the members...
elected to parliament, where the NLD may lose seats to ethnic political parties in the States, and to other parties such as the Union Solidarity and Development Party, or the People’s Party, in the Bamar regions. Such changes in parliament will have a direct impact on NCA negotiations in future, as the Framework for Political Dialogue requires elected political parties to form one third of the tripartite negotiating table. Furthermore, due to the lengthy period of transition following the election, substantive engagement by the next government in peace process issues would be unlikely before April or May 2021, further underscoring the importance for the NLD of squeezing in a last symbolic event before the door shuts on its current term.

Covid-19 support should reinforce peacebuilding commitments

In 2019, the NRPC imposed conditions on development assistance and called on UN agencies to improve overall aid coordination and to seek formal permission to operate, causing a great deal of apprehension and confusion amongst aid agencies. The letter distributed by the Ministry of Foreign Affairs states: ‘it is suggested that the development assistances and projects to be provided or funded by the UN agencies to Ethnic Armed Organizations (or) ethnic political parties in respective States and Regions should be informed to NRPC through the proper diplomatic channels in order to succeed [sic] the implementation of the National Ceasefire Agreement – NCA [sic].’

All governments, of course, have a right and responsibility to oversee foreign activities taking place within their borders, including development assistance and peace support. The problem in this case is that these oversight measures effectively undermine the promise of the ‘interim arrangements’, a key component of the NCA. Ongoing concerns of this type indicate the fragile and incomplete state of the peace process at this point. Given such problems, it is premature to see the pandemic as an opportunity to further advance power-sharing or joint governance activity. In short, the peace process is unlikely to receive a Covid-19 cooperation boost given that the underlying conditions which hinder progress remain unaddressed.

Donors should guard against funding less peace work

The redirection of Western donor assistance towards public health responses and pandemic containment will have long-standing consequences for the peace process and conflict resolution in Myanmar. One key source of assistance, the multi-donor Joint Peace Fund, is nearing the end of its first phase at a time when Western aid funding is likely to be cut, given massive budget constraints stemming from the Covid-19 economic fallout. Other peace support budgets may also be vulnerable given both the need to spend funds on responding to the pandemic and reduced overall funding availability. What is more, donor fatigue may well continue to limit interest in a peace process that has made little progress, and the unflagging commitment by China to outspend all other foreign governments in Myanmar.

Funding decisions are complex, but it would be short-sighted to cut support for programs working to alleviate hardship in conflict-affected areas and promote peace in the current environment of increased conflict. Scrutiny and analysis around spending are useful, although peacemaking and peacebuilding work is, by its very nature, a long-term enterprise. It remains critical to retain a long-term view around expected results and to be poised to capture opportunities if conditions...
change. Peace support is also relatively low-cost, especially when considering its potential impact.

The importance of localized approaches

Covid-19 programming in conflict areas offers various opportunities for learning and innovation. Donors should not be locked into state-centric approaches. They may consider augmenting support for innovation in cash-based and livelihood programming, remote monitoring systems and more. Above all, organizing support for the pandemic response highlights the urgent necessity for localization. It is already clear that robust local aid networks, such as those found in Kayin and Kachin States, have responded comparatively well to the current crisis. How can these lessons be harnessed to improve the effectiveness of development and peacebuilding initiatives into the future?

Donors should be more alert than ever to the need to avoid exacerbating regional inequalities in Myanmar by prioritizing relatively ‘easy to work’ conflict-affected locations such as the Southeast, over other harder to reach areas, such as Eastern Shan State. Instead, Covid-19 may present an entry point for donors to expand their programming to areas of Myanmar where there is little foreign assistance. Equally, international agencies should be aware of the risk of a ‘saturation effect’ developing in the Southeast. This may arise where EAOs seeking Covid-19 support are potentially hampered in their work if high numbers of international agencies are replicating efforts. The stark regional differences in Covid-19 responses across Myanmar are an important reminder of the geographic restrictions placed on donors. Nevertheless, effective infectious disease responses must be universal, and past efforts to tackle HIV, tuberculosis and malaria in Myanmar all offer examples of how aid can be usefully provided to the country’s more inaccessible corners.

The illusion of increased cooperation and collaboration between government and EAO actors in the peace process over tackling the challenge of Covid-19 is unlikely to become a reality, so the Covid-19 response should not be expected to make an automatic or lasting contribution to peacebuilding in Myanmar. While there is great need for collaboration across conflict lines in order to tackle the pandemic, and both the government and EAOs have vital roles to play, there is little chance that such steps will shift the dynamics of Myanmar’s intractable conflicts. Donors and other members of the international community must not neglect their commitment to engaging in long-term support toward peacebuilding and conflict resolution, through adaptation, learning and a commitment to innovative ways of thinking.
At a glance…

As of the end of 2020, Myanmar’s Northernmost region, a zone of long-term violent conflict, rising geopolitical tensions, and great natural resource wealth, has been spared the worst of Covid-19. The pandemic has also not had a marked effect on Kachin State’s conflict dynamics. But maintaining these positives is a challenge: livelihoods are shattered and formal negotiations between conflict parties are on pause for the November election and subsequent government transition. This chapter explores the pandemic’s early impact on life, conflict and peace, community organization, and local economies in this region.

- Kachin State faces particular risks associated with its long land border with China, its high population of displaced people living in over 170 camps, and recurring conflict since the breakdown of a ceasefire in 2011. 140 cases of Covid-19 had been identified across four clusters in the State in the first six months of the pandemic. The response infrastructure is weak, and there has been no sustainable cooperation or coordination between the government and the KIA. Destroyed rural livelihoods are unlikely to recover soon, and the economic crisis could exacerbate social strains.

- The pandemic has unfolded against a backdrop of decreasing levels of active conflict between the KIA and Tatmadaw. There are also promising signs of improved relations between sub-ethnic minority groups. However, conflict risks remain high in neighboring Northern Shan State. The elections are a potential flashpoint, particularly if they are seen as unfair or are cancelled in parts of the State. Relations may deteriorate further as conflict resolution efforts are paused.

- Kachin State is ground zero for geopolitical struggles and domestic debates about the influence of China. The convergence and intersection of broader foreign strategies with local conflict dynamics affects both the pandemic response and conflict resolution efforts.

- The major burden of assisting Kachin people has fallen on community networks and organizations. These networks have for years suffered from insufficient resources and because sustainable political solutions to systemic issues seem unachievable. Faced with a global pandemic, they run the risk of being overwhelmed. Any redirection of much-needed international development and humanitarian support away from Kachin communities could provoke further vulnerability. In Kachin State, donors must prioritize mitigating the potentially disastrous impact of the pandemic on livelihoods, civic networks, and the social fabric of conflict-affected communities. While addressing the impacts of the pandemic, they should be alert to the risks of compromising longer-term interventions related to conflict resolution.
A COVID-19 CRISIS AVOIDED, BUT RISKS REMAIN AND PREPARATION IS INADEQUATE

Initial fears that Kachin State would be hit hard by the Covid-19 pandemic have so far not materialized. An initial shock, primarily economic, was felt when China closed its own borders in January 2020, long before the rest of the world began to feel the effects of the virus. Despite its long border with China, the return of thousands of migrant workers, and the poor conditions of camps housing almost 100,000 IDPs, in the first six months of the pandemic 140 individuals across Kachin State had tested positive for the virus.\(^52\)

When the outbreak was officially announced in Myanmar, almost everything else was put on hold – the peace process, most of the fighting, even interest in the forthcoming national elections. Preventive measures initiated by the Kachin State government, the KIA and local communities between March and September 2020 included a strict lockdown and compulsory quarantine for returning migrants, implemented and monitored at varying levels.\(^53\)

The closure of the border with China and restrictions on movement and work have had devastating effects on local livelihoods.\(^54\)

The KIA and Kachin State government formed their own response committees between February and April to address the pandemic in areas under their control. In areas outside of its control, the KIA has been working with civic networks, in particular the Covid-19 Concern and Response Committee-Kachin. When tensions arose between the KIA and the Kachin State government in May, this group helped coordinate between them, after which the Tatmadaw donated a modest amount of personal protective equipment and hand sanitizer to the KIA.\(^55\)

Most assessments of the response in Kachin State so far conclude that local civil society networks and humanitarian agencies have reacted most effectively, working with vulnerable rural and IDP communities. This is evidence of their many years of experience addressing conflict-related vulnerability and local development.\(^56\)

Kachin aid workers interviewed by The Asia Foundation commented on the poor quality of Kachin State’s public health system, which they compared unfavorably with hospitals run by the KIA in Laiza and Majaiyang.

