SECTORAL POLICY RECOMMENDATIONS FOR BUILDING FUTURE FEDERAL DEMOCRATIC UNION

(Draft)

Ethnic Nationalities Affairs Center (Union of Burma)

(June 2016)
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Preface

This document is a collection of draft policies developed at a series of workshops organized by the Ethnic Nationalities Affairs Centre (ENAC). These policy drafts resulted from discussions and proposals made by Ethnic Armed Organizations1 (EAOs), Ethnic Political Parties (EPPs), community-based organizations (CBOs) and civil society organizations (CSOs) who are the participants in the peace process and are working to achieve federal democratic union also during this transitional period. The ENAC workshops were organized with the purpose of building common understandings among these diverse stakeholders regarding potential policies across a range of important sectors. These policy drafts were created from the proposals and discussions made by workshop participants from Ethnic Armed Organizations (EAOs), Ethnic Political Parties (EPPs), community-based organizations (CBOs), civil society organizations (CSOs), and relevant experts from Burma/Myanmar and international countries. The policy workshop first started in December of 2014, and to date, a total of 9 policies has been developed.

In addition to the primary workshops, additional meetings to review and analyze the policy drafts were organized with participation from members of Core Working Groups (CWGs) assigned to different policy areas, as well as with leaders of EAOs. ENAC staff also travelled to different EAO administrative areas and presented the policy drafts to those responsible for specific policy areas, as well as representatives of CBOs and CSOs, in order to revise and improve the final draft policies.

On March 29-30, 2016, a final consultation workshop was held to present and compare different versions of all of the policy drafts, and to build common understandings of the revisions.

1. Kachin Independence Organization (KIO), New Mon State Party (NMSP), Shan State Army-North (SSPP/SSA), Karen National Union (KNU), Karen National Progressive Party (KNPP), Palaung State Liberation Front (PSLF), Chin National Front (CNF), Labu Democratic Union (LDU), Arakan National Council (ANC), Wa National Organization (WNO), Pa-O National Liberation Organization (PNLO), United League of Arakan/Arakan Army (ULA/AA), Restoration Council of Shan State/Shan State Army-South (RCSS/SSA)
made to the earlier versions among the leaders of Ethnic Armed Organizations (EAOs), Ethnic Political Parties (EPPs) and members of Core Working Groups (CWGs). This document presents the final versions of the draft policies that resulted from the above-mentioned consultation workshop.

The policies contained in this document may not be perfect, but this is a result achieved from a collection of many workshops, review meetings and revisions. The intention of presenting these draft policies is to inform the public about important policy options for Burma, as well as to contribute to the political dialogue process between the Burmese Government and Ethnic Armed Organizations (EAOs), and to serve as guiding principles for the creation of a federal democratic constitution.
Foreword

These fundamental draft policies derive from workshops organized by the Ethnic Nationalities Affairs Center (Union of Burma) during a two year period, to get the same common understandings among Ethnic Armed Organizations, Ethnic Political Parties, community based organizations, and civil society organizations who will be participating in the transition process towards peace and a future federal democratic union in Burma. On behalf of the United Nationalities Federal Council, I especially thank the persons and respective organizations that contributed to this process together with the Ethnic Nationalities Affairs Center (Union of Burma).

These policies might not cover all the sectors for which ethnic groups are demanding equal rights, but I understand that they are an important step for all ethnic groups, of being able to recommend policies for these nine important sectors. I also would like to suggest developing policies for other sectors too.

It was decided at the UNFC’s Central Executive Committee meeting of June 1-3, 2016 to adopt these nine fundamental draft policies, and to present them to the public and at political meetings, and to use them in drawing up a federal constitution. Thus, I understand that these draft policies will contribute as guiding principles for the coming peace and political dialogue process between the Burmese government and Ethnic Armed Organizations, and in drawing up a federal democratic union constitution.

Nai Hongsa
Vice Chairperson
United Nationalities Federal Council (UNFC)

Chairperson
Board of Directors
Ethnic Nationalities Affairs Center (Union of Burma)
Policy Development Process

Crucial Actors

- CSOs (Civil Society Organizations)
- EPPs (Ethnic Political Parties)
- CBOs (Community Based Organizations)
- EAOs (Ethnic Armed Organizations)
- Grassroots stakeholders

Inclusive and Comprehensive Policy Development

Informing Political Dialogue and Negotiations

- Final Policy Review Workshop
- ENAC Holds Exploratory Workshops
- Field Consultations in communities
- ENAC Holds Thematic Workshops
- Education and Advocacy on Policy
- Political Negotiations for Constitutional and Legal Reform
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Stages and Descriptions

Exploratory Workshops
- Consult with EAOs, EPPs, CSOs/CBOs, ethnic and state-based stakeholders and community leaders
- Policy brainstorm
- Federalism training

Thematic Workshops
- Consult with international and domestic experts on policy themes to create working groups
- Draft on common understanding of recommendations and principles for policy themes
- Consult with top EAO leaders for review

Field Consultations
- Consult with EAO members and leaders on draft policy recommendations
- Review all policy recommendations
- Collate feedback on the evolving policy reports

Final Review Workshop
- Consult with EAO, EPP, CSO, and CBO leaders and thematic working groups for final review of policy report
- Aim to develop a common understanding of policy recommendations and principles

Education and Advocacy
- Publish and disseminate policy report reflecting common understanding
- Educate and provide training to state and local ethnic leaders throughout Burma to enable them to advocate for Policy recommendations
From Policy Development to Constitutional and Legal Reform: ENAC’s Vision

**Publication, Education and Training**
ENAC’s policy report is published, distributed, and used for public education and engagement.

**Political Negotiations**
Policy recommendations inform political negotiations as bargaining tools.

**Constitutional and Legal Reform**
Negotiated policy recommendations serve as guidelines for the creation of a federal constitution and legal system.
I. HEALTH POLICIES (DRAFT)
**Background**

The first education and health policy workshop was held on April 24-25, 2015, organized by the Ethnic Nationalities Affair Center (ENAC), with the attendance and active participation of leaders of Ethnic Armed Organizations (EAOs), ethnic political parties (EPPs), and representatives from community-based organizations (CBOs) and civil society organizations (CSOs). Another workshop was held for members of EAOs on May 30-31, 2015, to review and revise the previous version of the draft. Again, members of CBOs and CSOs were brought together at a workshop on October 23-24, 2015, for another round of review and revision. After having gone through several steps of review and revisions, ENAC took the revised version of the policy draft to the administrative areas of several EAOs and presented it to those responsible from EAOs, and representatives of CBOs and CSOs for their input and revision, from January to March, 2016. In order to build common understandings of policy, the new input and revision from ENAC’s field trips, together with different versions of the policy draft, were discussed on May 29-30, 2016, among the leaders of EAOs, EPPs and members of Core Working Groups (CWGs) whose members were assigned to different policy topics. This health policy draft is the result.

