

Paper 2 in the *International Peace Support and Effective Peacebuilding in Myanmar* series

LESSONS FROM FOREIGN ASSISTANCE FOR PEACEBUILDING IN MYANMAR

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List of Acronyms

CSO	Civil society organization	NLD	National League for Democracy
EAO	Ethnic armed organization	NUG	National Unity Government
EU	European Union	NUCC	National Unity Consultative Council
JICA	Japan International Cooperation Agency	OECD	Organization for Economic Cooperation and Development
JMC	Joint Ceasefire Monitoring Committee	RCSS	Restoration Council of Shan State
JPF	Joint Peace Fund	USD	United States Dollar
PSF	Peace Support Fund	UN	United Nations
KIA	Kachin Independence Army	UNFPA	United Nations Population Fund
KNU	Karen National Union	UNOPS	United Nations Office for Project Services
NCA	Nationwide Ceasefire Agreement		
NGO	Non-governmental organization		

OVERVIEW: PEACEBUILDING SUPPORT FOR MYANMAR, 2010–2020

This paper explores how international aid donors supported peace processes in Myanmar, 2010–2020. It first presents an overview of international engagement in Myanmar and foreign aid flows during that period, then discusses the factors that affected support for conflict resolution, presenting eight key findings. These findings are relevant to development practitioners, diplomats of donor countries, government officials, and others supporting peace in Myanmar or elsewhere. Information is drawn primarily from interviews with national and international stakeholders who supported peace processes in Myanmar in the years in question. The preexisting literature also informs this assessment, enabling the research team to identify key findings and the implications for future peace support. The first paper in this series, *The Context for Building Peace: Entrenched Challenges and Partial Reforms*, assesses the context in which foreign aid for peacebuilding was provided, and further detail on background and methods are included in the paper series introduction.

The foreign aid described here comprises primarily official grants and concessional loans from countries in the Global North (members of the Organization for Economic Cooperation and Development, OECD) as well as multilateral organizations including United Nations (UN) agencies, the World Bank, and the Asian Development Bank. Support from China and other Asian countries is also considered.¹ The Nationwide Ceasefire Agreement (NCA) between the government of Myanmar and eight ethnic armed organizations (EAOs) was the most significant step towards peace in the period of study, and the focus of most peace-related foreign assistance at that time. This paper looks mainly at support associated directly or indirectly with the NCA, while also considering interventions linked with other steps to curtail conflict, including longstanding bilateral ceasefires with individual EAOs, efforts to resolve tensions in northern areas of the country where EAOs did not sign the NCA, and other measures such as community-level programs not associated with a specific peace process.

International Relations with Myanmar and Foreign Aid Flows

With the advent of reforms in 2010, Western countries began to reconsider their ties with Myanmar. What the OECD calls “official development assistance,” which had waxed and waned in the country since 1948, soon started to flow.²

Following elections and the formation of a quasi-civilian government under Thein Sein, Myanmar rapidly renewed its engagement with the full spectrum of official donors, including Western countries and multilateral institutions such as the International Monetary Fund, the World Bank, and the regional Asian Development Bank. The country went from being the 79th-largest recipient of aid in 2010 to the seventh-largest in 2015. By 2017, it was the third-largest recipient per capita in the region—behind only Cambodia and Laos, which have far smaller populations. Expectations were for close, sustained engagement with the international community.³

Diplomatic relations with Western countries had been characterized mainly by the imposition of sanctions in response to human rights abuses and the suppression of democracy. Many donors reduced their development cooperation with Myanmar during the period of successive military regimes that started in 1962. During this period, Myanmar looked for support from Asian nations instead.⁴ Japan, followed by China and other neighboring and regional countries, were the most important providers of foreign aid in the form of grants, concessional loans, and other assistance such as training and exchanges of officials. As China’s economy and influence grew beginning in the late 1980s, it became Myanmar’s primary external partner and influence. Beijing built a relationship with the military government while keeping links with EAOs operating along the shared border, and backed strategic public and private investments in mining, dams, transportation, and farming.⁵

In the early 2000s, Myanmar’s military government was slowly implementing some internal reforms while maintaining political control. A key priority was to improve foreign relations, especially with Western countries, in response to growing concern about the overbearing influence of China. Aid flows gradually increased at this time, including support for infectious disease control through the Three Diseases Fund. A new constitution was introduced in 2008, soon after mass protests had been violently suppressed in what became known as the Saffron Revolution. The constitution laid out partial reforms for a semi-democratic system, while also defining the continued influence of the military over politics. Foreign aid flows from Western nations and multilateral agencies started to change in 2008 after the worst natural disaster in Myanmar’s recorded history, Cyclone Nargis, devastated

the delta area south of Yangon and caused an estimated 140,000 fatalities. While local groups mobilized to support affected communities, the Myanmar government opened the doors to international humanitarians. In a separate sign of increasing openness, India bolstered its economic relations with Myanmar in 2008 by negotiating the Kaladan River Multi-Modal Transit Transport Project, aimed at boosting trade and commerce.⁶

Following elections in 2010 that were deemed illegitimate by many observers, reform accelerated with the release of political prisoners including Aung San Suu Kyi, and steps to encourage the return of nationals from the international diaspora. As demonstrated progress increased international confidence, sanctions were eased. Western

donors added to their in-country presence, scaled up their development assistance, and gradually expanded their work with government departments. The cancellation of the China-funded Myitsone Dam project in 2011 was regarded as a watershed, both distancing the Myanmar government from Beijing and indicating a more responsive approach to public interest.⁷ Aid flows rapidly grew as new frameworks were adopted and agreements were signed. Two events in 2015 ensured that the trend toward normalizing relations with the West would continue. The signing of the NCA by Myanmar’s quasi-civilian government and eight EAOs was followed by democratic elections that were convincingly won by Aung San Suu Kyi’s National League for Democracy (NLD).

(Millions US Dollar)

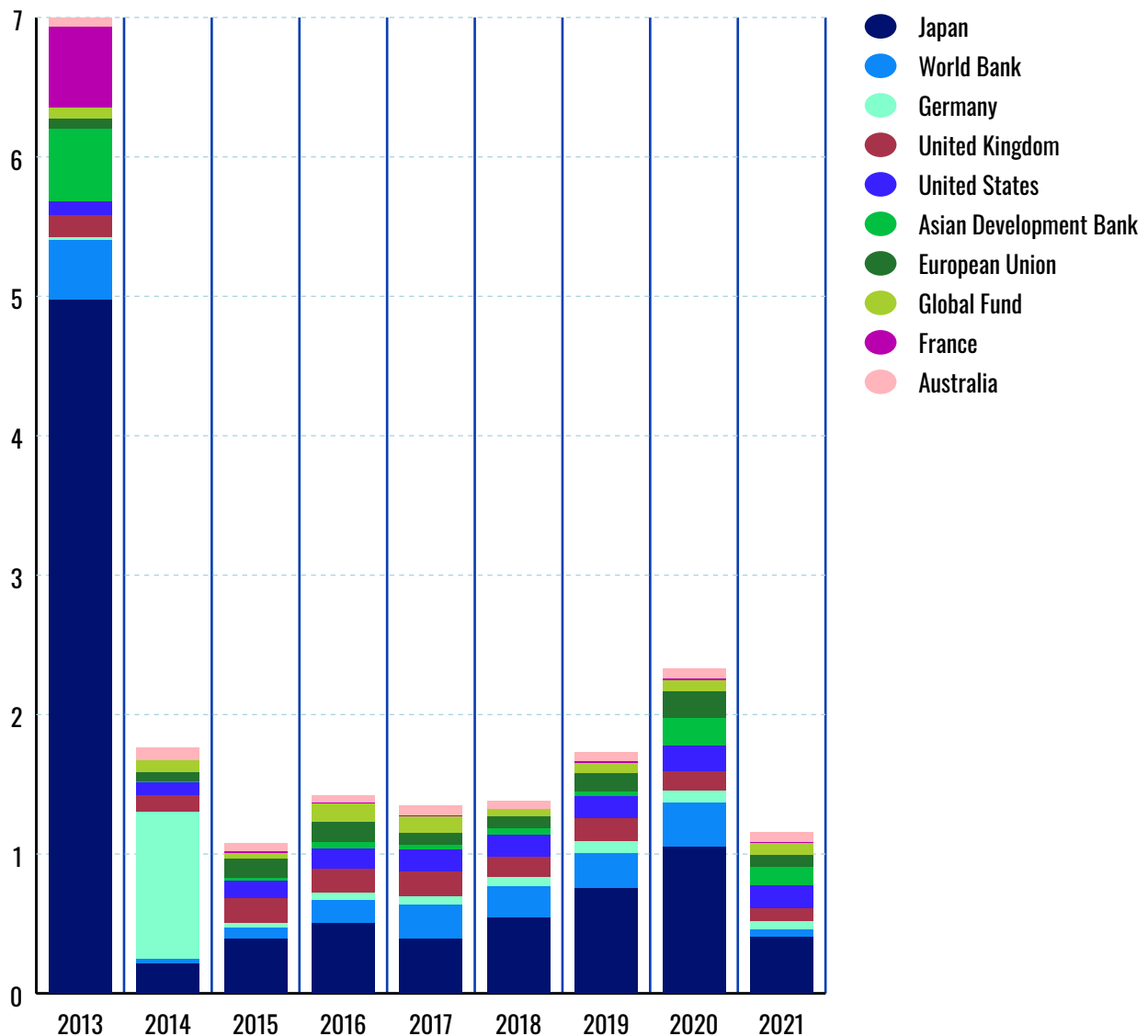


Figure 1. Official Development Assistance Disbursements to Myanmar from Top Ten Donors (from OECD Creditor Reporting System).