CHALLENGES TO COORDINATION

Attempts at coordination between the Kachin State government and the KIA over the pandemic response have been difficult and, on occasion, tense. While civic efforts to mediate between them may help, this cannot ensure effective, consistent, sustainable coordination between the two sides. For the time being, the KIA is likely to depend on support for its Covid-19 response from civil society, Western donors, and Chinese actors.

In Kachin State, as elsewhere, the State government and EAOs have sought to leverage Covid-19 interventions to enhance their political legitimacy. Rather than improving much needed services and collaboration, the focus has been on optics and point-scoring.\(^57\)

This connects with a broader national trend of tension between state and non-state actors around pandemic response and communications.

A particular challenge to peacebuilding and pandemic efforts in Kachin State is the nebulous boundary between the two governance systems. Given that large areas are of mixed or contested authority, confused or blended support efforts can make it challenging to target initiatives effectively and risk diluting their impacts. Restrictions related to the government’s categorization of
the KIA have prevented medical supplies from reaching many communities in Kachin State. Tatmadaw checkpoints discourage civilians from accessing government health services. As these restrictions persist, the gulf between Kachin communities and decision-makers in Nay Pyi Taw widens, with conflict-affected populations bearing the brunt of these political challenges.

KACHIN STATE’S INCREASINGLY COMPLEX CONFLICT DYNAMICS

In the midst of the Covid-19 crisis a grim milestone was reached: the ninth anniversary of the breakdown of the Kachin ceasefire (1994-2011). That event led to the displacement of over 100,000 Kachin civilians, most of whom remain in camps today. Decreasing instances of armed conflict since 2011 culminated in a relatively quiet lockdown period earlier in 2020, with few reports of fighting or irregular troop movements by either the Tatmadaw or KIA. However, evolving conflict dynamics mean only an uneasy calm prevails as Covid-19 cases begin to rise again across Myanmar. Tensions between the KIA and Tatmadaw persist. Evolving conflict and political dynamics could lead to a more combustible environment, further complicating community and public health responses to the pandemic.

Mistrust and inflexibility set back peace negotiations

The inclusion of the KIA in formal peace talks has so far been missing. It has long been a target of the government for inclusion in the NCA, since it had been a key part of the negotiations in 2015, but ultimately backed out of signing the ceasefire. Today, the KIA, a member of the Northern Alliance group of non-NCA signatory EAOs, is critical to any solution involving the AA and Ta’ang National Liberation Army (TNLA), the two Alliance members most actively engaged in combat against the Tatmadaw. Seeking a mutually agreed settlement is more vital than ever. Formal peace discussions had been curtailed even before the pandemic and the expected hiatus surrounding the election period. There is a sense that a sustainable solution is a remote prospect, complicated even further by the politicization of pandemic responses. The KIA declined to attend the fourth Union Peace Conference in August 2020. In an interview with The Asia Foundation, a KIA officer noted that its representatives would only attend if all four Northern Alliance members were invited, if Chinese authorities attended as witnesses, and if the talks were based on public consultations. These conditions were never likely to be met but the lack of any response from the government reinforced the KIA’s reservations about its commitment to multilateral processes. While its membership in the Northern Alliance remains a touchstone for both the KIA and the Tatmadaw, Kachin ties to the AA are increasingly fraught. Following the government’s designation of the AA as a terrorist organization, the Tatmadaw Northern Commander warned the KIA to have nothing to do with the AA and to expel its personnel from KIA bases. So far, this has not resulted in overt military pressure on the KIA strongholds of Laiza and Majaiyang. The KIA seeks to mitigate any potential fall-out, insisting its relationship with the AA is one of “political solidarity”.

Instability in Northern Shan State

Conflict dynamics in Kachin State cannot be understood in isolation from the volatile situation in Northern Shan State, as illustrated by recent events. The putsch against the Kaung Kha-based militia in March and April created a power vacuum around Kutkai, and generated perceptions of greater vulnerability among local ethnic Jinghpaw communities as the militia had previously afforded them protection. In June, fighting between the KIA and Tatmadaw was reported in Kutkai and Muse Townships in northern Shan State. While relative peace can be maintained inside Kachin
Chapter 2: How Covid-19 and Conflict Intersect in Kachin State

State, conflict that flares in adjacent areas further frustrates a peaceful settlement, as the KIA insists on ensuring security for communities under its authority there.

Sporadic fighting has continued between the Tatmadaw and other EAOs in Northern Shan State, including Kachin allies, the TNLA and the Myanmar National Democratic Alliance Army. The presence of several thousand IDPs in Northern Shan contributes to instability in both States, as Kachin and Shan ethnic communities live on both sides of the border. The region is experiencing heightened levels of militarization, with myriad armed actors engaged in a range of largely illicit business activities through murky networks of contacts across the Chinese border. These dynamics, together with the intersection of the China-Myanmar Economic Corridor through the region, lead to multiple horizontal and vertical power struggles in Northeast Myanmar, complicating the search for sustainable solutions to conflict drivers.

Intra-communal dynamics in Kachin State

Internal tensions between clans and religious groups in Kachin State have reportedly stabilized since March 2020, as communities have prioritized Covid-19 responses. As travel and public gatherings ceased in the first few months of the pandemic, there was a notable reduction in tensions between Jinghpaw and Shanni communities. However, the killing of two Shanni youth by KIA soldiers in July sparked renewed criticism of the KIA’s perceived unchallenged status across the State and its long-standing practices of enforced recruitment and taxation of all communities, regardless of their ethnicity or support.65

Kachin State is far from homogenous and outside actors must be alert to the complexities around seeking negotiated peace agreements and sensitive to envisioning future governance scenarios that benefit all communities. The first phase of the Covid-19 crisis may have offered some respite in active conflict, but this is unlikely to last as communities react to new and harsher economic and social realities, and as the effects of the elections and their results unfold. International actors supporting the Covid-19 response or promoting peace must be aware of the shifting dynamics between different sub-ethnic groups and internal Kachin dynamics, even as they focus on the complex relationships between the KIA and other ethnic armed groups, and escalating violence in Northern Shan State.

GEOPOLITICS AND THE CHALLENGES FOR COVID-19 RESPONSES

‘We are all aware of the economic delays caused by Covid-19 and our situation being placed between the power struggle of two geopolitical powers. It is [a] worrying predicament for our nation that has a lot of conflict.’66

Competing interests have gradually escalated in Kachin State, particularly between Western powers, Japan, and China, since the breakdown of the ceasefire in 2011 and ensuing humanitarian crisis. The situation is further complicated by events in Rakhine State, on the other side of the country, and by increased global scrutiny of the ways in which Myanmar’s government handles conflicts. China and the US posit each other as threats to Myanmar’s sovereignty, and Rakhine and Kachin States are their preferred examples of the other’s duplicity. A war of words that broke out recently between their two Yangon embassies highlighted the depth of mutual hostility.67 Their efforts to exert influence, consolidate or otherwise jockey for position, have a marked effect on the peace process, conflict resolution efforts, and the delivery of effective support for victims of the conflict, as well as debates and decisions...
about economic and environmental conditions. In this region, broader foreign strategies converge and intersect with local conflict dynamics. These tensions will impact pandemic recovery responses.

Chinese authorities view Kachin State and the border areas of Shan State to be within their sphere of influence. The area is vital to the completion of the China-Myanmar Economic Corridor, a major component of the Belt and Road Initiative, which includes significant infrastructure upgrades and the construction of Special Economic Zones. These projects have suffered from negative public opinion since the massive civil society backlash against the Chinese-led Myitsone Dam project in 2011. Japan and the US seek to contain Chinese influence in Myanmar. In 2019, the government of Japan pledged $5 million through the Nippon Foundation to help resettle IDPs, purportedly at the request of the Commander in Chief, Senior General Min Aung Hlaing. This is perceived by many as an attempt to expand their influence and to rival China through aid support, including in relation to the peace process.