**Introduction**

To develop health policy, analysis was made to identify problems regarding the health situation in Burma. Despite strong opposition from people and ethnic nationalities of Burma, the 2008 Constitution has been used to create a centralized health policy framework, which is ineffective. Common problems include: insufficient funds for health care, insufficient basic health infrastructure, poor road infrastructure to access health services, an insufficient number of well-trained health care providers and medicines, failure to properly provide public health services, corruption and mishandling of financial and medicinal aid provided by the international community.

In ethnic areas these problems were found to be worse and public health care has been largely ignored by the central government, especially in the conflict-affected areas of ethnic States. Since the initiation of the peace process, the central government has discouraged and tightly controlled cross-border aid given to the areas administered by EAOs. At the same time, the Burma Army has increased its control and influence over public health mechanisms. Despite the increasing emergence of private clinics and hospitals, there has been a lack of policy connection.
between these private health services and the public health services. There is a necessity for Burma’s overall health mechanisms to improve national level health indicators through implementing a federal democratic health system.

Goals

As the right to health is everyone’s basic right, the aim of this policy is to create federal democratic health policies that provide equal access to basic health services to every citizen in every area in the country, with participation from ethnic health service workers, EAOs, CBOs and CSOs.

Guiding Principles

1. When carrying out the development and implementation of the national health policy, states should be given the right to develop and implement their own health policies, in accordance with a federal democratic system.

2. Universal Health Coverage (UHC)³ should be the primary health strategy, based upon the fundamental human right that guarantees health protection and basic health services for every citizen.

3. Health policy should be based upon principles of equality, equity and human rights, and the provision of health services to every citizen.

Policy Recommendations

1. During the transitional period⁴ of a nationwide peace process, existing health organizations in ethnic areas should be allowed to freely carry out their health services.

2. During the implementation of health programs in the areas administered by EAOs, including mixed administration areas⁵, their approval must be acquired. Health governance systems set up by the EAOs must also be recognized, and respected by the central government and other stakeholders.

3. The central government and other stakeholders must acknowledge the

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3. The World Health Organization of the United Nations has defined Universal Health Coverage as follows: all people can use the promotive, preventive, curative, rehabilitative and palliative health services they need, of sufficient quality to be effective, while also ensuring that the use of these services does not expose the user to financial hardship.

4. The transitional period refers to the period of operationalizing a federal democratic system, based on a new and amended constitution after a National Peace Accord has been reached.

5. Mixed administration areas refer to areas where both the central government and EAOs have administrative structures.
credentials of health care personnel working in the administrative areas of EAOs.

4. While carrying out the implementation of health programs, the approval of local ethnic organizations must be acquired.

5. Existing health departments in ethnic areas must have the right to maintain ongoing services and launch new services, as required.

6. Health-related humanitarian and development assistance must be in accordance with the existing health systems set up by the local ethnic health organizations and CBOs.

7. Government health departments and private health services must coordinate and work together.

8. Traditional medicine and health practices beneficial to the public must be researched and supported, so that they can be revived and strengthened for long-term benefit of communities.

9. Systems to prevent and control chronic-infectious and fast-spreading infectious diseases must be included when developing public health programs.

10. Reform of public health care programs must prioritize areas located far from existing health facilities, rural areas, as well as ethnic populations in the border areas.


12. Provision of health care and rehabilitation services for drug users must be prioritized.

13. The Federal Union government must ensure the provision of sufficient budget for national healthcare services, reflecting the needs of each ethnic State, based on the principle of equity for those States with insufficient funds.

14. When implementing health services, including school health programs, it is essential to work together with all other administrative sectors and departments.

15. Free health care for children under-5 years old and free basic reproductive health care must be provided.

16. Public health research must be promoted.

17. The quality of medicine, food and nutrition must be monitored and controlled.

6. Reproductive health includes providing care for mothers and children.
2. EDUCATION POLICY (DRAFT)
Background

This draft health policy is a result of workshops on Education and Health Policies held on April 24-25, 2015, organized by the Ethnic Nationalities Affair Center (ENAC), with the attendance and active participation of leaders of Ethnic Armed Organizations (EAOs), ethnic political Parties (EPPs), and representatives from community-based organizations (CBOs) and civil society organizations (CSOs). Another workshop was held for members of EAOs on May 30-31, 2015, to review and revise the previous version of the draft. Again, members of CBOs and CSOs were brought together at a workshop on October 23-24, 2015, for another review and revision after the previous workshop. After having gone through several steps of review and revisions, ENAC took the revised version of the policy draft to the administrative areas of several EAOs and presented it to those responsible from EAOs, and representatives of CBOs and CSOs for their input and revision, from January to March, 2016. In order to build common understandings of policy, the new input and revisions from ENAC’s field trips together with different versions of the policy draft, were discussed on May 29-30, 2016, among the leaders of EAOs, EPPs and members of Core Working Groups (CWGs), whose members were assigned to different policy topics. This education policy draft is the result.

Introduction

Analysis findings indicate that successive central governments have continuously reserved full power to create education policy, and the education budget is held in the hands of the central Parliament and Ministers. It does not meet federal democratic standards, as the governments of States and Regions have no power to develop educational infrastructure and mechanisms, which are instead decided solely and directly by the central Ministry of Education. In the ethnic areas, there has been a shortage of school infrastructure, poor quality materials and buildings, expensive tuition fees, shortage of teachers, general lack of development, closure of schools in the armed conflict areas, difficulties to set up schools, loss of educational opportunities for school-aged children, challenges in curriculum and language at school, and a practice of discrimination against women and ethnic nationalities. There has been misuse of educational funds provided by the international community for religious indoctrination in schools, and to influence, control and destroy ethnic culture and literature. Since the start of the peace process, cross border aid given to ethnic schools in the border areas has been gradually decreasing, and now it is no longer sufficient or sustainable. Therefore, it is necessary to develop a proper educational system based on the principles of a federal democratic union, for the transitional period and the future.

7. University, college and school buildings
Goals

Education being a fundamental human right, the goal is to create an educational system in accordance with a federal democratic union and international standards, which promotes ethnic nationalities’ rights to protect their culture and literature, improves the national wellbeing, and guarantees freedom of creative thinking.

Guiding Principles

1. A federal democratic educational system must be based on human rights.
2. Ethnic national schools must have the legal right to exist.
3. For sustainable protection and improvement of ethnic literature and culture, support must be provided, reflecting the need of each State.
4. Education on environmental protection must respond to local needs.