OECD data shows that between the start of 2011 and the end of 2015, Myanmar received USD 13.7 billion in aid commitments. Over USD 6.5 billion of past debts were forgiven. Japan, the World Bank, the United Kingdom, and the United States were the largest contributors. Programs operating at a national level made up the bulk of aid contributions, with the health, energy, and transport sectors receiving the most funding.⁸

Problems stemming from Myanmar's entrenched conflicts persisted, however. The NCA process was only a ceasefire and did not include many EAOs; the power of elected civilian leaders was strictly limited by the 2008 constitution; and the military remained independent and unaccountable. While the NCA could have been a foundation for further progress towards peace, events took a different turn. The newly elected NLD government struggled to build a more inclusive peace dialogue out of the ceasefire agreement, and changes instituted by the new government led to a hiatus in the peace process.

The Rohingya crisis of 2017–2018, in which the Myanmar military was accused of ethnic cleansing and/or genocide by Western countries and at the UN, effectively ended the brief honeymoon period and generated a perception

among many aid donors and diplomats that Myanmar's entrenched problems were far from resolved. Following the 2020 elections, a second term of office for the NLD offered some new hope for the peace process, as discussions on a revamped peace architecture emerged. At this point, the military surprised international observers by taking over the government in a military coup in February 2021 and setting off widespread conflict.

Supporting Peace Through Foreign Aid

Following the end of the Cold War, increased operational space for aid agencies, combined with concern over rising levels of subnational conflict in many parts of the world, provided a basis for new approaches to peacebuilding. Early emphasis was placed on the need to ensure that aid funds at the very least “do no harm,” given the depressing track record of policies and projects that have unwittingly contributed to organized violence.¹⁰ Conflict sensitivity soon became established as a working approach, and agencies developed specialist peacebuilding units.¹¹ International guidelines published by the OECD laid out how to help prevent violent conflict through development cooperation.¹²

Box 1. Methods and Data Challenges

The wealth of information, diversity of views, and range of donor-funded programs operating in Myanmar between 2010 and 2020 make it hard to identify common threads. A standard “meta-evaluation” approach, which would involve assessing and comparing across projects or programs, does not work in this case because much of the relevant information remains restricted. In addition, the main points of interest often lie above the level of operational projects or programs, since they relate to the strategies, priorities, institutions, and relationships that shape how foreign aid is delivered. At this higher level, little information currently exists in the public domain.

The lack of comprehensive data on aid flows for peacebuilding limits the scope of analysis. The OECD Creditor Reporting System, the most comprehensive single dataset for tracking official development assistance on a yearly basis, includes a “conflict, peace, and security” category that can be used to track aid earmarked for peacebuilding.⁹ The data alone does not give a full picture as the OECD only reflects the reports of 173 donors, of which 50 are countries and the rest multilateral institutions, UN agencies, and private donors. Significantly, of the 50 countries that report their foreign aid through this mechanism, the only Asian nations are Japan, Korea, Thailand, Taiwan, and Timor-Leste. In the case of Myanmar, this discrepancy leaves out major contributions from countries including China and Singapore. The sensitive nature of conflict-reduction efforts can also cause many activities to go unreported. In addition, the end recipients of funds are often unknown, making it difficult to get a picture of how support was balanced between different beneficiaries. Finally, aid was not the only driver of development in Myanmar at this time, with significant private capital flowing into the country between 2011 and 2015. Private-sector growth led to poverty alleviation and improved living conditions all over the country, including in conflict-affected areas.

A significant, global body of knowledge has been acquired from the complex interactions of foreign aid, peacebuilding, and conflict. By the time of Myanmar's reforms, most aid agencies had experience operating in conflict-affected contexts, even if they were not familiar with working in the country itself. Some looked to support Myanmar's emerging peace process where it was useful, and many bilateral donors included it in their diplomatic engagement, often harnessing development funds to do so. Longstanding connections with international campaigners, the Myanmar diaspora, and opposition groups within the country provided the basis for programming. Initial work often focused on southeastern Myanmar, along the border with Thailand, where humanitarian operations had worked for many years, and donor support typically flowed through specialist international non-governmental organizations (NGOs) or other intermediaries.

Initiatives proliferated across a range of operations and sectors involving support to government, civil society, and EAOs:

- **Mediation and dialogue support.** Often low-profile and high-level, initiatives worked to support discussions on ceasefires, peace processes, and political dialogue and offer negotiation advice to government and EAO leaders. Agencies supported by donors included the Euro-Burma Office, Nyein Foundation, the Centre for Peace and Conflict Studies, the Center for Humanitarian Dialogue, the Sasakawa Peace Foundation, and Intermediate.
- **Confidence-building initiatives.** Many programs were established in conflict-affected areas to address ongoing tensions, reduce barriers to peace, provide a peace dividend, or placate potential "spoilers." These often involved local development or humanitarian activities. Some initiatives worked directly with EAO and military leaders to support ceasefire and peace-process negotiations; others worked with grassroots organizations. Examples include work supported through the US-funded Kan Lett, the Norwegian-initiated Myanmar Peace Support Initiative, the Japan-funded Nippon Foundation, and many Myanmar NGOs.
- **Direct funding for peace architecture.** Donors, typically following requests from the Myanmar government, were willing to support elements of the peace process. This included paying for leaders of EAOs to attend vital meetings and providing other resources, backing the government-led Myanmar Peace Center, and realizing elements of the NCA including the Joint Ceasefire Monitoring Committee (JMC) and Liaison Offices for EAOs.
- **Capacity building and training.** Assistance was provided at many levels through intermediaries. Programs offered expert advice, courses, seminars, and study tours for government officials and leaders, EAOs, NGOs, women, youth and community groups, and ethnic organizations. Initiatives covered awareness-raising, research, policy development, and support for technical aspects of the peace process, as well as related subjects such as decentralization, natural resource management, democracy, gender equality, and accountability.
- **Large-scale development initiatives in conflict-affected areas.** Large programs, often funded by multiple donors, were expanded to conflict-affected areas. Examples include the 3MDG health fund, the Livelihoods and Food Security Fund, and the Myanmar Education Consortium. Some donor-funded initiatives were implemented by local NGOs such as Metta Development Foundation and the Kachin Baptist Convention, while others focused on infrastructure, government services, or private-sector economic growth.
- **Research and analysis.** Donors funded many assessments, often to build their own understanding. They invested resources in "conflict sensitivity" work to inform specific programs and their overall approach. Grants were also given to national institutions, such as the Salween Institute, the Myanmar Institute for Peace and Security, and the Karen Human Rights Group, to develop their research skills for conflict monitoring and analysis and key NCA political dialogue topics.
- **Public information to enhance citizen awareness of the peace process.** Donors were late to fund this field, but supported "knowledge, attitude, and practices" studies to understand public opinion on the peace process and enhance social cohesion. Assistance supported skills development in media organizations like Burma News International and promoted peace through radio drama (BBC Media Action) and cultural interactions among the general public.

Box 2. Japanese Support to Myanmar and the Nippon Foundation’s Peacebuilding Work

Japan has been one of Myanmar’s major aid donors since the 1960s, having long-term ties through its Ministry of Foreign Affairs, the Japan International Cooperation Agency (JICA), and the Nippon Foundation. According to OECD data, Japan was the largest single donor to Myanmar for most of the period 2010–2020 (see figure 1). Much of Japan’s extensive aid program in Myanmar is directed toward infrastructure development and training.¹³ Allocations explicitly for peacebuilding were a very small proportion of its official development assistance, although Japan also provided unofficial funding for peace-related work conducted by the Nippon Foundation and others.¹⁴

The Nippon Foundation, a private philanthropic organization from Japan, has backed humanitarian and development projects in Myanmar since the 1970s, including support for people in border zones and other contested areas. Since 2011, with support from the Japanese government, it has run peacebuilding initiatives based on three overlapping aims: building trust between the government and EAOs, providing support to conflict-affected people, and promoting understanding of civilian governance. By 2021, the Nippon Foundation reported total spending commitments of more than USD 86 million for peace-related work in Myanmar.¹⁵

The Nippon Foundation’s emphasis on building trust is especially significant. It includes efforts to establish communication between different parties involved in peace talks, distribution of food and nonfood items to conflict-affected areas, and confidence-building infrastructure projects such as housing, schools, and health centers.