Western governments have not stayed on the sidelines, highlighting Kachin State as one of Myanmar’s most significant humanitarian crises and directing support through a number of large bilateral and multilateral funds and program frameworks. The EU-funded, USD 22.8 million, seven-year Durable Peace Program focuses on Kachin and Northern Shan States while the HARP Facility, a four-year, USD 140 million fund by the UK government, includes the Northeast as one of its three geographical focus areas. The US government directs some support through multilateral funds and UN projects targeting peacebuilding, livelihoods support and healthcare. In addition, it reports significant direct spending in Kachin State on humanitarian and development support.

Chinese influence over the KIA is widely reported, as is Japanese encouragement of formal peace engagement, and broad Western influence over and technical support for the formal contours of the process. None have had a significant impact and Kachin State seems to be no closer to durable peace despite these interventions. Geopolitical tensions are increasingly at the forefront of public discussion. Kachin leaders have claimed that the Chinese Ambassador has threatened them with ‘serious consequences’ if they move too close to the West. Increasing involvement by Chinese authorities in local political and humanitarian issues could heighten risks to already vulnerable populations if regional conflict escalates. Caught between the pandemic and global geopolitical competition, local actors are wary.

**FINDINGS FROM THE EARLY COVID-19 RESPONSE IN KACHIN STATE**

The first six months of the pandemic in Kachin State have revealed critical lessons for the months ahead. As elsewhere, people will find it challenging to recover from the disruption to mobility and livelihoods. The devastating effects of the Covid-19 crisis will continue with or without another lockdown and will be exacerbated if Kachin State should see greater outbreaks. Such uncertainty risks breeding ad hoc, arbitrary responses. In crises, aid organizations that prioritize urgency may lose sight of the unforeseen impacts of their interventions. Whilst changing course to respond to new needs is understandable and provides critical relief in the face of increased vulnerability, prioritizing short-term pandemic responses over longer-term interventions may to dilute the impact of both in this complex environment. The defining challenge of the coming months will be addressing the risks and impacts of the pandemic without compromising on peace and conflict issues.
Delivering effective community support

The Kachin State government continues to provide emergency subsistence support, though it is insufficient and limited mainly to the urban population. The assistance provided by the community-led Covid-19 Concern and Response Committee-Kachin, local civil society organizations, churches, and humanitarian organizations have tended to be one-off deliveries of essential food items. Missing so far is a coordinated assessment of who is being left out of the various relief and support efforts. Civic networks are doing the lion’s share of the work. Donor interventions should support, rather than overwhelm them or over-burden their already stretched capacity.

Any new initiative on Covid-19 response in Kachin State must prioritize gender-differentiated needs. Women’s rights groups reported that the government had no gender guidelines for quarantine centers. In one government facility at a public bus station, men and women shared rudimentary quarters and at least one case of sexual violence was reported. Drug dependence remains a widespread problem in Kachin State. Supplies and prices of the widely used yaba (methamphetamine) tablets have fluctuated, contributing to social tensions. These challenges must be addressed sensitively with well-informed context specificity.

Supporting devastated livelihoods

In Kachin State’s 170 camps for those displaced by conflict, the broader challenges of responding to Covid-19 intersect with debates about the future of the camps and the current challenges of sustaining them and supporting their inhabitants. The main burden of assisting IDPs and several thousand migrant returnees from China, Thailand, and other parts of Myanmar has fallen on Kachin civil society and aid groups. These groups highlight urgent needs for basic health and safety provisions, as well as greater psychosocial support to target increasing stress around the lack of safety and impossibility of social distancing in camps. An even more acute divide between IDP camp residents and local communities in both government- and KIA-controlled areas has been observed. At the same time, pressures from Chinese actors seeking progress on investment projects in the region may lead the government to make premature decisions around solutions for displaced communities, risking further harm in future. Camps, the people in them, and their status are a critical element of conflict dynamics in Kachin State.

The defining challenge of the coming months will be addressing the risks and impacts of the pandemic without compromising on peace and conflict issues.
Signs of disruption to the local economy in Kachin State

- Paddy prices have registered a drop of up to 40 percent, to 5,000 MMK (USD 3.80) per basket, threatening many farmers’ abilities to repay loans, prepare for the upcoming planting season, or insure themselves against future economic shocks.
- Large-scale cattle traders continue to transport livestock, albeit at a much-reduced volume, through KIA-controlled territory to buyers in China. Small-scale traders who cannot take this risk are unable to export.
- Lockdowns and restrictions on movement also significantly affect the mining sector. Hpakant, the world’s largest source of jade, has been in total lockdown, stranding many migrant workers, with knock-on effects on local food prices. Recent landslides in mining areas underscore high risks of danger to workers. Reports indicate that illegal mining enterprises in Kachin State continue to operate, driving further divisions on the ground and complicating prospects for seeking peaceful resolution to conflicts.

Across the State, the most profound impact of the pandemic response — largely due to the closure of the border with China, the lockdown, and the restrictions on movement — has been on livelihoods and, at times, food security. Prices of rice, pulses, and oil have returned to normal according to market monitoring by the World Food Program, but the initial spike demonstrates volatility connected to pandemic-related disruptions. Low or no incomes during this period have resulted in lower levels of disposable income. There have been reports of people in Waingmaw venturing onto abandoned Chinese-owned banana and watermelon plantations to access fruits and vegetables. Discussions around higher-level investment projects in Kachin State continue despite restrictions on movement curbing the activities of communities and organizations on the ground. This type of perceived injustice could risk further escalation of tensions between marginalized local communities and national actors.

For farmers, selling their produce has become more challenging. Routes to important Chinese markets, which represent a huge portion of trade into and out of Kachin State, remain vulnerable to sudden closure, as has happened several times since January 2020. The border was initially closed on the Chinese side in January, then also on the Myanmar side during the virus’ first wave in the country. After re-opening in August, Chinese authorities again restricted border activity, due to an outbreak in the Chinese city of Ruili. This kind of response could conceivably continue to affect Kachin and Shan States for months, restricting the movement of people, consumer goods, agricultural and extractive commodities.
COVID-19 AND ESCALATING CONFLICT: THREE PRIORITIES FOR RAKHINE STATE

First published December 2020

At a glance...

Rakhine State is a high-risk region for Covid-19 given existing health and humanitarian challenges, and ongoing conflict. Thus far, the first and second waves of the pandemic have been less severe than feared, although low rates of testing indicate that official data likely presents an incomplete picture. The humanitarian impact of both conflict and Covid-19 restrictions are grave and there is no guarantee that this relative quiet will persist.

- Rakhine State has specific and complicated challenges: pre-existing and ongoing humanitarian and health crises; a complex conflict landscape with violence that continues to escalate even during the pandemic; and restrictions on freedom of movement, humanitarian support, and internet access, all imposed by the Myanmar government to counter cited conflict threats.

- The conflict between the Tatmadaw and the AA is evolving, and the stakes are high. Both sides appear ready for escalation, which would worsen the humanitarian challenges already facing many people in the State. The government is defensive in the face of international scrutiny on the continued plight of Rohingya communities; national responses are seen at best as symbolic, at worst as aggravating existing tensions and threatening the human rights of local populations.

- Historically, international humanitarian and health workers on the ground have operated through partnerships with local groups because of long-standing restrictions preventing them from direct implementation. Community organizations and parahita (community welfare) groups have been important support mechanisms for those affected by the conflict and for the pandemic response. International interventions around Covid-19 require flexibility and nuanced understanding of the challenges and opportunities of working with local support networks. Humanitarian actors should prioritize understanding conditions in areas of strong AA influence, in order to determine how best to support responses there.