Policy Recommendations

1. The education system in a federal democratic union must include the rights of the ethnic states to govern, manage and allocate budget for the education sector in each respective State.
2. Decision-making power to govern and manage education must be in the hands of relevant States, local authorities and schools.
3. Educational organizations representing State and local governments in ethnic States must have freedom and the right to set up and operate education systems, in accordance with the standards of federal democracy.
4. When implementing federal democratic education, boards of education that are comprised of representatives of people in ethnic States must have the right and freedom to set up an education system suited to their own State.
5. State governments, local administrative bodies, local ethnic educational organizations and other relevant educational organizations have the right to cooperate and coordinate to manage the protection and promotion of ethnic languages. If necessary, the Federal government must provide support.
6. To create curriculums guided by standards of federal democratic education, the Federal government and State government must provide necessary
financial and technical support to respective educational boards in States.

7. For transfer of education between different States, ethnic States must cooperate to have agreements on the standard of education.

8. Educational systems implemented by EAOs must be officially recognized and financed, and their educational staff must be provided with capacity building.

9. During the transitional period, international providers of support for education in ethnic areas must directly contact EAOs, CBOs and CSOs, for coordination and implementation.

10. Curriculums must include ethnic peoples’ history, literature and culture, tradition, knowledge of environmental protection and preservation, civic education and social sciences.

11. In order to sustain ethnic languages, government offices in respective ethnic States must treat the respective ethnic language as one of the official languages.

12. Respective State governments must ratify the education system based on mother tongue based multilingual education beginning from kindergarten, gradually increasing it to advanced degrees.

13. Universities and colleges must have departments for specialized studies in ethnic-language literature and ethnic social studies.

14. An education system that encourages interpersonal skills, problem solving skills, critical thinking skills, language skills and other personal skills must be adopted.

15. In addition to the school education system, there must be educational departments providing internships for work experience and vocational education relevant to occupational needs in ethnic regions.

16. The education system must provide early childhood education, basic education, and higher education that is student-centered and research-based.

17. The education system, without an age-limit, must allow for a lifelong learning system with an individual’s free choice of studies.

18. A law must be enacted allowing every citizen to officially transfer between non-formal and formal education systems.

19. Special policies must be established to create a drug-and-corruption-free education environment.

20. Support for education funds and special programs in rural areas and other areas with specific needs must be increased for everyone’s equal access to education.
21. Relevant educational institutions and private schools in every State must have the right to create entrance and skill assessment examinations, including university entrance examinations, for their own schools and institutions.

22. To implement programs, including a nutritional meal program and school health program, Ministry of Health Departments from States and the Federal Union must cooperate together.

23. Basic education from Kindergarten to Junior Secondary\(^8\) must be free and compulsory, and Senior Secondary\(^9\) education should be free.

24. An inclusive education system must be created for everyone, including for those with handicaps, people with learning disability, and underprivileged (poor) people and those with many barriers to access education.

25. Curriculums covering sports, physical education, social skills, arts, civic education and critical thinking must be officially adopted.

26. For effective learning, the student-teacher ratio must be 25 to 1.

27. Education grants and financial support must be created for every level\(^10\) of education.

28. Local ethnic educators must be prioritized when recruiting education staff.

29. Continuous and Comprehensive Assessment, Student-centered Assessment and Formative Assessment must be practiced.

30. Vocational education must be given equal value with other subjects. Opportunities to upgrade Vocational education to Higher Education must be created for further learning.

31. By opening Community and Labor Colleges, opportunities must be created for manual laborers/workers.

32. Educational research work must be encouraged and supported.

33. For educators and teachers, continuous support for decent living and opportunities for capacity building must be provided for their dignity and integrity. Educational staff working in areas lacking many basic needs must be provided with special benefits.

34. Ethnic nationality schools\(^11\) must have the right to open not only in their respective States but also in other areas and States where the same ethnic people reside.

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8. Junior Secondary includes the levels after primary school and before high school/ higher education

9. Senior Secondary includes the levels before high school and high school.

10. Basic education, vocational education and higher education

11. Ethnic nationality schools refer to schools using their own ethnic-based curriculum.
3. LAND POLICIES (DRAFT)
Background

A workshop on land policy was held on March 25-27, 2015, organized by the Ethnic Nationalities Affair Center (ENAC), with the attendance and active participations of leaders of Ethnic Armed Organizations (EAOs), ethnic political parties (EPPs), and representatives from community-based organizations (CBOs) and civil society organizations (CSOs). Again on May 30-31, 2015, EAOs met to go over the policy draft and make changes. Representatives of CBOs and CSOs again revised a new draft at another meeting on October 23-24, 2015. ENAC travelled with the updated policy draft to the administrative areas of several EAOs and presented it to those responsible from EAOs, and representatives of CBOs and CSOs for their input and revision, from January to March 2016. After several steps of review and revisions, the new input and revision from ENAC’s field trips together with different versions of the policy draft, were discussed on May 29-30, 2016, to achieve common understandings among the leaders of EAOs, EPPs and members of Core Working Groups (CWGs) whose members were assigned to different policy topics. This resulted in these draft land policies.

Introduction

Problems with land rights, policies and legislation stem from a highly centralized governance system. Provision 37a of the 2008 constitution states: “The Union is the ultimate owner of all lands and all natural resources above and below the ground, above and beneath the water and in the atmosphere”. Other key legislations and policies, including the 2012 Farmland Act and the Vacant, Fallow and Virgin Land Act as well as the (2014) National Land Use Policy (draft), favor investors, the Burma Army and their allied militia, encouraging large land ownership and concessions. The current land policies and legislation do not have adequate mechanisms to address and solve problems around land and disputes over land ownership. Before and during the peace process, there has been unjust nationwide farmland confiscation in ethnic States without providing any guarantees for compensation over the loss. There is the need, therefore, to create land policies that represent interests of ethnic people, in line with international standards and a federal democratic system.

Goals

Land policies based on the principles of a federal democratic union are to be created; current unjust and dated farmland and land laws, which discriminate against women, need to be abolished, and replaced with land management
and use systems which promote gender equality and sustainable land ownership for ethnic peoples.

**Guiding Principles**

1. Policies related to land are to be created in line with international standards.

2. To create land policy that can solve current land disputes, and contribute to peace building and national reconciliation.

3. Ethnic political groups and EAOs must have and use their own land policies and land laws when managing land in their administrative areas.

4. Without damaging the ecosystem, farmers must have the right to freely cultivate their farmland and utilize grazing land (in accordance with their tradition) for food security.

5. Ethnic nationalities must have the right to manage land systematically and independently.

**Policy Recommendations**

1. “Land” should not be separated from forest, water, and natural resources related to water.

2. State governments must have the right to manage land, in accordance with the will of the indigenous ethnic peoples of the given State.