One insider account of the Nippon Foundation’s work on the peace process described a “hybrid Asian way to peacebuilding” and compared this more personalized, discrete, bureaucratically light, and nonthreatening approach to the more formal engagements of many Western actors.¹⁶ This difference increased following the August 2017 massacres of Rohingya communities in Rakhine State, as the Japanese government remained supportive of the government in Naypyitaw and its handling of the ensuing crisis.¹⁷ In southeastern Myanmar, the Nippon Foundation attracted controversy over its efforts for failing to adequately consult communities and placing too much confidence in unaccountable leaders.

As reforms took hold, international relations improved, and the peace dialogue continued, peace-related aid commitments grew rapidly, from USD 11 million in 2010 to USD 18 million in 2012, and to over USD 120 million in 2015.¹⁸ Overall, peace support was extensive, making vital contributions in many fields. Yet it remained a very small proportion of overall foreign aid to Myanmar, accounting for between 0.8 percent and 3.6 percent of all aid funds over the years 2012–2021 (figures 2).

The highest levels of international support for peace (defined by the OECD as “Conflict, Peace and Security”) occurred in 2015, reflecting the broad investments by the international community in developing and operationalizing the Nationwide Ceasefire Agreement (NCA). While the drop in 2016 may simply have been a result of the large sums already committed in 2015, the later decline in commitments mirrors the declining confidence in the peace process. Problems were beginning to emerge openly

in 2018, as several key EAOs suspended their participation. This deadlock left many international donors unsure how to continue seeking progress in peacebuilding outside of the NCA framework, and caused them to reassess their relationship with the Myanmar government in light of military actions against Rohingya in Rakhine State.

Peacebuilding aid is typically delivered through relatively small, focused programs whose cost to the donor is low when compared to major infrastructure programs or nationwide health and education initiatives. Peacebuilding investments in Myanmar were relatively small (tracking with global trends throughout this period), given the absence of international institutional involvement such as deployment of peacekeepers or major post-conflict development initiatives. Figure 3 describes some major peacebuilding programs operating during this period. Three of these were funded by multiple donors, and all operated across different conflict-affected areas of Myanmar.

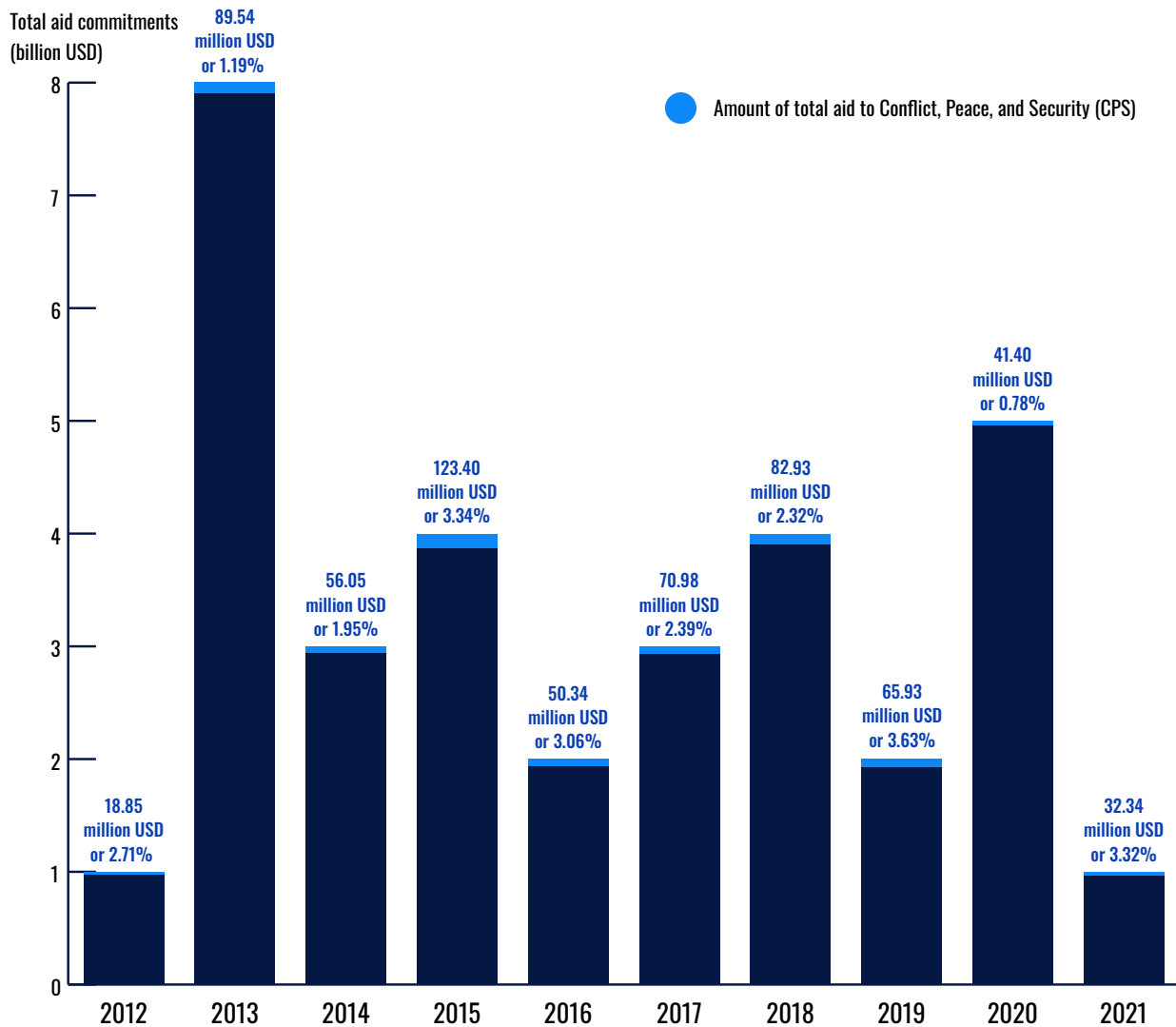


Figure 2. Total and Peacebuilding-specific Aid Commitments to Myanmar from OECD Donors (from OECD Creditor Reporting System)

High impact can still be achieved in various ways through well-designed and carefully implemented programs, particularly those with a specific or local focus (see box 3). The impact of aid for peacebuilding was especially high for local organizations. The creation of the USD 100 million Joint Peace Fund in 2015 offered major opportunities for civil society organizations to advance their objectives. Equally, there were real risks that new grievances would arise from decisions over funding allocations.

At the same time, major flows of funds are significant, whether aid expenditures or commercial investments. In conflict-affected areas of Myanmar, private- and public-sector development initiatives have long exacerbated conflict tensions. Central authorities have intentionally

used development funds as a means to expand control through new infrastructure initiatives such as roads and dams, extending public services, and resettlement schemes.¹⁹ Meanwhile, well-connected private investors in mining or agriculture have been able to act with relative impunity.²⁰ This background made the agenda of conflict sensitivity across aid programs a core priority for civil society, many local inhabitants, and some EAOs. The NCA reflects these concerns, stating clearly that EAOs have the authority to receive foreign aid in their areas of control, and that EAOs and the military need to coordinate “to improve livelihoods, health, education, and regional development for the people.”²¹ Box 4 below further explores the issues related to cross-border aid and convergence.

Name	Donors	Key Focus
Myanmar Peace Support Initiative	Norway, Finland, the Netherlands, Denmark, the United Kingdom, Switzerland, the European Union, and Australia	A short-term effort to support ongoing ceasefire negotiations and provide peace dividends to help build confidence and establish a conducive environment for the separate political processes.
Kann Lett	USAID Office of Transition Initiatives (USAID/OTI)	<i>Phase one:</i> to increase participation and inclusion in reform and peace processes and to address critical impediments to the transition. <i>Phase two:</i> to deepen and sustain reforms and foster legitimate processes for pursuing peace.
Nippon Foundation²²	Japan	Sustained Incremental Trust Establishment and Support (SITES). This approach engaged state governments in dialogue together with EAOs to build trust between principals by jointly implementing programs to address the needs of conflict-affected communities.
Peace Support Fund, later the Paung Sie Facility	United Kingdom, Australia, Sweden	Support to small-scale, gender-responsive, demand-driven initiatives that promote social cohesion in Myanmar communities.
Joint Peace Fund	United Kingdom, USA, Finland, Japan (initially), Norway, Switzerland, Canada, the European Union, Germany, Italy, Australia, Denmark	The overarching goal, until 2020, was an “inclusive peace...reached through agreements and strengthened stakeholders, institutions, and processes,” thereby strengthening conflict-management mechanisms, dialogues and negotiations and national and subnational participation in the peace process.