- Myanmar’s government has left Rakhine State out of national peace efforts and the AA’s disinterest in joining formal negotiations further decreases the chance of establishing mechanisms and institutions to end hostilities, resolve disputes, and address deep-seated grievances. Promoters of peace must also keep their eye on the bigger picture. The situation in Rakhine State is linked to other conflicts and crises, and the absence of a political way forward is a major concern. The informal ceasefire negotiated in late 2020 offers some hope.
A NEW CRISIS FOLDED INTO OLDER ONES

A rapid second outbreak of Covid-19 began in Rakhine State in August 2020, largely centered in Sittwe. A few cases have also been reported in some of the State’s displacement camps for people fleeing the ongoing conflict.86 Outbreaks thus far have affected more people in conflict-hit Northern and central Rakhine State, sparing many communities in the relatively stable South, and especially vulnerable groups of ethnic Rakhine and Rohingya living in the state’s 169 camps for IDPs. Actual numbers of Covid-19 cases are likely to be significantly higher than reported as testing rates are low, particularly in camps, and random testing suggests there could be extensive community transmission.86 While initial fears that large numbers of Rohingya would return from refugee camps in Bangladesh and spread infection have proved unfounded, they have nonetheless been portrayed in local media and on social media as vectors of disease.87 Information regarding the level of infection in rural communities, particularly those under AA control, is scarce. In those areas, the virus is reportedly seen by some populations as a tool for further government coercion and control, and at the very least a lesser threat than ongoing conflict and violence88.

Government measures have alternated between stay-at-home orders and lesser prohibitions, applicable both to ordinary residents and to IDPs in camps. It has also required mandatory testing for humanitarian and other aid workers before they are allowed to deliver services, a process that can cause delays in the delivery of relief.89 Initially, all those who tested positive for Covid-19 were hospitalized, but as cases rose, asymptomatic people have been asked to quarantine at home.

As elsewhere, disruptions to farming, trade, and daily wage work have negatively impacted livelihoods. But the pandemic in Rakhine State is occurring against the backdrop of severe pre-existing crises. Violence and the long-running humanitarian emergency affecting Rohingya communities, compounded by escalating conflict between the Tatmadaw and AA mean that there are now almost 360,000 people living in displacement camps across the state. These include around 129,000 Rohingya and other ethnic communities displaced by the ongoing conflict.90 Camps are rudimentary, sanitation is poor, and physical distancing impossible. Many people have fled to urban areas or monasteries, rather than camps, and are taken care of by host communities and local support networks.

Citing conflict, the government has restricted the access of humanitarian and other aid workers to areas of AA activity in Northern and central Rakhine State. The Covid-19 crisis enabled authorities to tighten their control under the guise of public health response. Many UN agencies and international organizations have worked under these challenging conditions for years and are experienced in remote monitoring and working with local networks. With the outbreak of Covid-19, the landscape of responders has continued to evolve dynamically: new networks emerge, and new forms of mobilization and coordination take place on the ground.91

Rakhine State-based networks and organizations have shouldered much of the burden of providing relief, service delivery, and public information. Some, like the Rakhine Ethnics Congress, are formal, work in across the State, partner with international organizations, and have experience working in structured and planned ways. Others, local parahita networks, have strong local ties and community identities, are funded by the community, and have traditionally responded to unexpected needs or crises in
Chapter 3: Three Priorities for Rakhine State

Communities and families. *Parahitas* are playing an increasingly important role, as are religious leaders. International actors have struggled to capture an accurate picture of this evolution, and coordination from outside of Rakhine State has been sporadic and reactive. Simultaneously, the landscape of conflict and its humanitarian impact is also changing rapidly. Support actors need to respond with agility and prioritize conflict sensitivity.

In June 2019, the Myanmar government restricted mobile internet access in most conflict-affected parts of Rakhine State; the restrictions remain in seven townships and affect an estimated 1.4 million people. The internet shutdown has contributed significantly to vulnerability, isolation, and anger among communities in Rakhine State. Communication is critical for pandemic prevention, and while the government’s restrictions are also aimed at disrupting AA communications, the armed group appears to find ways around them leaving local populations and community organizations to suffer the most, as the shutdown deprives them of critical information, and the ability to conduct livelihood-related activities and mobilize effectively in response to crises.

FIGHTING THROUGH A PANDEMIC

The conflict that erupted between the AA and the Tatmadaw in December 2018 has steadily escalated. On 23 March 2020, coinciding with the UN Secretary General’s call for a global ceasefire in response to the Covid-19 crisis, the Myanmar government designated the Arakan Army as a terrorist organization, a move that distinguishes it from other EAOs operating in Myanmar, and carries significant legal implications. The Tatmadaw announced a unilateral ceasefire on 9 May 2020 which did not apply to Rakhine and Southern Chin States. The AA, as part of the Brotherhood Alliance, announced a unilateral ceasefire in November 2020, later extended until the end of the year, a gesture which in practice means very little. During the first phase of Myanmar’s Covid-19 crisis, fighting continued as normal, followed by a brief late-monsoon lull with reduced AA activity. During this period, the AA consolidated its hold in central and Northern Rakhine State, maintained support bases in neighboring parts of Chin State, and attempted to expand into the South.

Neither the AA nor the Tatmadaw is likely to win a decisive military victory in this asymmetric conflict, but both are upping the stakes for civilians. The nature of the fighting in Rakhine State has translated into significant harm to local populations. The AA hides amongst local communities, uses guerrilla tactics such as kidnapping, and targets Tatmadaw personnel and facilities, government officials, politicians, and the police. The Tatmadaw responds with airstrikes and by deploying more troops, heavy artillery, and air and naval resources. There appears to be little attempt to minimize harm to civilians. Waves of displacement reflect feelings of insecurity and terror. There are reports of the Tatmadaw burning villages and even using local residents as scouts or advance parties. Researchers and journalists sometimes quote displaced Rakhine people as saying that they are more afraid of the army and the fighting than they are of Covid-19.

Governance, challenged for years by crises and divisive politics in Rakhine State, is ever weaker. Township administrators, unable to carry out their duties in AA-controlled areas, have retreated to Sittwe, while village level administrators have resigned or chosen to cooperate with the EAO at the grassroots. The AA’s designation as a terrorist organization prevents its leaders from contacting the government and imperils other entities from considering collaboration, including on efforts to
It is difficult to predict how increases in harm to civilians and broader insecurity will affect foreign interests, or how external responses to them might shape humanitarian and conflict dynamics.

WHY ARE THE STAKES OF THE CONFLICT SO HIGH?

Rakhine State’s exclusion from the government’s conflict resolution and peace efforts limit the appeal of political pathways to engagement between the two conflict parties. External actors, including foreign governments and businesses, have strategic, security, economic, and normative interests in the region. It is difficult to predict how increases in harm to civilians and broader insecurity will affect these interests, or how external responses to them might shape humanitarian and conflict dynamics in Rakhine State and the government’s approach. Covid-19 presents a significant added risk to these conditions.

The election could deepen polarization or lead to reconciliation

It was clear that the national elections of 8 November 2020 could not be held safely or freely in parts of Rakhine State, due to the escalating conflict and specifically because of Arakan Army intimidation of candidates. Yet the decision of the national oversight body, the Union Election Commission, to cancel voting entirely in areas encompassing 73 percent of Rakhine State’s 1.64 million voters (not including most Rohingya who were already unable to vote) was widely interpreted as a deliberate move to bolster the dominant national party, Aung Sang Suu Kyi’s NLD. Attempts by the Union Election Commission to censor party campaign speeches in the weeks before the election were flagged by candidates and parties across Myanmar. Nevertheless, Rakhine parties won five of the eight Pyithu Hluttaw (lower house) seats, and four of the five Amyotha Hluttaw (upper house) seats, being contested.

Many in Rakhine State remain skeptical of the electoral process’ capacity to ensure meaningful representation and fruitful discussion of Rakhine
grievances. Whether or not by-elections take place in the near future, both pandemic relief and conflict mitigation fronts will be impacted by the extent to which the Arakan National Party and Arakan Front Party, key Rakhine political parties, are permitted to participate meaningfully in the State government, and by the willingness of the AA and the Tatmadaw to pursue a meaningful bilateral ceasefire. Soon after the election, the Japanese Special Envoy for Myanmar, Yohei Sasakawa, visited Rakhine State and engaged in quiet diplomacy with both the AA and the Tatmadaw. Both sides then issued statements calling for elections to be held in the areas where they had been cancelled. These significant steps led to an informal ceasefire, generating space for potential dialogue.