3. The procedures for land ownership, land allocation, and land use must be stated in the State Constitutions, in accordance with the Constitution of the Federal Democratic Union.

4. State governments must have the right to manage taxation of agricultural activity.

5. Laws dealing with land ownership in States must recognize and state the traditional land ownership and management procedures of respective ethnic people from the State.

6. Respective indigenous ethnic peoples are the original owners of respective farmlands.

7. Respective State governments must have the right to officially recognize documents proving land ownership of the ethnic nationalities. When doing so, respective State governments must also give official recognition to land title documents produced by EAOs granting ethnic people ownership and use of farmland.
8. Farmlands owned by the ethnic peoples must not be seized without their consent and appropriate compensation.

9. There must be legal mechanisms that are transparent and use due process based on traditional practices when solving land disputes.

10. Farmlands seized without the approval of respective owners shall be returned, where possible. If confiscated lands are unable to be returned, full compensation or restitution must be paid.

11. In addition to private individual land ownership, collective and customary ownership must also be recognized.

12. Local ethnic people have the right to restrict private land ownership in their areas.

13. There must be restrictions on the size of land privately owned.

14. Laws prohibiting the confiscation of agricultural lands by the Burma Army and their allied militia must be enacted.

15. CBOs and CSOs must have the right to formally participate when solving land disputes.

16. Local land-related knowledge must be taught in schools and included in the curriculum.

17. Internally displaced Persons (IDPs) and refugees must have the right to return to their original lands or have replacement land provided to them.

18. Long-standing residents in areas where IDPs and refugees are returning must be involved in decisions around return of original lands or provision of replacement lands to these returning IDPs and refugees.

19. Women and men must have equal rights to own and manage land.

20. No foreign citizen or temporary citizen shall be allowed to own land.

21. Large-scale business investments, such as special economic zones and valuable resource extraction, which may cause harm to the environment and the local public in respective States, shall be halted until constitutions and relevant legislations are adopted, in accordance with a future Union Peace Accord.

22. When changing land usage designation of privately owned lands, agricultural lands, religious lands or customary lands, the consent of local ethnic peoples must be obtained, and the process must be carried out in an accountable fashion.

\footnote{Valuable resources include petroleum, natural gas, underground mineral resources and teak.}
4. NATURAL RESOURCES POLICIES (DRAFT)
Background

A workshop on the issue of Natural Resources policy was held on March 25-27, 2015, organized by the Ethnic Nationalities Affair Center (ENAC), as a part of Economic Policy (Part 1), and Land and Natural Resources Policies with the attendance and active participation of leaders of Ethnic Armed Organizations (EAOs), ethnic political parties (EPPs), and representatives from community-based organizations (CBOs) and civil society organizations (CSOs). Again on May 30-31, 2015, EAOs met to go over the policy draft and make changes. A new draft was again made and revised during another meeting on October 23-24, 2015, by representatives of CBOs and CSOs. ENAC travelled with the updated policy draft to the administrative areas of several EAOs and presented it to those responsible from EAOs, and representatives of CBOs and CSOs for their input and revision, from January to March 2016. After several steps of review and revision, the new input and revisions from ENAC’s field trips together with different versions of the policy draft, were discussed on May 29-30, 2016, to achieve common understandings among the leaders of EAOs, EPPs and members of Core Working Groups (CWGs) whose members were assigned to different policy topics. This resulted in these draft natural resource policies.

Introduction

As the issue of natural resource management plays a very important role in peace building and national reconciliation, it must be handled properly and systematically. Especially, the rights to extract resources, receive shared revenue directly, control, manage and make decisions about resources must be in the hands of indigenous people of the respective State. The afore-mentioned rights and powers must be integrated into natural resource policies in order to be implemented and practiced in a Federal Democratic Union, created after political dialogue during the peace process.

Goals

Ethnic nationalities’ right to ownership, use, management and decision making over natural resources within the respective State must be included and enacted in the State Constitutions created in line with the Federal Democratic Constitution.
Guiding Principles

1. Large-scale investment projects, special economic zones, extraction and use of valuable natural resources\(^{13}\) that are potentially harmful to the wellbeing of local ethnic communities must be halted until a “Union Peace Accord” is achieved.

2. When managing natural resources, local indigenous communities must have the right to sustainably manage and have decision making power over natural resources under the governance of a Federal Democratic Union.

3. Local communities must be prioritized when providing information and obtaining free consent, in line with FPIC\(^{14}\), for large-scale projects, including special economic zones, and valuable resource extraction.

Policy Recommendations

1. Ethnic peoples are the ultimate owners of all natural resources in the respective State.

2. A law ensuring the right of local ethnic peoples to practice their traditional management systems over natural resources above and below the ground, above and beneath the water, and in the atmosphere must be enacted.

3. Local ethnic communities, the government of the Federal Democratic Union, and State and local governments must cooperate together when managing natural resources.

4. The State government must have the right to extract and directly receive revenue from natural resources, and control, manage, and make decisions over natural resources in the respective State, and this must be enacted in the constitution of the Federal Democratic Union.

- **Rule of Law & Framework for Management** – (1) A clear strategy must be created for inclusive and transparent management of extraction and sale of natural resources. (2) Laws to effectively control natural resource management must be enacted and practiced. (3) There must be effective cooperation between Federal and State governments for appropriate taxation from the sale of natural resources, including petroleum, natural gas, and coal extraction.

\(^{13}\) Extraction and use of underground resources and timber, including teak

\(^{14}\) Free Prior Informed Consent (FPIC)
• **Surveying & Licensing**¹⁵ – (1) During geographical surveying and information collection, background history and latest facts and information must also be included. (2) The licensing process must be based on consideration of environmental and social risks. (3) There must be transparency at every stage of the licensing process.

• **Accountability** – (1) Agreements made for development projects must be made public, including to ethnic communities. (2) The companies investing in respective projects must be transparent about their share of ownership and size of their investment in the project. (3) Accurate financial and investment information must be made public.

5. The ratio of revenue sharing between the government of the Federal Democratic Union and the State governments, from natural resource extraction, must be precisely stated in the constitution of the Federal democratic Union.

• **Taxation** – (1) There must be a clear and stable taxation system with progressive taxation. (2) The tax income must be well documented. (3) To strengthen financial management and tax investigation, independent audit commissions must be created and implemented.

• **Revenue sharing and management** – (1) to stabilize high annual expenditures, financial income from abroad or other sources must be included and managed by State and Federal governments in their budgets. (2) Sharing of income revenue and tax collected from natural resource extraction including a revenue sharing formula with ethnic States, must be enacted and implemented. (3) The amount of tax to be collected from government-owned and any army-owned businesses must be clearly defined and implemented.