Figure 3. Overview of Major Myanmar Peacebuilding Programs, 2010–2020. Based on information compiled from aid agency websites and project reports.

Box 3. Developing Future Leadership Capacity: an Example of Long-Term Peace Support

One research respondent, a diplomat previously working on Myanmar, considered the long-term investment in peacebuilding and academic skills of the '88 Generation and other Myanmar democracy advocates to be one of the most far-sighted contributions towards peace because of their role in promoting national reforms.

Multiple threads have converged over many years as individuals and organizations have worked to pave the way for a peace process. Myanmar exiles and graduates of various international universities started initiatives such as the Bangkok Dialogue and the Burma Studies Conference in Singapore, and capacity building organizations such as the Vahu Development Institute. Entrepreneurs and intellectuals within Myanmar started Myanmar Egress to encourage dialogue and build trust between key senior leaders, and to foster a new generation of leaders. Hope International slowly built a cadre of peacebuilders within civil society (in particular within the Nyein Foundation) by supporting their study at peacebuilding institutions in the USA. This years-long investment in capacity, skills, and dialogue laid the foundations for like-minded individuals who came after them.

KEY FINDINGS ON FOREIGN AID APPROACHES

Finding 1. Donor assumptions about the transition to peace

International aid donors were insufficiently cautious about persistent tensions and the risks, particularly for the NCA process. These risks could have been mitigated by more locally-grounded understanding of the context and less reliance on Western models of reform.

From the perspective of Western observers, the broad transitions and reforms underway in Myanmar beginning in 2010 had three interlinked components: economic liberalization, political democratization, and peacebuilding through the emerging NCA process. This triad of reforms fit wider expectations of progress towards a post-Cold War model sometimes termed the “liberal peace.” The apparent alignment of Myanmar with this vision reassured diplomats, donors, and politicians of positive, linear progress towards peace and a more inclusive, democratic form of nation-building.²³

The assumptions of the liberal peace model have been widely criticized as overly prescriptive, narrow, and naïve.²⁴ In the case of Myanmar, uncritical adoption of this approach failed to consider complex domestic elements. For example, there was no guarantee that more democracy would improve core-periphery relations or address the deep-seated concerns and grievances of EAO leaders. It may even have had the opposite effect, depending on electoral and other political systems, the presence of checks and balances to protect minority voices, and the degree of authority enjoyed by leaders below the national level.²⁵ There was therefore no guarantee that political reforms in Myanmar would enable further progress beyond the NCA. The NCA had to confront the long history of central military control while the wider reform process was limited by the conditions of the 2008 constitution.²⁶

More thought, and more suitable frameworks for supporting peace, might have better addressed these contextual complexities. For example, the approach outlined in the World Bank’s *Pathways for Peace* report recommended designing an approach based on the interactions among a different triad: contextual structural factors, key actors, and key institutions.²⁷ Most donors (and many domestic interests) had a limited grasp of these nuances and the complexities of a real-world peace process.

This occasional blindness to nuance among donors was more problematic when working closely with the

government. Myanmar was, for the most part, a functional state with a strong background of independence, and foreign aid agencies had to respect the norms of sovereignty. The same respect did not have to be shown to EAOs, given their status as nonstate actors and the asymmetry of the conflict.²⁸ After the 2015 election, Aung San Suu Kyi and the NLD government sought more control over foreign aid flows. In 2016, the government established a Joint

Box 4. Limited Recognition of Past Efforts Towards Peace: Donor Views of Liaison Offices

Absent from Myanmar for many years before 2010, many donors had little institutional or personal knowledge of the country. As a result, they supported some initiatives that were assumed to be newly emerging, unaware of some important earlier achievements. For example, EAO Liaison Offices, intended to allow local interaction between contesting forces to defuse conflict, have a long history in Myanmar. Some of the Liaison Offices involved in the NCA process were first established after ceasefire agreements in the early 1990s. The Pa-O National Army, for example, now transformed into a militia group, first established a Liaison Office in 1991.

Western donors supported EAO Liaison Offices as part of the peace process. These offices were valuable conduits for communications with the military and other groups, including development actors, that were otherwise reliant on personal relationships for information. Foreign missions and donor-funded project staff found the Liaison Offices useful for engaging EAOs. But donors were often ignorant of the past achievements, assuming that the establishment of the Joint Ceasefire Monitoring Committee (JMC) was the starting point for ceasefire monitoring and failing to recognize the important work that took place before its signing. This relatively minor issue illustrates the failure of donors to fully understand past peace efforts in Myanmar. The reservations of many conflict actors and members of the public about the NCA process are partly a result of this failure.

Coordination Body to scrutinize funding allocations and spending limits on activities related to peace process implementation.²⁹ The government view was that the relatively opaque volume of aid provided for peace activities should be more tightly under their control and allocated to the main NCA process.

Finding 2. Understanding the problems rooted in the civil-military divide

Donor programs showed mixed awareness of the tensions between central military and civil elites. The unstable environment was characterized by entrenched tensions at the highest levels of politics, and government effectively relegated the peace process to a secondary level.

It became increasingly apparent to donors that military leaders acted independently and that civilian officials were mostly focused on their relationship with the military. As the 2021 military takeover emphatically demonstrated, expectations that reforms had created a stable platform for a peace process were misplaced. Reaching agreement with the military to reduce their political role remains Myanmar's most abiding challenge. Aung San Suu Kyi sought to improve her position by pushing against the military's political role while also siding with them at opportune moments. Released from decades of military-enforced house arrest, she played on her family's military credentials, often recalling her father's historical role as a founder of modern Myanmar and its military by referring to "my Tatmadaw." In 2019, she defended military leaders from charges of genocide against the Rohingya at the International Court of Justice. This ongoing political struggle tended to marginalize other concerns, especially the interests of ethnic leaders and minority populations, including the Rohingya.

In this challenging environment, donors moved too quickly to support the government with standard development projects unsuited to the context. An example is the World Bank's high-profile Community-Driven Development project, whose initial steps upset observers by appearing to assume that conflict tensions had subsided.³⁰ Problems emerged when the program moved into minority areas of Myanmar, including a conflict-affected township in northern Shan State where the government had a track record of using development initiatives to establish control of contested or recently acquired territory. Wider consultation with ethnic leaders at this initial stage could have identified difficulties. Over time, the World Bank responded positively by seeking advice from specialists and engaging intensively at the local level. Partnering with

NGOs at pilot sites, rather than working solely with the government, helped mitigate the challenges facing field operations in areas of live conflict. Gradually improving relationships with government counterparts also enabled project managers to navigate tensions and find solutions.

Finding 3. Recognizing the importance of China

China exerts the greatest external influence on Myanmar, and it was pursuing its own approach that reduced the scope of the NCA process. Western donors in particular struggled to understand China's broad involvement in conflict reduction activities within the larger history of cross-border relationships and China's foreign policy position toward rapid development in Myanmar.

All the countries bordering Myanmar have significant policy and investment interests there, but China remains the most influential external power, even after the reengagement of several Western countries. Aung San Suu Kyi paid a priority visit to Beijing after the 2015 elections, traveling there before visiting Washington, D.C.³¹ The Chinese government retained close links with military and civil leaders in Myanmar, while also maintaining their strong historical relationships with EAOs, especially those close to its border like the powerful United Wa State Army. China provided assistance for some aspects of the NCA process but was never fully involved.³² Both Chinese officials and Myanmar's military appeared to discourage the involvement of northern EAOs in the NCA.³³ China did later put pressure on them to attend Union Peace Conferences following a formal request for assistance from Aung San Suu Kyi.³⁴ China also worked to limit the influence of the West close to its border. US involvement was especially sensitive to Chinese officials, who on one occasion advised the US Ambassador in Yangon not to visit Kachin State.³⁵

While China's importance in Myanmar was broadly understood by Western donors, aid officials at ground level were typically unsure how to respond. As one China expert noted,

The West did not sufficiently recognize the trends in China's support to strengthen Northern EAOs, having no strategy in place to tackle it, let alone understanding how these conflicts might change and affect the NCA.³⁶

Despite a few diplomatic efforts with northern groups and with China, Western donors were indecisive in building those relationships possibly for fear of upsetting the Myanmar military or civil government.³⁷ Unsurprisingly, aid workers and officials working in Myanmar were poorly situated to address the effects of deep-rooted rivalries.

Some Western diplomats saw their presence in Myanmar as a geopolitical coup on China’s doorstep, in line with political and security measures elsewhere to counter Chinese influence in the region. Others were unsure how to engage, partly because Chinese officials rarely participated in donor coordination activities.

Most Western aid donors did not have a nuanced understanding of the strategic interests guiding Chinese policy in Myanmar or the complex relationships between China and the EAOs. China’s interest in access to the Bay of Bengal, the importance of related investments and infrastructure, their discussions with northern EAOs, and how this affected their support for the NCA were also poorly understood. At times, China was seen one-dimensionally as a “spoiler” to be avoided rather than an important actor. At a more conceptual level, peace support seemed to presuppose an “international community” with a shared vision. The failure among Western officials to consider China in this group contributed to overly optimistic assessments of the peace process and to the neglect of alternative, non-Western approaches to peace in Myanmar (see box 2 on Japanese support to Myanmar and the Nippon Foundation’s peacebuilding work.)