Excluded from the formal process, the AA remains pivotal to chances for peace

Peace and conflict resolution efforts received little attention in the run-up to the elections and it will likely take time before the new government prioritizes them, as it seeks first to balance the interests and priorities of many actors, including the Tatmadaw. This delay poses significant challenges to efforts to slow the spread of Covid-19, provide humanitarian assistance in Rakhine State, and plan for the State’s recovery from the impact of the pandemic.

The first NLD administration, from 2015 to 2020, separated the multiple crises in Rakhine State from the national discussion around conflict, peace, and ethnic politics, and sought to isolate the AA from other EAOs using the terrorist designation. Yet the AA is at the center of an intricate web of challenges facing peace and conflict actors in Myanmar. The KIA, one of Myanmar’s most militarily significant EAOs, is under increasing pressure from the Tatmadaw to cut ties with the AA, which trained for years in Kachin State and whose formal headquarters remain there. As an ally of the AA, the KIA is important to any long-term solution to conflict in Rakhine State. Meanwhile, the AA and the wider Rakhine community will have a significant impact on the success of any future efforts to reach a settlement for Rohingya, both for groups remaining in Myanmar and others hoping to return. Without a comprehensive plan for Rakhine State that addresses ethnic Rakhine grievances, the government will not gain buy-in from the Rakhine population for any plans to permanently resettle Rohingya in Myanmar.

The Rohingya crisis is a lightning rod for the challenges facing Rakhine State

Although the NLD government was able to build domestic popularity by depicting the trial at the International Criminal Court as an unjust foreign intervention, the lengthy legal proceedings are still a source of great, often humiliating, pressure for the government in the international arena. The lack of progress on enabling a dignified and safe return of Rohingya who fled to Bangladesh, and the dire living conditions of those who remain in Rakhine State, generate sustained international criticism. For the Myanmar government, conflict and Covid-19 are reasons to keep limiting international humanitarian access. For Western donors, ethics and global politics demand that they advocate for humanitarian access and keep the spotlight on the Rohingya issue, regardless of progress, but their options are limited. As the Rohingya crisis has already shown, the sense of being besieged could drive the NLD and Tatmadaw to double down rather than confront the problem and cooperate on solutions. Rakhine communities perceive Western donors as too focused on Rohingya. How donors respond to the simultaneous emergencies of the pandemic and conflict could shift this perception, perhaps creating opportunities to identify and galvanize support for solutions to Rakhine State’s multiple crises and work towards a recovery from conflict and the impact of Covid-19.
The AA has called out the issue of treatment of the Rohingya as a government distraction from the cause of greater Rakhine self-determination (see #ArakanDream2020), but it has not presented an inclusive vision for the coexistence of diverse ethnic and religious communities in the State. If such a vision were to include a viable future for Rohingya, it might win the AA points with some internationals but could alienate the group’s ethnic Rakhine support base. Rakhine-Rohingya tensions are currently low, as attention is focused on the conflict and the pandemic, but there is no evidence to suggest a permanent shift. Changes in conflict or Covid-19 conditions could revive communal tensions.

Regional and global strategic and security concerns collide
Numerous strategic rivalries and security challenges are at play in Rakhine State. There are many dimensions to competition between U.S. and Chinese interests in Myanmar; a recent theme has involved both sides pointing to each other as a threat to Myanmar’s sovereignty. For India, too, China’s assertiveness hits too close to home in a region of Myanmar that offers new economic opportunities but also old security challenges for India’s restive Northeast. Bangladesh, faced with the challenge of hosting Rohingya refugees, must also contend with occasional saber-rattling from across the border. Other international actors, including Japan, the UK, and various European countries have diverse roles in these dynamics through their involvement in the peace process or investments in Rakhine State.

Simplistic explanations of ‘Western,’ ‘Chinese,’ or even ‘Asian’ perspectives on Rakhine State’s crises and opportunities mask a more subtle and diverse reality. An array of international interests exerts a complicated and sometimes messy influence on humanitarian assistance and on policy discussions about reducing violence or promoting accountability. None can sway the NLD decisively. But the twin crises of escalating conflict and a pandemic sitting atop pre-existing challenges threaten all actors, international and domestic.

THREE PRIORITIES FOR INTERNATIONALS

Stay focused on peace and politics
The AA seemed poised to ramp up offenses against a range of political targets after the elections, but this has failed to materialize after the group called for by-elections to be held by the end of 2020, and received a rare public reply from the Tatmadaw pledging to cooperate. As long as ‘crushing’ the AA continues to be the government’s priority in Rakhine State, dialogue will remain elusive and the opportunity generated at the end of 2020 will be lost. The NLD leadership and the Tatmadaw need to see the benefits of developing a roadmap to reduce violence and address conflict drivers. International actors could further encourage the Government to rebuild bridges with the Rakhine political class and communities, and to restore mobile internet access. Such measures could begin to address the vulnerability, isolation, and anger within Rakhine communities as well as facilitate Covid-19 responses. International actors would also benefit from integrating the Rakhine crisis within the bigger picture of conflict and peace dynamics in Myanmar. The political lull as the NLD forms a new post-election government is a useful time to reassess the last decade of peace support, reflect on lessons learnt, and revitalize the process.

Prioritize up-to-date knowledge and flexibility
International actors need a coherent strategy to understand the needs of civilians in areas that are contested by the Arakan Army. The new government is likely to maintain its hard line on contact with the EAO. Internationals
should coordinate closely to clearly articulate manageable objectives. A starting point could be agreeing on ways to develop a clearer picture of the state of Covid-19 and other health and humanitarian needs across Rakhine State, as well as increasing coordination with and amongst actors providing support on the ground. Needs and access across the state have been fragmented for some years. With the intensification of conflict and the uncertainty introduced by Covid-19, humanitarian actors will need more localized approaches. Flexibility and agility will help deal with rapidly changing contexts and shifting frontlines. Actors will need to learn constantly, which requires good networks and knowledge-sharing protocols. Internationals can improve their understanding of on-the-ground realities and responses through greater substantive and mutually constructive engagement with community-based organizations.

Work within existing and emerging systems
Civil society and parahita groups, and Rakhine and Rohingya religious leaders, have helped provide humanitarian assistance and information, particularly in those areas where the government response has been seen as slow or inadequate. Parahita groups’ experience in identifying and quickly responding to needs is crucial for local humanitarian interventions; they should be included in discussions and coordination mechanisms with higher-level actors. Local networks and groups are inevitably a part of the political landscape; international donor agencies should seek to understand how they work. International donors can provide some financial support, carefully devised technical capacity, and information or connections with counterparts undertaking similar work in other parts of the country. Donors should be wary of forcing these groups into adopting boilerplate ways of working which could erode their legitimacy or undermine community-level connections.

Rakhine State faces a unique constellation of challenges given the current surge of Covid-19 and a conflict that could escalate further. The impact on livelihoods and health outcomes, both already deficient before the pandemic, will be significant. With humanitarian access and communications severely restricted in many parts of the state, community organizations, religious leaders, and parahita groups have emerged as a critical element in the humanitarian response. Internationals will have to learn to support that work responsibly and sustainably, while continuing to advocate for progress on the political front and for an improved humanitarian environment. Internationals should seek to encourage ways to reduce violence and put a pandemic recovery plan on the agenda.

Flexibility and agility will help deal with rapidly changing contexts and shifting frontlines. Actors will need to learn constantly, which requires good networks and knowledge-sharing protocols.
At a glance…

Initial concerns about Shan State’s vulnerability to the pandemic were not borne out through most of 2020, although in December a rise in cases related to a spread from major outbreaks in Yangon generated concern. As in other conflict-affected states in Myanmar, the Covid-19 pandemic, and responses to it, highlighted, and on occasion amplified, existing conflict dynamics and challenges to service delivery. However, Shan State is also uniquely complex and the evolving conflict and governance dynamics, political economy underpinned by the transnational drugs trade, relatively weak service delivery infrastructure, and borders with Thailand and China mean that responses to the pandemic and impact of measures to control it have varied significantly.