• **Government-owned businesses** – (1) Government-owned natural resource extraction businesses must also be transparent and accountable in accordance with laws governing other businesses. (2) There must be laws, which clarify roles and duties, and prohibit misuse of public money, weak management and corruption and effective enforcement mechanisms.

6. When carrying out investments and projects related to natural resources, all levels of government must first ensure that Environmental Impact Assessments (EIA), Social Impact Assessments (SIA), Health Impact Assessments (HIA), Conflict Impact Assessments (CIA) and other assessments are carried out in order to obtain public consent to implement the projects.

• **Managing negative impacts** – (1) There must be clear policies mandating

¹⁵. The process includes the licensing of natural resource extraction
impact assessments. (2) Before the implementation of projects, local ethnic communities must have the right to prior information, and their consent must also be attained. Local ethnic people must have the right to express their views on the projects. (3) In addition to providing necessary protection for the security of the local public, including women, from the areas near the projects, there must also be treatment and rehabilitation services for impacted communities after the closure of extractive projects. (4) Environmental Impact Assessments (EIA), Social Impact Assessments (SIA), Health Impact Assessments (HIA) and Conflict Impact Assessments (CIA) and other assessments implemented by local indigenous communities must be publicly recognized.

7. The right must be given to form independent monitoring commissions, composed of CBOs, CSOs and experts, to investigate the extraction and sale of natural resources.

8. Revenues generated from natural resources must be spent on health, social, education and other development work in ethnic areas – (1) Priority must be given to investment in health and education services. (2) Basic infrastructure required for development of local communities must be built. (3) Management of local development project funds must be closely overseen.

9. Compliance of international companies and investors with natural resource management laws and regulations must be closely monitored.

- **The Role of International Companies** – (1) Companies must follow international standards of social accountability and responsibility during project implementation. (2) In the investment process, the consent of local ethnic communities is of primary importance. (3) If the national investment law is found to be weaker than international standards, then international norms must be followed when implementing projects.

- **The Role of the International Community** – (1) International donor groups must support projects implemented with consent of all stakeholders. (2) Monitoring and implementation must be carried out in line with international standards.

10. Natural resource education must be included in the school curriculum.

11. To prevent excessive natural resource extraction over a short period of time, policies to minimize damage to the ecosystem must be enacted.
5. AGRICULTURE POLICIES (DRAFT)
Background

A workshop on agricultural policy was held on September 26-27, 2015, organized by the Ethnic Nationalities Affair Center (ENAC), with the attendance and active participation of leaders of Ethnic Armed Organizations (EAOs), Ethnic Political Parties (EPPs), and representatives from community-based organizations (CBOs) and civil society organizations (CSOs). Representatives of community-based CBOs and CSOs revised a new draft at another meeting on October 23-24, 2015. ENAC travelled with the updated policy draft to the administrative areas of several EAOs and presented it to those responsible from EAOs, and representatives of CBOs and CSOs for their input and revision, from January to March, 2016. After several steps of review and revision, the new input and revisions from ENAC’s field trips together with different versions of the policy draft, were discussed on May 29-30, 2016 to achieve common understandings among the leaders of EAOs, EPPs and members of Core Working Groups (CWGs) whose members were assigned to different policy topics. This resulted in these draft agricultural policies.

Introduction

Analysis of the current agricultural situation in Burma reveals the following: centralized policies controlling crop choice and promoting monoculture favor companies and cash crops; these policies favor chemical agricultural products and imported cultivars; they also favor crop hoarding and government control of the market; there are hardly any relevant policies that promote development of the agriculture sector. Moreover, due to the use of genetically modified organisms, contract farming, high interest rates for agricultural loans, low market prices for rice, poor management by unqualified government ministers, and inadequate utilization of people with expertise in agriculture, there has been a decline of the agriculture sector. Instead of farmers having the right to own the farms they work on, Article 37 of the 2008 Constitution endows the ownership of water, land, forest and natural resources to the central government. The 2012 Land Use Law allows companies to occupy up to 5,000 acres, and lands are being confiscated from citizens who rely on them to make a living. Ethnic states and ethnic people are excluded from decision making in the agricultural sector. Because of these reasons, there is a need for comprehensive agriculture policy reform.

Goals

To provide food security for all, with nutritious food produced using ecologically friendly methods, and to develop agricultural systems that allow people to grow, manage and choose crops that are appropriate for their local community.
Guiding Principles

1. The agricultural system must be based on local ethnic practices.
2. Agricultural policies must be in line with international best practices, international human rights norms\(^{17}\), and sustainable development practices.
3. Small-scale farmers must be entitled to land ownership.
4. An adequate proportion of land must be allocated to agricultural production in order to provide local food security.
5. A modernized agricultural system that promotes sustainability, with limited negative impacts on the environment and people, must be adopted.
6. Indigenous seeds must be preserved and strengthened.
7. Agricultural methods that are appropriate and beneficial for local communities must be promoted.
8. Agricultural investment must be transparent and accountable.

Policy Recommendations

1. Agricultural lands are defined as lands used for agricultural activities, including cultivation of annual and perennial crops, livestock pasture, upland shifting cultivation, and other customary agricultural activity.
2. Members of local governments elected by the people of respective states, legal scholars, people with technical expertise and local ethnic people must be included in the process of writing agricultural policies.
3. Current and pending operations of large-scale agri-businesses must be stopped. Moreover, when private domestic or foreign companies are going to use grazing land or hillside cultivation land of local communities, they must obtain prior consent of these communities.
4. Relevant land laws must recognize ancestral lands and lands currently being cultivated by local farmers, and grant rights to ethnic communities to own these lands.
5. Local farmers must have the freedom to choose and grow crops\(^{18}\) that are appropriate for the land they are working on.

\(^{17}\) Fundamental human rights refer to rights related to special consideration for children, gender, farmers, laborers, and food security.

\(^{18}\) Include short and long term crops, e.g., teak, ironwood trees (Xylia dolabriformis) and rubber trees
6. Local communities must have the right to ownership of harvested crops and seeds produced in the community.

7. There must be fair\textsuperscript{18} taxation of locally produced commercial crops.

8. Farmers must have the right to own agricultural lands.

9. Laws that encourage companies and government departments to hold monopolies in the agricultural sector shall be abolished.

10. There must be a maximum limit to the amount of land one can own.\textsuperscript{10}

11. Farmers or groups that represent farmers must have the right to participate in the development of agricultural policy.

12. Appropriate agricultural vocational schools, technical schools and universities as well as research institutions to promote technical skills in agriculture must be established in respective localities.