Finding 4. Pacing engagement

Donors struggled to take the long view, accept setbacks, and adapt approaches to mitigate risks.

From 2012, aid agencies rapidly established a presence in Myanmar, often moving long-term posts from Thailand to Yangon. Some arrived on a wave of optimism that led to a “terrible free-for-all at the beginning,” with donor agencies pursuing and protecting their own areas of interest and respective comparative advantages.³⁸ This gold-rush mentality sometimes led to short-sighted decisions—for example, the rapid phase-out of village-level nongovernmental programs, developed over many years, once it became politically acceptable to work with the government. The title of a 2013 study of foreign aid to Myanmar, *Too Much Too Soon*, succinctly captured these concerns.³⁹

The excitement of the rapid reforms, especially after the 2015 elections, also resulted in donors treating Myanmar as a post-conflict environment, despite evidence that signed ceasefires were not being upheld and violence was growing in northern Shan State, Rakhine State, and elsewhere. Expectations of how long it would take for a genuine, comprehensive peace to emerge and what was needed to unravel and address the political complexities of Myanmar, were also unrealistic. While many individuals were aware of this institutional over-optimism, the strong international commitment to achieving liberal peace and

reform in Myanmar tended to mute overt criticism. Critics were labeled nay-sayers or cynics who needed to “get with the program.” This attitude made it difficult to moderate expectations, and reduced the ability of international actors to effectively support local peacebuilders.

Many donors were slow to adopt flexible approaches that learn from failure and adapt to changed circumstances. With their unrealistic expectations, they were ill-positioned to acknowledge inevitable failures or recognize ways to build on the experience. An instructive example was the haste with which some donors dismissed the JMC as ineffective rather than critically assessing its contribution and potential to support change (see box 6). In the face of a process carrying high expectations, the response of donors to non-functioning mechanisms was to continue support while bemoaning the lack of progress—in effect, “flogging a dead horse” in the forlorn hope that it might bring change.

Box 5. Missed Opportunities – the Joint Ceasefire Monitoring Committee

Specialist ceasefire advisors closely following the peace process noted that neither EAOs nor donors capitalized on the JMC as a tool to constructively engage the military.⁴⁰ In the light of hindsight, it was suggested that donors could have encouraged and funded the following approaches:

- Recognize that the JMC was not the best tool to address every issue; remove some problematic aspects of its mandate (such as boundary demarcation, security-sector reform, and demining); and test alternative mechanisms, institutional homes, and approaches.⁴¹
- Differentiate more clearly between small infringements that could be resolved locally and fundamental issues that might derail the overall peace process and should be elevated to high-level bilateral political negotiations.⁴²
- Test local, pilot solutions in areas of identified success. Donors could have advocated with the government and military for the advantages of local models and offered flexible, innovative resourcing, in this way reinforcing positive and devolved problem-solving.

Finding 5. Working around capacity constraints

The need for reliable delivery partners constrained the support provided by international actors. While existing NGOs and CSOs did play a vital role as delivery conduits and sometimes important advisors on context and strategy, such partnerships could divert national actors' attention from their core work, or spark local tensions over funding access and reach.

The need for rapid expansion of programming highlighted the lack of credible partners and initial low capacity to deliver interventions according to international development norms and expectations. Very few partners for program delivery, whether inside or outside of government, were able to run large programs without training and institution-building. As one donor noted:

There were a number of options, but none of them was ideal. What were the trade-offs, and how willing were respective capitals to follow one path or another? It was a question of hammers looking for recognizable nails to hit! Some of the funds were “hammer defined.”⁴³

The Myanmar government's lack of experience working with the international community was challenging for all stakeholders. On the one hand, donors found it difficult to work with government institutions due to the lack of long-standing ties, the opaque systems, and the resulting concerns about effectiveness, accountability, and transparency. It was equally hard to work with EAOs or their associated CSOs, also due to their inexperience with donor processes and to concerns about the risk of supporting armed actors. This situation reinforced the common trend of seeking NGO intermediaries or delivery partners to support ethnic capacity building and to offset their own fiduciary, legal, and reputational risks. Donors interviewed noted the potential for consequent distortions, including the possibility of warping the way such organizations were perceived by stakeholders and shifting the focus of their work.⁴⁴

One complex feature of the peace process was international support for negotiation specialists. Two main types of expert were involved: high-profile individuals who tended to provide advice during rapid fly-in-fly-out visits, and lower-profile individuals who provided advisory and capacity support over longer periods. Ethnic leaders often considered the long-term specialists more effective, as they offered context-driven advice and invested the time required to generate trust. Individual specialists tended to be senior, male, and from a European background, and there were few efforts to broaden the pool. Many of the local or national groups promoting dialogue, like the Peace-talk Creation Group in Kachin State, offered more diverse participants and alternative perspectives.

Donors' search for delivery partners also led to the uneven provision of aid—through established relationships with civil society groups in Karen communities, for example, but with fewer effective partners elsewhere. Since information flows often followed established funding relationships, donor agencies' understanding of the peace process was skewed toward areas where they were already most engaged.

The rapid growth of Myanmar's international development sector from 2012 onwards significantly altered the civil society sector. Positive contributions to building civil society are noted in box 9, but respondents also said that short-term funding—rarely more than annual cycles—tended to create “project machines” that reflected donor funding practices rather than recipients' own understanding of the situation. The weight of donor compliance and administrative regimes shifted their focus and deployment of human resources, and led to the creation of large, dominant organizations which were preferred recipients over smaller, local groups or those not conforming to Western organizational forms (see also box 8 on “projectization” and “timescapes”).

Finding 6. Peacebuilding approaches did not substantially include women

Foreign aid projects and programs in Myanmar often included stipulations regarding women's participation, but many of these ultimately fell short of gender-transformative outcomes through a combination of operational challenges and lack of will.

Structural gender inequality is present across all social and political domains, including peacebuilding institutions and activities associated with conflict reduction. There were varying levels of women's participation in key stakeholder groups, with many EAOs considered to be more open.⁴⁵ Organizations focused on women's rights and leadership were present nationally and locally, and there were some well-known cases of Myanmar women playing a key facilitation role in dialogues and negotiations. Within civilian government, political parties, and the Myanmar military, however, female representation in decision-making was close to zero (Aung San Suu Kyi being the notable exception), resulting in the absence of women from the top table in peace discussions.

In this context, foreign aid actors could play an important role in amplifying calls for greater gender equality from Myanmar stakeholders, linking their efforts and objectives with global evidence and good practice from other peacebuilding contexts. There were significant challenges to putting this into practice, beyond the difficulties of getting traction amongst senior national decision-makers. Substantive inclusion of women and changing gender norms were not prioritized as core objectives

of peacebuilding programs, limiting the scope of real change on these issues. For example, quotas for female participants in donor-funded activities were often the main indicator for gender inclusion. While the practice of setting benchmarks for female participation represents a positive step, these quotas were set largely without regard for who the participants were and whether they were able to make contributions, doing little to influence the content or outcomes of the discussion.

The tendency toward superficial approaches to gender inclusion also affects the dynamics between donors and implementing partners. Women-focused and women-led

organizations are best placed to undertake the long-term work of creating change in gender norms; however, these groups are often small and amorphous, making it more difficult for them to access foreign funds through cumbersome and technical administrative processes. In addition, funding for gender equality and social inclusion is often constrained by relatively short funding windows, with limited scope to support institutional strengthening such as through core funds. For more detail on the challenges around gender inclusion in peace support, see the paper titled *Women, Peace, and Security Funding Dynamics in Myanmar, 2010–2020*.

Box 6. Cross-Border Aid and Convergence

Cross-border aid, principally from Thailand, was a significant way that Western donors engaged with Myanmar prior to 2012, though funding levels were comparatively low. Efforts focused not only on displacement centers and refugee camps in Thailand, but also on support for civil society organizations (CSOs) operating across the border, especially in Karen State.

Support was provided to groups such as the Karen Environmental and Social Action Network and the Karen Department of Health and Welfare, which were partly independent but strongly associated with the major EAO in the area. Over time, a wider range of ethnic CSOs received funding, mainly for delivering essential local services, seen by EAOs as a legitimate aspect of their governance in areas of influence.

Strong donor encouragement to normalize relationships with Myanmar led cross-border organizations to open offices in Yangon and regional towns inside Myanmar. Donors tended to view service delivery from a technical perspective, at times seeing alignment with central government as the most important and efficient element. Donors also often held assumptions about “governance vacuums” in conflict-affected areas, when in practice a range of administrative and service delivery systems were in place at the local level.⁴⁶ From the perspective of ethnic health and education providers, as well as EAOs, service delivery was nuanced and far more political.