- A coordinated pandemic response was unlikely in Shan State, given its complex patchwork of government-controlled areas, contested territories under EAO influence and regions formally administered by ethnic actors. In practice, a wide range of interventions were seen, reflecting security and geopolitical concerns, and competition for territory, resources and influence. Armed groups and government authorities imposed a variety of limits on movement, and humanitarian actors found that pandemic restrictions as well as evolving conflict dynamics significantly affected their access to camps for displaced people.

- In Northern Shan State, where most actors are involved to differing degrees in the production and trade of illicit drugs, the actions of EAOs, the Tatmadaw and military-aligned militia are driven by constantly shifting contests over territory, recognition, resources, and political assessments about the value of ceasefire deals. Instability is also linked to the conflict in neighboring Kachin State as the KIA and its Northern Alliance partners hold out against joining the NCA.

- Fighting in Kachin State often spills over the regional border. As the Tatmadaw moved against the Kaung Kha militia in one of the largest drug busts ever seen in Asia, a new power vacuum developed in the area, with the KIA looking to protect Kachin populations previously under the militia’s authority. As elsewhere in the State, communal tensions between ethnic Shan, Ta’ang, and Jinghpaw communities remain volatile.

- Civilians suffered significantly from pandemic control measures and conflict, as operational space for service providers shrunk, including in IDP camps, and livelihoods suffered due to lockdowns. Shan State offers an important case for localizing humanitarian responses, but also demonstrates the challenges of navigating highly complex conflict environments.
THE PANDEMIC IN SHAN STATE

Shan State is the largest of Myanmar’s 14 administrative areas by land mass. Its ethnically diverse population has long experienced protracted conflicts which persist in various parts of the State, and significant areas are under the authority or influence of non-state groups. Complex patterns of conflict and long land borders have presented a challenge for Covid-19 responses.

Initial fears were that Shan State could be heavily impacted by the spread of Covid-19, in part because of its frontiers with China, Laos and Thailand, and associated flows of migrant workers which increased as neighboring countries’ labor markets declined and people returned home. The International Organization for Migration estimated that between April and July 2020 up to 30,000 people passed through the northern border crossings with China at Muse and Chin Shwe Haw. 2,400 returned to Mong La during this period, and 3,700 crossed at Tachilek between March and October 2020.118

Despite this major movement of people, official health ministry figures declared only ten confirmed cases of the virus in Shan State by the middle of 2020. During Myanmar’s ‘second wave’ from September 2020, Shan State again saw a much lower positivity rate than Covid-19 hotspots Yangon and Rakhine State. By the end of the year, the State’s total number had risen to just over 800 cases, with only two deaths, a fraction of the national total of almost 125,000.119 Early in Myanmar’s lockdown, the government established Covid-19 testing facilities in Kengtung (at the Tatmadaw’s Triangle Command base hospital), Taunggyi and Lashio, as well as 224 quarantine facilities around the State. In September, virus testing facilities became operational in the State capital Taunggyi, months later than scheduled.

Around the State, various government and non-government authorities and civic volunteers set up health checkpoints and quarantine facilities, monitoring and restricting movement. In October 2020 in the midst of the second wave, one of the State’s most powerful EAOs, the RCSS, instructed civilians to avoid unnecessary travel to towns and restricted non-residents from entering villages.120

Northern and Eastern Shan State, which had fewer than 250 confirmed cases in total at the end of 2020, demonstrated the complexity of the pandemic response in areas where armed groups govern, or they or militia control international border crossings. In December 2020 an outbreak of Covid-19 cases in the Golden Triangle border town of Tachilek was traced to a notorious entertainment complex with opaque connections to local militia groups. Cases quickly spread into Northern Thailand due to returning Thai migrant workers, eliciting alarm over the potential for cross-border infections to rise. Tachilek, known for its historical position as the center of the transnational drugs trade in the region, receives visitors and workers from China and Thailand, and is one of the busiest border crossings between Myanmar and Thailand.121 Numbers of infections inside Tachilek have been harder to determine, as testing rates in informal or illicit activity sectors are likely to be low and reporting uncoordinated between multiple overlapping authorities.

PANDEMIC RESPONSE AMONGST CONFLICT ACTORS

As in other parts of the country, Covid-19 responses in Shan State during the first wave often explicitly noted conflict conditions and the need for cooperation. Overall, however, pandemic-control measures reflected rather than altered existing conflict dynamics and relations between the main actors. By the second wave, and ahead
of the November 2020 general election, conflict dynamics in parts of Shan State had resumed their long-standing patterns of episodic violence and competition for territory and resources by several EAOs, the Myanmar military, and local militia. Northern Shan State felt the most intense impacts of the twin conflict and Covid-19 crises, with operational space for humanitarian activities contracting significantly, and service delivery in camps for displaced people suspended since mid-September 2020.122

The pandemic response laid bare relationships among local armed actors and with the Tatmadaw. The three border enclaves controlled by the Myanmar National Democratic Alliance Army (the ‘Kokang group’), the United Wa State Army, and the National Democratic Alliance Army (the ‘Mong La group’),123 have largely looked towards China for pandemic support, and not to Myanmar authorities. Though the Tatmadaw made some high-profile visits to deliver assistance and equipment to armed groups – Commander in Chief Senior General Min Aung Hlaing himself visited the Mong La area and met with Wa and EAO leaders – rhetoric and public relations moves outstripped tangible efforts.124 The KIA responded sharply to what it saw as the Tatmadaw’s self-aggrandizing mischaracterization of its assistance.125 The United Wa State Army was positioned to sound a more welcoming note, with its relatively stable autonomy, its proximity to China, and confidence in the Tatmadaw’s warm overtures to non-signatories of the NCA.126

The main signatory to the NCA in Shan State, the RCSS, established a Covid-19 response team in late March 2020 and expressed willingness to coordinate with the international community and the government. An early statement linked steps to control the pandemic to possibilities for progress on the peace process, mirroring the Tatmadaw’s declaration of a unilateral national ceasefire.127 Yet 2020 saw a significant rise in violence between the RCSS and the Tatmadaw compared to the previous year.128 Armed clashes and a deep sense of mistrust have marked their relationship for several years, despite the occasional display of support and cooperation. Tatmadaw actions between April and June 2020 included attacks on RCSS pandemic response.129

**FIGHTING CONTINUES IN NORTHERN SHAN STATE**

Conflict patterns remain complex between multiple overlapping actors

Northern Shan State is particularly complex, with evolving challenges for humanitarian and other actors responding to the fallout of the pandemic. The first half of 2020 saw entrenched patterns of conflict re-emerge in Northern Shan State, with fighting amongst EAOs including the KIA, and with Tatmadaw. Conflict impacted road transportation between Muse and Lashio and at times hampered the delivery of humanitarian assistance to displaced people affected by fighting and migrant workers returning home through the area. In response, leading up to the November elections, the Tatmadaw deployed more troops in Northern Shan and warned both the RCSS and the Northern-based Shan State Progress Party of an armed response if they left their home areas. At the same time, the Tatmadaw extended their unilateral ceasefire for the month of October 2020 to prioritize pandemic containment.130

The production and trade of illicit drugs lies at the heart of the region’s political economy and drives the actions of the Tatmadaw and the militia, who are aligned with it, with some recent offensives described as drug control measures. EAOs have varying levels of involvement in and dependence on the drug economy. However, their clashes with the Tatmadaw and with each other are part
of broader contests over territory, legitimacy and resources. Central to their calculations are political assessments of the Tatmadaw’s efforts to draw them into ceasefire arrangements, particularly for the KIA and its Northern Alliance allies.

In the midst of the Covid-19 crisis, the Tatmadaw undertook one of Myanmar’s largest ever counter-narcotics operations, between February and April 2020 against the Kaung Kha militia east of Kutkai township. The militia had a nearly 30 year-long ceasefire with the central government and its dissolution left a power vacuum in its area of influence which adjacent armed actors are likely to move on, risking an increase in local tensions. The illicit economy and involvement of myriad armed actors, the presence of thousands of people displaced by conflict and increasing militarization of Northern Shan State complicate attempts to design sustainable solutions to the multiple horizontal and vertical power struggles in Northeast Myanmar.