13. Local ethnic communities are encouraged to promote and support self-sufficient agriculture.

14. Farmers must have the right to establish farmers’ associations and operate legally and freely.

15. A market system where farmers can sell their crops in a free and fair manner shall be established.

16. Respective States must have the freedom to manage a national budget allocated for the agricultural sector.

17. Union and State governments must promote locally produced goods/products as well as be accountable and responsible for marketing these goods/products.

18. Traditional farming methods and land use must be recognized, protected and promoted for the purposes of development.

19. Research on the current agricultural sector must be conducted, and agricultural strategies relevant for local communities shall be adopted and implemented.

20. Union and State governments must establish mechanisms for agricultural loans with minimal interest rates and allocate agricultural subsidies.

21. Water resource preservation and management policies -- an essential need for the agricultural sector -- must be established and implemented.

22. Other development policies related to the agricultural sector\textsuperscript{21} must also be

\textsuperscript{19} This refers to tax exemption on locally produced crops for farmers and a fair tax system for traders

\textsuperscript{20} This refers to both individual and group ownership, including companies.

\textsuperscript{21} This refers to large-scale projects related to land use, and other issues such as use of chemical fertilizer and chemical pesticides.
established.

23. There must be educational programs on organic natural fertilizer production techniques/methods for farmers to promote the production and increase the use of organic natural fertilizer.

24. Union and State governments must enact laws to preserve natural forest and soils; prevent deforestation; replenish forest; and promote small-scale planting of trees.

25. Immigrants from foreign countries must not have rights to own land, but shall be allowed to rent and work on the land.

26. States within the federal democratic union must enact laws giving local ethnic people the right to rent and work on the land, the right to land ownership and the right to restrict land use.

27. Opium crop substitution policies must be established.

28. Union and State governments must establish programs to prevent natural and man-made disasters as well as programs to rehabilitate affected farmlands in a timely manner.
6. POLICIES FOR IDPs AND REFUGEES (DRAFT)
Background

A policy workshop on the issues of Internally Displaced Persons (IDPs) and refugees was held on November 17-18, 2015, organized by the Ethnic Nationalities Affairs Center (ENAC), with the attendance and active participation of leaders of Ethnic Armed Organizations (EAOs), Ethnic Political Parties (EPPs), and representatives from community-based organizations (CBOs) and civil society organizations (CSOs). ENAC then travelled with the policy draft to the administrative areas of several EAOs and presented it to those responsible from EAOs, and representatives of CBOs and CSOs for their input and revision, during January to March, 2016. After several steps of review and revisions, the new input and revision from ENAC’s field trips together with different versions of the policy draft, were discussed on May 29-30, 2016, to achieve common understandings among the leaders of EAOs, EPPs and members of Core Working Groups (CWGs) whose members were assigned to different policy topics. This resulted in this Internally Displaced Peoples (IDPs) and refugee policy draft.

Introduction

The effects of the 70-year-long ongoing civil war, natural disasters and other internal conflicts have forced hundreds of thousands of people to become IDPs and refugees, who have been seeking shelter along the border areas without being able to return to their home communities. Successive governments of Burma have not only been unable to help find solutions for these populations but have also worsened the basic social problems fuelling displacement. International organizations, the government of Burma, EAOs, and representatives of IDPs and refugees must ensure the creation of policies based on the experiences of IDPs and refugees, to help the IDPs and refugees return safely to their home community or location of their choice and to voluntarily resettle with the right to receive the support they deserve, without being pressured or taken advantage of by any organizations or groups.

Goals

For a voluntary, safe and dignified return of refugees and IDPs to their homes, with sustainable and sufficient humanitarian aid, in accordance with international norms, so that they can establish their lives and coexist peacefully and harmoniously in a federal democratic union.

22. IDPs and refugees, in this context, are the ethnic nationalities who fled from their local home communities.
Guiding Principles

1. IDPs and refugees must be able to return voluntarily and with dignity to the area of their choice, and they must be provided with physical, mental and legal assistance on their return, free from discrimination. The process of their return must be assisted with necessary support.

2. The rights of IDPs and refugees to own farmland and property, and carry out sustainable livelihoods must be granted.

3. Humanitarian aid and social services must be provided until IDPs and refugees become self-reliant.

4. IDPs and refugees must have the right to travel freely, and communicate with, and receive direct support from any humanitarian organizations, in accordance with international aid standards and frameworks.

Policy Recommendations

1. Return and resettlement of IDPs and refugees to their original home communities should only be implemented after political dialogue has succeeded in establishing genuine peace. Those who wish to return prior to this must be provided with support in line with international human rights.

2. When implementing the return and resettlement of IDPs and refugees, EAOs, the Burma Government, relevant individuals and organizations, and the international community must prioritize the inclusion of committees comprising IDPs and refugees, as well as organizations and individuals with expertise in refugee issues.

3. When implementing the return and resettlement of IDPs and refugees, a framework for implementation that has been discussed and agreed upon by relevant organizations must be created.

4. When planning and implementing return or resettlement programs, relevant stakeholders must be included to create a transparent process.

5. Implementation of programs must be appropriate to the conditions of the respective communities and also follow international standards.

23. Especially organizations working for the benefit of and providing support to ethnic communities, including refugee committees, social organizations and women’s organizations, etc.

24. These stakeholders should include IDP committees and refugee committees, with participation of women’s organizations, CBOs, CSOs, and other local people’s groups.
6. Respective international and national organizations must provide support for necessary basic infrastructure and other needs.

7. Program implementation must be done in a manner sensitive to local culture, traditions and organizational practices.

8. For those who cannot or do not wish to return to their home community, alternative locations for resettlement must provide opportunities for a sustainable livelihood.

9. There must be security\(^25\) and rule of law. There must be a complete stop to the use of landmines by the Burma Army in current ethnic areas.

10. The needs of women, children, the elderly, disabled and those with special needs, must be taken into consideration during program implementation.

11. Certificates of education, health, and vocational training of IDPs and refugees issued at refugee camps must be recognized by relevant authorities.

12. Land arranged by committees for the relevant authorities must recognize returning IDPs.

13. Burma Army troops and their allied militia stationed\(^26\) at former villages or places of the IDPs must be withdrawn so that IDPs can return to their original home communities.

14. Recognition of full citizenship, national identity cards and other necessary documents must be given to those returning.

15. Sufficient international aid and other forms of support must continue to be provided either from within the country or cross-border until the successful completion of return and resettlement.

16. When designing return and resettlement programs, the Government and United Nations agencies must ensure provision of support systems until the returnees become self-reliant.

17. International assistance must address local communities’ needs and promote sustainable development.

18. Mechanisms for Rule of Law must be in place to prevent different types of exploitation and protect human rights, and also ensure legal action against such violations.

19. Before resettlement programs for refugees begin, the resettlement of IDPs must

\(^{25}\) This includes the clearance of land mines and freedom from violent acts by any armed organizations.