With a growth in aid to support service delivery, central government departments sought to expand their reach while ethnic service providers preferred hybrid arrangements or their own systems. Donors and the central government encouraged the “convergence” of different and often overlapping systems under a national model that enabled what they perceived as rational service delivery. By contrast, ethnic service providers preferred hybrid arrangements or their own systems, and often saw the donor push for both convergence and for ending cross-border support as unwarranted support for the continued expansion of the central state which could threaten carefully devised local arrangements.

At their best, those involved in supporting convergence saw it as a conflict-transforming process driven by local actors coming together across conflict lines. But at the local level, there was limited confidence in political reforms and the peace process. Challenges and lessons involved in promoting convergence included:

- The time needed to overcome the deep distrust between actors across divides
- Tensions between donor bias towards vertical integration and ethnic preference for locally defined provision of services
- Different understandings of demarcations, names, and areas of influence among actors, particularly when both sides claimed control
- Ever-present concerns over the expansion of state control and “Burmanization.”

Finding 7. Applying conflict sensitivity across aid programs

Despite a significant body of experience and international good practice amassed over the past few decades, the extent to which donors incorporated conflict sensitivity into their strategies and funding mechanisms in Myanmar varied. More could have been done to mitigate possible negative impacts from donor supported activity at national and local levels.

Conflict sensitivity approaches are commonplace within aid agencies seeking to operate effectively and safely in conflict-affected areas worldwide.⁴⁷ To implement conflict sensitive approaches, these actors need sufficient capacity to understand the contexts in which their programs are operating, to assess their possible impacts on the conflict, and to take these into account in program design of the project. Careful and sensitive consultation with local stakeholders is typically a critical part of the design process. Conflict sensitivity also encompasses the policy arena and the need to consider how national and donor policies influence conflict-affected areas and conflict dynamics. As noted earlier, it was easy for donors (and government officials) to overlook conflict-affected parts of Myanmar, or to falsely assume that the NCA process had ended violent incidents, when working in Yangon or traveling to and from Naypyitaw, well away from affected areas.⁴⁸

Integrated approaches. Some aid agencies took significant measures to integrate conflict sensitivity into their programs. For example, Sweden’s government donor agency Sida contracted advisory support for at least five independent pieces of work, one assessing its ability to consider conflict sensitivity across its portfolio and others to inform funding decisions on specific initiatives. Similarly, the UN-run national health fund invested in assessments of its strategic approach in conflict-affected environments before employing specialist advisors, supporting the capacity of implementing partners, and carefully navigating relationships with the government and EAOs.⁴⁹

Poor practices. Many documented examples of insensitive practice exist. Questions have been raised over the direct and structural impacts of broad approaches including humanitarian support for the Rohingya in Rakhine State, especially for those confined to camps and denied freedom of movement. Specific projects have also raised concerns, such as Japanese support for government planning in southeastern Myanmar that failed to consult local stakeholders or meaningfully take into account the complex governance arrangements in large swathes of contested and EAO-held territory (see box 7 below). One factor in these errors was international and domestic stakeholders’ superficial understanding of the NCA, particularly the interim arrangements, which increased the likelihood

that development approaches would undermine the NCA agreement. The 2014 Myanmar Population and Housing Census was especially controversial due to ongoing conflicts across the country, intercommunal violence in Rakhine, and generalized distrust of the government. Underlying tensions persisted over citizenship rights and the arbitrary system of religious and ethnic categories, established by past military leaders, that the census applied. Technical support for the census was provided by a UN agency that initially paid insufficient attention to conflict sensitivity and risk management. According to its own evaluation office:

Despite several warning signs, UNFPA (United Nations Population Fund) support underestimated the sensitivity of the question on ethnicity given the country’s political context... The generalized view is that UNFPA could have done more to understand the local context and sociopolitical implications of the technicalities of the census.⁵⁰

“We have to consider the peace process as a series of initiatives, actions, and contributions over time that may not always be an actual failure, despite the initial impression. It is just part of that process, building on the last and all the previous contributions undertaken before 2011.”

(Interview with donor peace specialist, April 13, 2023)

Equal treatment in the NCA process. Donor engagement in the NCA process itself was sometimes insensitive. Some EAO leaders felt that foreign aid exaggerated existing power asymmetries, as comparatively high levels of support to government reinforced their ability to determine the way the process unfolded.⁵¹ A history of political marginalization of ethnic areas and their exclusion from the benefits of development have been fundamental drivers of the conflict in Myanmar. While foreign agencies need to respect government sovereignty universally and recognize the primacy of the central government at the national level, a failure to balance these obligations against the legacy of unequal relations may have further alienated EAOs and reduced the chances of a sustainable agreement.

Box 7. Problems with Supporting State-led Development Plans

One illustration of failure to recognize existing conflict dynamics and respond appropriately is provided by JICA, the Japanese International Cooperation Agency, which supported regional development planning. In 2013, JICA produced a detailed initial proposal, the *Preparatory Survey for the Integrated Regional Development for Ethnic Minorities in the South-East Myanmar*. The survey was conducted with the intention of preparing the conditions for the settlement and return of refugees and displaced families to Kayin and Mon States. JICA's main engagement was with government counterparts, following standard donor practice in other contexts.

The Karen Peace Support Network, comprising 28 civil society organizations, found that the proposed activities were “premature and flawed, potentially exacerbating conflict in the region.”⁵⁸ Their critique of the JICA study pointed to assumptions that are disputed by local people themselves, notably the belief that rapid development progress would encourage refugees to return. Analysis suggested instead that exploitation of natural resources and disrespect for land rights by the military authorities over the course of the 60-year conflict were more critical factors. By working primarily with central and state governments and offering limited space for consultation with local communities or civil leaders, JICA risked reinforcing central government policies and aggravating existing tensions.

Finding 8. Avoiding compartmentalized thinking

Aid programs often operate in separate silos—isolated projects that fulfil their stated reporting and financial requirements without linking horizontally. This problem is especially acute in conflict environments, where it sometimes seems that donors and the UN operate on separate tracks through their development, humanitarian, and conflict response mechanisms. Ensuring coherence across these fields (the “triple nexus”) is difficult to achieve in practice.

These challenges are partly a product of the results-oriented funding mechanisms that characterize foreign aid, which work better in a relatively stable environment—for example, when a signed peace agreement is already in place. Projects and their management tools can be developed when there is a well-defined structure to “hang” the funding on, but they are not well suited to complex, unpredictable political processes due to their lack of flexibility or responsiveness to rapid changes in direction and needs (see box 8 on “projectization” and “timescapes.”)

The constraints and consequences of inflexible planning mechanisms and annual budget cycles were significant in Myanmar. For example, donors noted that the Joint Peace Fund (JPF), which became the main conduit of support for the NCA process, had based projections for its activities, negotiations, and dialogue on experience with the Thein Sein administration, which ended in 2015. Continued progress at the same pace was unrealized, and budgets were left unspent, due to the mismatch between expected and actual progress.⁵² Some positive experiences also emerged. For example, the European Union and others were able to provide essential early support for the Myanmar Peace Centre, a crucial peace institution led by a former minister of the President’s Office, Aung Min. Other donors were also able to deploy flexible funds at some critical moments.

“The donor community was very good at ignoring inconvenient truths!”

(Interview with a donor, April 7, 2023).

Donors established shared funding mechanisms to support the peace process, such as the JPF. In theory this kind of joint approach would increase coordination, maximize efficiencies, pool knowledge and expertise, and make it possible to assume risks without exposing single agencies. While the JPF was successful in bringing together an impressive 11 separate donors, many donors continued to support bilateral initiatives outside the shared fund, potentially reducing the value of the shared approach and in practice adding to, rather than reducing, a complex and overlapping array of funding mechanisms and projects.⁵³ Rather than increasing levels of risk tolerance, shared multi-donor mechanisms can end up being constrained by the lowest appetite for risk across contributors.⁵⁴ Furthermore, risk assessment often looks solely at the initiative in question rather than considering the risk and opportunity costs of *not* intervening. In this regard, EAO leaders noted that international support had enabled them to participate in the NCA process in a more significant way by providing funds which these groups might otherwise have generated in more predatory ways.