**Changing dynamics between the KIA and Northern Alliance**

The future of the Kaung Kha militia is uncertain, but the Tatmadaw’s move created a power vacuum that other militia and armed groups are fighting to fill. Local Kachin populations formerly under the militia’s authority perceive themselves to be increasingly vulnerable, and the KIA appears to have attempted to expand its influence, with reports of increased fighting on the ground. Sporadic fighting between the KIA and the military in Muse township throughout 2020 increased toward the end of September, with a number of casualties recorded, and over 300 civilians temporarily displaced. The KIA is also pressured by the recent formation of a new ethnic militia, the Kachin Peace Special Force, in Mong Ko Township in Northern Shan State, an area the Northern Alliance almost seized from the government in late 2016. The move appears designed to weaken the Alliance’s presence in the area and challenge the KIA.

These developments do not fundamentally alter business as usual in Northern Shan State, which involves competition amongst armed actors, including the Tatmadaw, for space and access to resources. They do, however, intensify militarization of the region and hamper the delivery of lifesaving humanitarian assistance, including crucially pandemic response to displaced people and communities affected by fighting. In June 2020 two of the Tatmadaw’s Light Infantry Divisions attacked areas in Tarmoanyein controlled by the TNLA and the Kokang group, following fighting along the Lashio-Muse road triggered by a TNLA ambush of Tatmadaw trucks the previous month. Clashes between the Tatmadaw and the TNLA and Kokang in Lashio, Kutkai and Tangyang townships was also reported over the course of 2020.

**RCSS and its expansion push**

The febrile environment in Northern Shan State stems in part from instability caused by a campaign of aggressive territorial expansion North by Southern Shan-based RCSS after it signed the NCA in 2016. The campaign has increased tensions, leading to sporadic fighting and dynamic displacement for five years.

In April 2020, Tatmadaw attacked RCSS patrols providing Covid-19 education and personal protective equipment in the Eastern township of Mong Pan. Tensions flared again in May and June 2020 in Hsipaw and Ponpakyin, with the Tatmadaw destroying several RCSS Covid-19 screening checkpoints, which were later rebuilt. Artillery and helicopter gunship strikes against RCSS positions were reported in Kyaukme, close to the Upper Yewa dam, an area that has seen frequent clashes for several years, and in and around Kyaukme town with reports of civilian
Shan State, by virtue of its size and extreme diversity, is a strategic electoral battleground. The State returns 55 of the 330 members of the national Pyithu Hluttaw, or House of Representatives, ten seats more than Yangon Region. Although voting in 2020 was fully cancelled due to conflict-related security concerns in six Shan State townships and partially cancelled in 16 townships, the State remained significant for national results.

Pandemic-related travel restrictions and community-based restrictions on people entering villages also affected campaigning. There were some concerns that newly deployed Myanmar military troops in Northern Shan State could swing the vote away from local ethnic parties, although their impact was likely to be felt more significantly in terms of instability and human rights violations. The RCSS was accused of causing further instability by intimidating local Ta’ang voters and instructing all political parties to seek their permission ahead of campaigning activities in their areas, while prohibiting their own personnel from voting.\textsuperscript{136} On the day of the elections, however, the polls were conducted in an overall free and fair manner, despite some reports of irregularities.

The ruling National League for Democracy won a resounding victory, picking up a majority of seats throughout the country, with a much higher voting turnout than expected: 71 percent nationally and 66 percent in Shan State. The results returned a complicated political party support map, rendering clear Shan State’s incredibly complex ethnic mosaic, and the evident support for ethnic-based political parties, a striking contrast to other ethnic states. The Shan Nationalities League for Democracy (SNLD) won 15 national seats and 26 state seats, the strongest showing for any ethnic party nationwide, with other ethnic parties, including Ta’ang and Pa-O making a decent showing.\textsuperscript{137} Tensions sparked by electoral results have since been overshadowed by the 1 February 2021 military takeover of government. It will be important to monitor political developments on the ground, including the evolution of relationships between ethnic parties and amongst armed actors and the communities within their spheres of influence.

RESPONDING TO LOCAL NEEDS

Gaps in programming and response
Local civil society organizations and parahita networks have worked across Shan State to address the impact of the pandemic and mitigation measures, yet numerous gaps remain, especially when compared to Myanmar’s Southeast and Kachin State. Chronic rice shortages and sub-standard health facilities have been reported for several years in the five base areas of the RCSS along the Thailand-Myanmar border, home to some 6,000 displaced people.\textsuperscript{138} Pandemic response measures, particularly restrictions on movement within the State and tightening and/or closure of border crossings, have impacted livelihoods, disrupted supplies of essential goods as well as local aid and community organizations’ ability to deliver regular assistance to meet daily needs. These challenges have been amplified by evolving conflict dynamics and political sensitivities that limited international donor support for service providers affiliated with EAOs. Camps for displaced people have received little extra aid to help them respond to...
these challenges. If fighting increases and more civilians are displaced, then transporting IDPs to urban areas (which is standard practice for many communities in the region) to receive assistance and shelter will have to be prioritized as the capacity of local responders could be inhibited by pandemic-related restrictions on movement.

The need for localization
The negative impacts of the pandemic, including travel restrictions within the country, have led to increased calls to support efforts to localize humanitarian responses and assist civil society in Myanmar, especially in protracted conflict situations in Northern Shan State. These calls are not new, but the pandemic has accelerated support for local aid responses, often with mixed results.\textsuperscript{140} International organizations still lead in the higher-level coordination of humanitarian responses. Many donors who have in the past been institutionally inclined to work primarily with government have attempted to seek some balance by also offering support for local civil society groups and health providers connected with EAOs in conflict zones. A major study of the progress of localization efforts through the pandemic found that “COVID-19 has certainly pushed the localization agenda forward in Myanmar – although not to the level that was possible given the opportunity. […] The momentum generated may be sufficient to drive the humanitarian sector in Myanmar towards a more locally led approach.”\textsuperscript{141} In light of the military takeover of government in February 2021, few international aid actors will be willing and/or able to work through government institutions in future, which may present an opportunity to drive forward the localization agenda at a faster pace.

Addressing the economic fallout
In late September 2020, due to reported cases of truck drivers being infected, all Shan State bus and truck movements were suspended for two weeks. The border with China at Muse was temporarily closed after reported cases, followed by a slow easing of restrictions, the implementation of limits on drivers, and mandatory testing. As a key revenue-raising enterprise for many EAOs, a decline in road transport most likely impacted local armed group economies, which could partly explain the increased numbers of alleged abductions of civilians in the area, an alternative source of funds for many groups. By the end of the year, TNLA and Shan State Progress Party forces operated as far afield as Mogok in Mandalay Region, allegedly abducting business owners for extortion or as punishment for alleged drug trafficking, highlighting the extent of Covid-19’s economic impacts in the region.

Further research is needed on shifts in EAO behavior and revenue-raising strategies following the pandemic, especially in the transport corridors of Muse to Mandalay through Lashio, and in Eastern Shan State between Kengtung and Tachilek. Of special concern should be the role of the drug trade and the casino economies, which

\textit{Understanding the role of conflict economies during a major crisis and ensuing long-term impacts on livelihoods will be critical for Myanmar’s post-pandemic responses.}
appear to have demonstrated more resilience than the formal economy. Understanding the role of conflict economies during a major crisis and ensuing long-term impacts on livelihoods will be critical for Myanmar’s post-pandemic responses as well as hopefully providing wider learnings from conflict-affected regions.

Shan State will likely persist in its highly militarized disorder unless coordinated efforts are made to respond to humanitarian challenges as much as sustainable peacebuilding. Tensions amongst armed groups and with the Tatmadaw, which increased during the pandemic, have contributed to further vulnerability amongst many communities as well as continuing patterns of dynamic displacement. Shifts in local political economies brought about by the February 2021 military takeover of government may lead to further disorder as groups look to consolidate their interests or expand their influence. Whilst the future of formal peace talks with Shan armed actors remains uncertain, the State’s national and geopolitical strategic importance would suggest that the Tatmadaw and its associated circle of economic and political elites will continue some form of engagement and investment in relationships. Significant restrictions on international aid entering the region must be expected, though opportunities for increasingly localized aid delivery and development activities should be capitalized upon.