\(^{26}\) This includes both troop positions before the conflict and new troop positions established during the conflict.
be systematically completed. During the process, alternative plans must be made for those who can’t go back to their home communities.

20. People who wish not to return to their original home communities must be given freedom to make their own decision to resettle within the same State as their home community. IDPs and refugees must be given opportunities to properly monitor areas where they will be resettled.

21. Public awareness programs must be carried out among members of communities where IDPs and refugees will be resettled, to promote mutual understanding. Members of local communities who are accepting resettlement in their community must also be provided with support.

22. Resettlement programs must include counseling programs to help with trauma and other physical and mental harm experienced by IDPs and refugees.

23. After resettlement, the Government of Burma, EAOs and business entities must take responsibility to ensure that they do not cause conditions which will force IDPs and refugees to flee again.

24. Monitoring and Evaluation systems must be in place for implementation of the resettlement and rehabilitation of IDPs and refugees.

25. Special programs must be created for IDPs and refugees to continue their education after their resettlement.
7. HUMANITARIAN AID POLICIES (DRAFT)
Background

A policy workshop on the issue of humanitarian aid was held on January 19-20, 2015, organized by the Ethnic Nationalities Affair Center (ENAC), with the attendance and active participation of leaders of Ethnic Armed Organizations (EAOs), Ethnic Political Parties (EPPs), and representatives from community-based organizations (CBOs) and civil society organizations (CSOs). Again on May 30-31, 2015, EAOs met to go over the policy draft and make changes. Representatives of CBOs and CSOs again made a new draft with changes and revisions, at another meeting on October 23-24, 2015. ENAC travelled with the updated policy draft to the administrative areas of several EAOs and presented it to those responsible from EAOs, and representatives of CBOs and CSOs for their input and revision, during January to March, 2016. After several steps of review and revision, the new input and revisions from ENAC’s field trips together with different versions of the policy draft, were discussed on May 29-30, 2016, in order to achieve common understandings among the leaders of EAOs, EPPs and members of Core Working Groups (CWGs) whose members were assigned to different policy topics. This led to the production of these Humanitarian Aid Policies.

Introduction

Analysis of the current situation in Burma shows that aid programs are being used to extend the central government’s social service structures in the ethnic areas, which brings ethnic communities under the unitary administrative frameworks of the 2008 constitution leading to expansion of Burma Army deployment and increases in resource extraction and land grabbing. Aid programs are ignoring and duplicating existing ethnic-led social service structures, community development program and policies. Aid programs controlled by the government are neglecting the right of local people to make decisions for their development. Moreover, centralized aid programs attempt to influence administrative activities with the Central Government’s own political goals. As a result, there are a range of shortcomings such as a lack of focus on sustainability, lack of capacity building for community leaders, inadequate participation by local people and no involvement by local communities in leading roles for humanitarian aid programs. Importantly, aid programs are ignoring the rights of ethnic people to preserve their own language, literature, culture and identity. Therefore, there is an important need to create humanitarian aid policies in line with the system of a federal democratic union.
**Goals**

To ensure that humanitarian aid programs strengthen the peace process, existing ethnic administered social structures and services should be supported as part of a process of decentralization leading to a federal democratic system.

**Guiding Principles**

1. Humanitarian assistance shall be in conjunction with the progress of a genuine peace process.

2. International assistance must reflect the needs and will of the local public and be based on principles of sustainable development.

**Policy Recommendations**

1. EAOs must ensure the following in their administrative areas:
   
   (a) Humanitarian aid programs shall be designed, managed and implemented by EAOs’ administrative bodies and related local ethnic civil society service providers.
   
   (b) Only after agreements have been signed with EAOs and local ethnic administrations, may outside agencies/donors provide aid in their areas. The aid programs, including capacity building programs, must be managed by local people, and provided cross-border where necessary.
   
   (c) When providing humanitarian assistance to IDPs and refugees resettled in the administrative areas of EAOs, the humanitarian aid policies of respective EAOs must be followed.
   
   (d) For effective implementation of the afore-mentioned humanitarian aid programs, EAOs must have their own written humanitarian aid procedures.27

2. Returning refugees and IDPs must be given back their original lands, with full ownership, if they formerly had lands; those formerly without land must be given houses and agricultural lands.

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27. *Ethnic Armed Organizations (EAOs) must have their own humanitarian aid policies, which must ensure accountability, responsibility and transparency. There must be a detailed resettlement plan for the displaced and refugee populations before they return. When creating the detailed plan, representatives of IDPs and refugees, and relevant community and faith-based organizations must be included.*
3. In order for communities to have the right to freely receive humanitarian assistance, whether from the government, national or international aid organizations, restrictions that are not in line with international norms and standards must be lifted.

4. Any humanitarian aid must be delivered according to the Do No Harm principle, whether bilateral aid or aid delivered by CSOs.

5. In order that EAOs, the government and especially the government army remain accountable, these policy recommendations must be continually updated and improved.

6. Special programs to provide support for women, young children, the elderly, disabled, and those with health problems must be included in humanitarian assistance programs.

7. There must be transparency when carrying out humanitarian aid services.
8. TAXATION POLICIES (DRAFT)
Background

A workshop on taxation policy was held on December 11-12, 2015, organized by the Ethnic Nationalities Affair Center (ENAC), with the attendance and active participation of leaders of Ethnic Armed Organizations (EAOs), ethnic political parties (EPPs), and representatives from community-based organizations (CBOs) and civil society organizations (CSOs). ENAC took the revised version of the policy draft to the administrative areas of several EAOs and presented it to those responsible from EAOs, and representatives of CBOs and CSOs for their input and revision, from January to May, 2016. In order to build common understandings of policy, the new input and revision from ENAC’s field trips together with different versions of the policy draft, were discussed on May 29-30, 2016, among the leaders of EAOs, EPPs and members of Core Working Groups (CWGs) whose members were assigned to different policy topics. This resulted in this taxation policy.

Introduction

When analyzing Burma’s existing taxation policies, the following observations were made: there is a lack of transparency and accountability, rampant corruption, lack of clear legal rules and regulations, a lack of mechanisms for tax collection at state and local levels, and unequal distribution of taxation power between the Central government and State/Regional governments. This indicates that there is a need to completely restructure the taxation mechanism in Burma. Therefore, when building a future federal democratic union, it is important to develop taxation mechanisms for all levels of government.

Goals

To create an efficient taxation system which gives clear guidelines for sharing taxation powers among the Federal government, State government and local governments, to support social security and development of the public [including ethnic nationalities] in a Federal Democratic Union of Burma.

28. For example, government owned companies including Myanmar Economic Holdings Limited and other organizations making agreements without public knowledge or ineffective spending of tax money for development.