Observers close to high-level mediation initiatives also criticized poor coordination, one respondent noting that “all these efforts, particularly informal dialogues, were not sufficiently joined together, nor did they link with the Chinese envoy.”⁵⁵

Compartmentalized thinking also hindered peace support in other ways. One strong example mentioned during interviews was the lack of investment in building public

awareness of the peace process, especially among the Bamar majority. Information campaigns to build support for dialogue are a common component of foreign assistance in similar settings, and such measures might have established a stronger political foundation for the peace process at the national level. Yet, peace support in this field was minimal.⁵⁶

The effects of compartmentalized aid approaches were seen elsewhere, too. Aid agencies tended to pigeonhole Kachin State as a humanitarian zone due to their ongoing support for displaced communities. A more holistic analysis of a complex situation, involving peace overtures as well as ongoing armed clashes, could have enabled agencies to pursue aspects of the “triple nexus” by integrating humanitarian, development, and peace actions in protracted crises.⁵⁷

The most striking example of thinking and working in silos involved responses to the acute crisis affecting Rakhine State and its separation from the NCA process. Rakhine State endures a combination of tensions. First, relationships with the central government are complex and contested, as in other ethnic areas of Myanmar. Second, the acute mistrust and polarized attitudes surrounding the treatment of Rohingya and other Muslim minorities in Rakhine State generates a related yet separate source of violence and injustice. The Myanmar military wanted to ensure that Rakhine State, and the conditions endured by Rohingya in particular, were considered separately from other parts of Myanmar, and Western donors were largely

Box 8. Limitations of “Projectization” and “Timescapes”

Rigid project mechanisms can constrain the effectiveness of peacebuilding work in sensitive environments. Their “results-orientation” (described by a donor as “extreme” in the case of Myanmar), rigid time-related budget imperatives, and inflexible deadlines (“timescapes”) all create barriers. This “projectization” does offer some advantages for financial management and a superficial level of accountability. However, the assumption that progress will be linear through a sequence of clear milestones can clash with the unpredictable, relational dimensions such as trust and confidence-building that underpin successful peacebuilding. These often require a more roundabout, iterative process.

For example, livelihood programs in conflict-affected Shan State, where it takes years to cultivate contacts, trust, and appropriate ways of working, were forced to deliver results in an unreasonably short time to satisfy aid-system requirements.⁵⁹ Similarly, the requirement to rigidly define activities in grant proposals, and the onerous bureaucratic rules for making subsequent changes, make it difficult to respond effectively to fluid political processes. Staff working on a project in northern Shan State missed a potentially valuable opportunity to convene human rights discussions with key EAO leaders when it emerged that donor regulations would not permit deviation from a scheduled series of training events.⁶⁰

discouraged from working there except for carefully controlled humanitarian assistance.⁶¹ By regarding Rakhine State as a separate entity and passing over acute subnational tensions, donors were able to work in a complex environment and maintain their relationship with the government. The problems associated with this compartmentalization became more obvious as the Arakan

Army gained territory and then as violent displacement of Rohingya into Bangladesh led to international accusations of military-led genocide. Donor peacebuilding programs in Rakhine State were conducted outside the framework of the NCA process and tended in many cases to prioritize humanitarian aid and local social cohesion initiatives with limited links to the wider political reality.⁶²

Box 9. Positive Contributions of Foreign Aid for Peacebuilding in Myanmar

Interviewees were asked to identify positive contributions they felt that foreign aid has made to peacebuilding in Myanmar. The examples here reflect individual and collective opinions from ethnic leaders, peacebuilders, civil society organizations, analysts, and donors.

- **Civil society capacity.** The growth of institutional knowledge and capacity among CSOs over 10 years was deemed strong by respondents in almost every sphere and sector and within specific interest groups. An ethnic leader remarked, “This was a success of the JPF on women, youth, and issues of the environment—it is very encouraging.” Kann Lett, and others such as the Paung Sie Facility, contributed significantly to the development of civil society and youth.
- **Women’s inclusion and networks.** The peace process adopted new norms for women’s equality and inclusion, and even if some groups did not live up to these ideals, the principles were established. Predictable funding for women’s organizations led to stronger networks and cross-fertilization among them. The result, prior to the coup, was better advocacy to government and EAOs and greater influence for the Civil Society Forum for Peace, an official peace process mechanism. It also helped organizational and strategic development, important underpinnings for the future. Some respondents noted that, while not all women’s groups are active politically, due to social and cultural barriers, there has been tremendous progress and a rise of new voices on issues like gender-based violence.
- **Negotiators.** Although some thought more could have been done, empowered negotiators have emerged in some EAOs, well able to prepare for negotiations, work in teams, and respond to different negotiation scenarios. As a result, young leadership in these EAOs has grown in confidence and wisdom. Immediately prior to the coup, the JPF final evaluation team noted that there had been “improved and more mature relationships between all negotiating stakeholders, as evidenced by shifts in their interactions with each other. Moving from simply stating positions on issues, to sharing and discussing issues and options outside the formal realm.”
- **EAO capacity.** EAOs before the coup improved their grasp of key issues in the political dialogue framework, such as federalism and fiscal federalism. Some EAOs have understood and adopted the language of peace and democracy, helping to foster a more democratic culture. For example, Kachin communities increasingly hold their leaders to account, and Karen groups, which already practiced a certain degree of democracy, have moved further in this regard. Respondents stated that EAOs with a legitimate constituency in their communities now need to live up to their rhetoric, providing services and a social contract, supporting progress in improved governance and responsiveness.
- **Relationships and communications.** Support helped foster stronger relationships and communications among many EAOs, both signatories and non-signatories. The evidence of this progress, not always visible during the NCA process, was the development of the National Unity Government and National Unity Consultative Council following the 2021 military coup. Despite all the problems, they are still coming together and trying to support each other.

Endnotes

1. Foreign aid provided by each of these donors is typically shaped by a complex and contradictory combination of bureaucratic procedures, technical advice, and political interests. While there is often great diversity both within and among aid agencies and their programs, certain patterns tend to emerge once information is analyzed and assessed.
2. OECD defines official development assistance as government aid designed to promote the economic development and welfare of developing countries. Loans and credits for military purposes are excluded. OECD (2023), “Net ODA” (indicator), <https://doi.org/10.1787/33346549-en>, accessed November 2023.
3. OECD data from Thomas Carr (2018), *Supporting the Transition: Understanding Aid to Myanmar Since 2011* (The Asia Foundation).
4. Myanmar joined the Association of Southeast Asian Nations in 1997.
5. Twin oil and gas pipelines from China to a port development on the coast of Myanmar’s Rakhine State were eventually completed, part of a long-term plan to improve access to the Indian Ocean. On China’s interest in the Indian Ocean and Myanmar, see Bertil Lintner (2019), *The Costliest Pearl: China’s Struggle for India’s Ocean* (London: Hurst).
6. For an analysis of earlier international aid to Myanmar, see David Steinberg (1992), “The Role of International Aid in Myanmar’s Development,” *Contemporary Southeast Asia* 13(4).
7. The Myanmar military takeover of Kokang in 2009, which led to a mass exodus of refugees into China, also set back Myanmar-China relations.
8. Adam Burke, et al. (2017), *The Contested Areas of Myanmar: Subnational Conflict, Aid, and Development* (The Asia Foundation), p. 45.
9. The full database is available at <https://stats.oecd.org/Index.aspx?DataSetCode=crs1> accessed January 2024.
10. Mary Anderson (1999), *Do No Harm: How Aid Can Support Peace—or War* (Boulder, CO: Lynne Rienner Publishers).
11. Thania Paffenholz (2005), “Peace and Conflict Sensitivity in International Cooperation: An Introductory Overview,” *International Politics and Society*, 4: 63–82.
12. OECD (2001), *Helping Prevent Violent Conflict: Part I: Helping Prevent Violent Conflict: Orientations for External Partners; Part II: Conflict, Peace, and Development Cooperation on the Threshold of the 21st Century, The DAC Guidelines*, (OECD).
13. From 2017 to 2022, Japan pledged approximately USD 380 million to develop Myanmar’s border areas, and in late 2017 provided approximately USD 4.2 million to UNOPS to directly support the peace process.
14. China, not an OECD member, is not counted in this data.
15. The Nippon Foundation (2021), *Projects in Myanmar* (The Nippon Foundation Group).
16. Desmond Molloy (2019), *A Hybrid Asian Way to Do Peacebuilding: Sustained Incremental Trust Establishment and Support (SITES)*, Yohei Sasakawa, Special Envoy of the Government of Japan for National Reconciliation in Myanmar and The Nippon Foundation in Myanmar, 2012–2019, Working Paper (unpublished), Nippon Foundation.
17. Yuzuki Nagakoshi (2020), “Japan and Myanmar’s Toxic Friendship,” *The Diplomat*, January 15.
18. OECD Creditor Reporting System.
19. See Adam Burke et al. (2017), *The Contested Areas of Myanmar: Subnational Conflict, Aid, and Development* (The Asia Foundation), Ch 3. Also Matthew Zurstrassen (2020), *A Review of the Myanmar National Community Driven Development Project in Conflict-Affected Contexts* (World Bank).
20. See Dan Seng Lawn (2022), *Conflict and Development in the Myanmar-China Border Region* (XCEPT).
21. NCA clauses 9 and 25.
22. While the Nippon Foundation has six areas of support in Myanmar—peacebuilding, education, human resource development, agriculture, healthcare, and support for people with disabilities—this table represents only peacebuilding.
23. See, for example, Michael Pug (2005), “The Political Economy of Peacebuilding: A Critical Theory Perspective,” *International Journal of Peace Studies*, 10(2), Autumn/Winter: 23–42; and Oliver P. Richmond and Jason Franks (2009), *Liberal Peace Transitions: Between Statebuilding and Peacebuilding* (Edinburgh University Press).
24. See Teresa Almeida Cravo (2018), “Peacebuilding, Assumptions, Practices and Critiques,” *ASPJ Africa & Francophonie—1st Quarter 2018*, for an articulation of key criticisms of the model.
25. See, for example, Donald L. Horowitz (2001), *Ethnic Groups in Conflict, Updated Edition With a New Preface* (California: University Press); Benjamin Reilly (2001), *Democracy in Divided Societies* (Cambridge: University Press); Matthijs Bogaards (1998), “The favourable factors for consociational democracy: A review,” *European Journal of Political Research*, 33 (June): 475–496; Rudy Andeweg (2000), “Consociational Democracy,” *Annual Review of Political Science*, 3 (June): 509–536; cited in Jacques Bertrand, Alexandre Pelletier, and Ardeth Maung Thawngmung (2021), *Winning by Process: The State and Neutralization of Ethnic Minorities in Myanmar* (Ithaca and London: Southeast Asia Program Publications).
26. For example, through the military-controlled hand of the General Administration Department under the Ministry of Home Affairs.
27. See World Bank (2018), *Pathways for Peace: Inclusive Approaches to preventing Violent Conflict* (Washington, D.C.: World Bank).