Myat Thura, ‘Govt plans fourth Panglong Session for July’, Myanmar Times; 1 July 2020.


Myat Thura, ‘Govt plans fourth Panglong Session for July’, Myanmar Times; 1 July 2020.


The major humanitarian and development actors, particularly Access to Health (A2H), the Livelihoods and Food Security Trust Fund (LIFT), and major UN agencies have released resources to assist displaced people and support EAO service providers such as ethnic health departments. See Access to Health Fund COVID19 Response Dashboard; Myanmar: UN supports Covid-19 response efforts, UNOCHA, 15 April 2020; LIFT announces new funding to support Myanmar’s Covid-19 response, media notification 9 April 2020.

Kachin Independence Army (KIA) refers to the armed wing, and Kachin Independence Organization (KIO) represents the civilian and administrative side, of the largest and most influential ethnic armed organization in Kachin State. Hereafter, KIA is used to refer to the entire group.


The Peace Talk Creation Group also assisted in this effort. ‘Supplies for prevention, control and treatment of COVID-19, foodstuffs donated to KIO/KIA (Group)’, Myawaddy, 21 May 2020, p.18.


For an example, see U Zaw Zaw, Director Kachin State Government, ‘Open Letter to KIO COVID-19 Prevention Committee’, 15 May 2020 (Translation by the Asia Foundation).


The Nationwide Ceasefire Agreement is the first attempt at a multilateral negotiated end to hostilities in Myanmar. Signed in 2015, the tripartite structure sees EAOs, the government and Tatmadaw, and elected political parties negotiate a set of Union Peace Accords that are ultimately intended for inclusion in a new constitution. In 2020 the NCA had been signed by ten EAOs.

The Asia Foundation interview with KIA official, Chiang Mai, 29 June 2020.

The Asia Foundation interview with KIA official, Chiang Mai, 29 June 2020.


‘Shan Community Demands Justice For Students Killed BY KIA’, Network Media Group, 26 July 2020.


United States Institute of Peace, China’s Role in Myanmar’s Internal Conflicts. USIP Senior Study Group Final Report, 2018, p. 21.


USAID Burma and Bangladesh Regional Crisis Response, Fact Sheet #4, Fiscal Year 2020.


This section draws on interviews and primary research conducted by The Asia Foundation in Mohynin, March 2020, and remotely, July 2020.
A robust assessment of the conditions of internally displaced persons camps in KIA-controlled areas was developed by the Joint Strategy Team, *Rapid Assessment on COVID-19 and the humanitarian situation connected with COVID-19 in KIO Controlled Areas (KCA)*, 18 June 2020.

The Asia Foundation interview with Kachin women’s rights organization, Myitkyina, May 2020.


JST, 18 June 2020.

 ‘Union Minister Dr Win Myat Aye holds meeting on resettlement of IDPs in Kachin State’, Global New Light of Myanmar, 24 July 2020.


The Asia Foundation interview with local aid worker in Myitkyina, May 2020.


Internal analysis shared by Kachinland Research Centre, August 2020.


See, for example, Andrew Nachemson, ‘Racism is fueling Myanmar’s deadly second wave of COVID-19’, The Diplomat, 11 September 2020.

‘Rakhine State: The weekly report November 16-20’, Arakan Humanitarian Coordination Team.

See, for example, ‘Myanmar: Covid-19 Humanitarian Situation Report No. 11, 23 October 2020’, UN OCHA.

‘Myanmar: Humanitarian Update No. 1, 26 November 2020’, UN OCHA.

In March 2020, a group of Rakhine community-based and civil society organizations formed the Arakan Humanitarian Coordination Team in response to the need to improve relief and development efforts in the State.


Ibid.


The AA claimed that “the government of Myanmar was poorly prepared to prevent the Coronavirus transmission even though they have got enough opportunity and sufficient condition.” ‘Announcement on Covid-10 [sic] exigency’, 26 April 2020, arakanarmy.net. ‘Myanmar Ministry of Foreign Affairs statement, ‘Myanmar leaves no one behind in its fight against COVID-19 in Rakhine State’ 10 April 2020.


‘Red Cross says injuries reported after boat carrying aid attacked in Myanmar’, Reuters, 28 October 2020.


Rakhine State had already blocked prominent and legally registered ethnic news outlets on mobile networks in April 2020, citing the need to curtail Covid-19 related misinformation. Time to take away the election commission’s red pen, Frontier Myanmar, 7 October 2020.

‘Myanmar’s 2020 General Election Results in Numbers’ Irrawaddy, 11 November 2020.

In 2015, although the Arakan National Party won a comfortable majority in the State parliament and could logically have expected to form the State-level Government, the president directed the NLD to form a minority government instead. The ANP had also insisted that a member of their party should be appointed as Chief Minister, a decision made directly by the President, and were angered that this core demand was ignored. Earlier this year, the popular Rakhine politician, Dr Aye Maung, lost his appeal to overturn a conviction for high treason and is serving a 20-year prison sentence.

See the details of these efforts provided in an interview with Japan’s ambassador to Myanmar, Ichiro Maruyama, in Nan Lwin, ‘No Change in Our Commitment to Support Myanmar’s Economic Development: Japanese Ambassador’ , Irrawaddy, 21 November 2020.


Tabea Campbell Pauli ‘Myanmar Peace at a Crossroads in 2020’, The Asia Foundation, 30 September 2020. By charging journalists under counter-terrorism provisions for contact with the group, the Government also raised the fears and costs for ordinary citizens of providing any support to the AA.

The formal headquarters of both the KIA and the main training camps of the AA are in the Myanmar-China border town of Laiza.
113 See Mathieson, *Arakan Army in Myanmar*, op cit. In several media interviews, the AA leaders have indicated that the Muslims of Rakhine State are not targeted by their forces, and that armed struggle is directed at the Myanmar military and the central state.


116 ‘Rakhine State: The weekly report November 16-20’, Arakan Humanitarian Coordination Team

117 The Northern Alliance comprises the Ta’ang National Liberation Army (TNLA), the Myanmar National Democratic Alliance Army (MNDAA) and the Arakan Army.


119 Covid Myanmar Dashboard, covidmyanmar.com


123 In Myanmar Government nomenclature these areas, classified as self-administered, are respectively referred to as Shan State Special Region 1, Special Region 2, and Special Region 4.


126 The Commander in Chief Senior General Min Aung Hlaing visited Kengtung and donated supplies to the National Democratic Alliance Army in April 2020 but this was again a public gesture of support with little substantial assistance. In May, Maj-Gen Aung Zaw Aye, the North-East Commander from Lashio made a rare appearance at the headquarters of the UWSA in Pangshang and donated Covid-19 related assistance to the vice-chairman of the UWSA U Shauk Milyam, who then extended a generous offer to the CinC Min Aung Hlaing who “is invited to Wa region at a suitable time for its guidance.” “Supplies for COVID-19 prevention, control and treatment, foodstuffs provided for Wa Self-Administered Division”, *Myawady*, 20 May 2020, p.18.

127 “[N]ow is the time when efforts are being made to implement the peace process and to solve political issues through political means, it is definitely necessary to stop fighting nationwide and together make concerted efforts to protect, contain and cure the COVID-19 pandemic.” Restoration Council of Shan State (RCSS), “Statement on the information, protection and containment of COVID-19 pandemic”, Central Executive Committee, 27 March 2020.


131 According to the UN Office on Drugs and Crime (UNODC), some 200 million yaba tablets (composed of low-purity methamphetamine and caffeine), 500 kgs of crystal methamphetamines, 300 kgs of heroin, and 600 kgs of opium. The claim that the Tatmadaw also seized 3,748 liters of methyl fentanyl, a highly potent synthetic opioid, is disputed. The UNODC claims that 33 Myanmar and one Chinese national were arrested, a small number given the scale of the operation. UNODC, “Myanmar operation results in the largest synthetic drug seizures in the history of East and Southeast Asia”, 18 May 2020. For the Tatmadaw’s version of the operation and the area, Zaw Min Tun and Min Thi Ha, “The drug menace and the Tatmadaw’s mission”, *Myawady*, 24 May 2020, pp.18-19.


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