28. On asymmetry, see Liz Phillipson (2005), “[Engaging Armed Groups: The Challenge of Asymmetries](#),” *Accord*, 16 (May); C. R. Mitchell (1991), “[Classifying Conflicts: Asymmetry and Resolution](#),” *Annals of the American Academy of Political and Social Science*, 518 (Nov.): 23–38.
29. For more detail, refer to Reflection 1 in paper 1 of this series, *The Context for Building Peace: Entrenched Challenges and Partial Reforms*.
30. Criticism tended to focus on governance issues, but later reports suggested that these aspects had improved. See Matthew Zurstrassen (2020), *A Review of the Myanmar National Community Driven Development Project in Conflict-Affected Contexts* (Washington DC: World Bank). See also Rachel Nadelman et al. (2019), *Citizen Engagement: An Independent Review of the World Bank’s Commitments in Design and Practice in Myanmar* (Accountability Research Center).
31. Yun Sen (2016), “[Aung San Suu Kyi’s Visit to Beijing: Recalibrating Myanmar’s China Policy](#),” Transnational Institute website, August 16, (Amsterdam: Transnational Institute).
32. Zaw Zaw Htwe (2019), “[China Gives \\$1 Million to Myanmar for Peace Process](#),” *The Irrawaddy*, November. 8.
33. Prashanth Parameswaran (2015), “[China Derailing Myanmar Peace Talks: Top Negotiator](#),” *The Diplomat*, October. 9.
34. Yun Sen (2017), *China and Myanmar’s Peace Process* (Washington, D.C.: United States Institute for Peace).
35. Information from multiple sources, including two interviews with specialists on China-Myanmar relations.
36. Interview with China analyst, May 30, 2023.
37. For example, the Peace Support Group visited the Chinese embassy regularly to discuss updates, and the Swiss reportedly engaged to some extent with the Arakan Army later.
38. Interview with a donor, March 7, 2023.
39. Lex Rieffel and James W. Fox (2013), *Too Much, Too Soon? The Dilemma of Foreign Aid to Myanmar/Burma* (Nathan Associates).
40. Under the JMC there were some limited areas of positive change, such as increased trust between protagonists on the ground and the resolution of lower-profile issues such as troop movements, abuse of civilians, etc.
41. For more detail, refer to the previous paper in this series, *The Context for Building Peace: Entrenched Challenges and Partial Reforms*.
42. The example given here was the issue of continued military roadbuilding in the Karen National Union (KNU) area of Kawkereik. A missed opportunity for raising this to the political level occurred when the Restoration Council of Shan State and KNU suspended their participation in the NCA. At that time, General Yah Pe was trying hard to get them back to the negotiating table. This was a potential occasion to spell out and identify key JMC issues and possible paths to resolution.
43. Interview with donor, February 24, 2023.
44. For example, a large amount of funding channeled through a CSO to support EAO participation in Union Peace Conferences and other dialogues and negotiations risked the organization being perceived by stakeholders, especially government, as an ally of EAOs. This practice also risked distorting the focus and energies of local CSOs due to the bureaucratic and administrative burdens required to manage international funds.
45. Women’s representation among EAOs was higher than that of the NLD and the Myanmar military, see Åshild Kolås and Leitanthem Umakanta Meitei (2019), *Women in ethnic armed organizations in Myanmar: Numbers and narratives*, GPS Policy Brief no. 1 (Oslo: PRIO).
46. See for example Bill Davis and Kim Jolliffe (2016), *Achieving Health Equity in Contested Areas of Southeast Myanmar* (The Asia Foundation); and Kim Jolliffe and Emily Speers Mears (2016), *Strength in Diversity: Towards Universal Education in Myanmar’s Ethnic Areas* (The Asia Foundation).
47. “Conflict Sensitivity is the ability of an organization to understand the context in which it operates, understand the interaction between that context and its intervention, and act upon this understanding in order to minimize negative impacts and maximize positive impacts on the context.” From CDA (2016), *Conflict Sensitivity Mainstreaming Efforts* (CDA).
48. On denying inconvenient conflicts, see Martha Caddell and Helen Yanacopulos (2006), “[Knowing but not knowing: conflict, development and denial](#),” *Conflict, Security & Development*, 6(4): 557–579.
49. See for example Tom Kramer, Simon Richards, and Kyaw Nyunt Sein (2018), *Experiences and Lessons Learned from the 3MDG Strategy to Operate in Conflict Affected Areas, Final Report* (3MDG).
50. UNFPA Evaluation Office (2016), *Evaluation of UNFPA support to population and housing census data to inform decision-making and policy formulation 2005–2014, Myanmar Country Case Study* (UNFPA), p. 83. See also International Crisis Group (2014) *Counting the Costs: Myanmar’s Problematic Census*, May, (ICG); and Mary P. Callahan (2017), “[Distorted, Dangerous Data? ‘Lumyo’ in the 2014 Myanmar Population and Housing Census](#),” *Journal of Social Issues in Southeast Asia* 32(2), pp. 452–478.
51. For example, EAO negotiators and advisors noted that at the beginning they did not even have access to simple office resources such as printers and photocopiers to prepare for talks, having to borrow from civil society friends.
52. To give credit, the Joint Peace Fund did try to incorporate a fast, flexible element in its mechanism through the use of small grants not requiring a full approval process. However, these small grants were often the most politically sensitive, thus requiring a huge degree of discussion, and therefore time, at the board level anyway.

53. See Nordic Consulting Group (2018), *Mid-term Review of the Myanmar Joint Peace Fund*. Bilateral initiatives outside of common mechanisms can be complementary to those mechanisms and can respond to changing circumstances more rapidly than the bureaucracy of a large fund, but these additional channels require transparency. Positive occurrences did take place, for example, during the handover period from Peace Support Fund to the JPF, while mechanisms were being set up to prevent hiatuses in programs due to funding delays.
54. A good example of this dilemma was to be found in the JPF experience of trying to support the Kachin Technical Advisory Team—a body to advise the KIA, a key non-signatory of the NCA. It was eventually funded, but after an inordinately long process.
55. Interview with ethnic leader, February 28, 2023. In contrast, long-term advisors to EAOs were considered to be increasingly well coordinated with each other. See Nordic Consulting Group (2018), *Mid-term Review of the Myanmar Joint Peace Fund*, note 55. International mediation NGOs seeking improved coordination signed a global [Statement of Intent of Complementarity for Independent Mediation Support Organizations](#), though performance in reality has varied.
56. Exceptions included several initiatives under the Kann Lett program and to a lesser extent the JPF.
57. Aid agencies did try the triple-nexus concept in Kachin State when focusing on “durable solutions” for displaced communities, but did less to pursue broader applications incorporating aspects of the NCA process and other efforts to broker peace.
58. Karen Peace Support Network (2014), *Critique of Japan International Cooperation Agency’s Blueprint for Development in South-Eastern Burma (Myanmar) Full Report [Karen Language]* (Burma News International).
59. Examples include NGO programs supported under multi-donor funds managed by UNOPS in Namtu and Lashio, northern Shan State.
60. Information from Director of NGO in northern Shan State interviewed by research team member in 2021.
61. See Martin Smith (2019), *Arakan (Rakhine State): A Land in Conflict on Myanmar’s Western Frontier* (Amsterdam: Transnational Institute).
62. More than one respondent noted that the social cohesion approach was inappropriate at the time, was way too late, and missed the significant political dimensions associated with the Arakan and their relationship to the center.