29. For example, currently, taxes are collected mainly by the central government with very limited taxation authority for States/Regions.
Guiding Principles

1. Laws related to taxation must be clearly and independently acknowledged between the Federal Union Government and State governments.

2. The taxation policy must be drafted by those appointed by the people.

3. The tax collected must be used to provide social security and beneficial development for the people.

4. The taxation system must aim to effectively fight against fiscal corruption.

5. The taxation law must be drafted based on the principle of Progressive Taxation.

6. Taxation must be based on the principles of accountability, responsibility and transparency.

Policy Recommendations

1. Rules and regulations for a fair system of tax collection and sharing of revenue between the State governments and the Federal Union governments must be created.

   (a) There must be legal mechanisms in place to effectively deal with complaints about corruption in taxation.

   (b) There must be full protection provided to the complainer or complainant.

2. The Tax and Revenue Department under the State government must have an effective independent monitoring group [government auditor] that is not under the control of the Tax and Revenue Department.

3. The public has the right to know the amount of revenue from tax collection and what is spent on different sectors of the Federal Union Government and State Government.

4. A system must be set up for the public to find out rules, regulations, and rights that they are entitled to, with regards to taxation.

   (a) Every State should have separate departments to collect tax and different banks to keep the collected tax amount.

5. The total of tax money collected in a State must be spent only by the respective
State within 10 years of the transitional period.\textsuperscript{30} After that period, the respective State may be able to use from 60\% to 80\% in the respective State.

6. Respective State governments are entitled to have a minimum of 60\% of tax collected from past development projects.

7. Every State has the right to determine the amount of tax over energy, natural resources, petroleum, natural gas, teak and other valuable wood, and to directly collect the tax freely. When spending the taxpayers’ money for the development of the people, the process must be systematic and transparent.

8. Rules, regulations and laws on business investments must be systematic and Profit and Royalty Taxes must also be collected.

9. The system of Progressive Taxation must be practiced on land taxation, in order to prevent smaller numbers of individuals from owning many lands.

10. Land taxation on cultural and traditional land must be based not on the ownership or the size of the land, but on the amount of income generated from using the land.\textsuperscript{31}

11. The tax collected by the Federal Union Government from other States must be used for the least developed States as a priority.

12. During the transitional period, EAOs must act in accordance with the rules and regulations of taxation.

\textsuperscript{30} The transitional period refers to the period of operationalizing a federal democratic system, based on a new and amended Constitution after a National Peace Accord has been reached.

\textsuperscript{31} For example, the income generated from the use of traditional ethnic land space for business purposes in addition to traditional and cultural use.
9. TRADE AND INVESTMENT POLICY (DRAFT)
Background

The initial draft of this trade and investment policy was developed from discussions of leaders of ethnic armed organizations (EAOs); leaders and representatives of ethnic political parties (EPPs); and representatives of community based organizations (CBOs) and civil society organizations (CSOs) at the workshop on trade and investment policies organized by the Ethnic Nationalities Affairs Center (ENAC) from January 30 to February 1, 2016. Then, ENAC went to different areas that are administered by the EAOs and met authorities and representatives of CBOs and CSOs within the areas to conduct a series of consultations to improve the initial draft during January to May 2016. After compiling all suggestions and comments received during the consultation process, ENAC invited leaders of EAOs, EPPs, and members of Core Working Groups (CWGs) to another workshop from May 29-30, 2016 to establish common understandings on trade and investment policies. This trade and investment policy is derived from the above-mentioned processes.

Introduction

The current trade and investment situation of Burma does not benefit local people. In particular, there are many ongoing human rights violations including land problems, environmental degradation, and exploitation caused by foreign investments. Consequently, conflicts in ethnic areas have intensified, while national and ethnic sovereignty has been threatened. Not only have the voices of ethnic peoples been ignored in the process of establishing policies and laws related to current trade and investment, but also no consultations with local peoples were held when developing basic economic infrastructure. Therefore, trade and investment policies that will be beneficial for local ethnic people should be adopted and implemented in accordance with the system of a federal democratic union.

Goals

To establish trade and investment policies in order to bring development for all ethnic people where everyone can enjoy the benefits fairly, based on free and fair trade and investment principles, under a federal democratic union system.

Guiding Principles

1. Trade and investment policies must support sustainable peace and development.
2. Trade and investment policies must protect and preserve the environment and social affairs.

3. Trade and investment must be transparent and accountable.

4. Public participation from all levels must be guaranteed in decision-making processes.

5. Trade and investment policies should promote small-scale business to increase the social and economic status of all citizens.

6. Trade and investment policies must recognize and respect customs, traditions and ownership of ethnic nationalities.

7. A trading system that promotes export of finished goods/products instead of raw materials must be adopted.

Policy Recommendations

1. In order to support peace building during the transitional period, there must be a moratorium on any large-scale projects and large-scale investments.

2. The power to fully make decisions and manage trade and investment within the state must be guaranteed to respective State governments.

3. A law must be enacted that clearly indicates the benefits that State governments and the Federal Union Government are entitled to.

4. Laws that clearly indicate mandates, management powers and entitled benefits of the Federal government and State governments in regard to trade and investment within the framework of a genuine federal democratic system must be enacted.

5. State governments must have the power to levy taxes, collect taxes and manage the revenues from trade and investment in order to implement a development plan within the state effectively.

6. Implementation of any projects must follow international standards, including conducting Environmental Impact Assessments, Social Impact Assessments, Health Impact Assessments, Human Rights Impact Assessments, Corporate Social Responsibility [i.e. compliance with domestic and international laws], compliance with forestry laws [e.g., forest law enforcement, governance and trade], obtaining Free Prior Informed Consent on any economic investments.
7. Public participation must be obtained when implementing protection mechanisms\textsuperscript{32} and community driven grievance mechanisms\textsuperscript{33};

8. Strong laws must be enacted in order to prevent human rights violations and environmental degradation [due to trade and investment projects].

9. Investments that would promote human resource development must be prioritized.

10. Respective State governments shall have the right to freely trade\textsuperscript{34} domestically produced goods/products, both domestically and internationally. Likewise, the State government must have the right to import any necessary foreign goods/products.

11. Implementation of trade and investment shall respect local customs and traditions;

12. Domestic investment laws and foreign direct investment laws must be reviewed; and investments and projects\textsuperscript{35} that do not promote transparency, accountability and responsibility must be revised.

13. Laws that will protect domestic businesses must be enacted before committing to any bilateral investment treaty (BIT).

14. Industrial development should be based on the agricultural sector.

15. Employment opportunities for ethnic peoples must be created and the labour resources of ordinary citizens must be used effectively. Trade and investment policies, at the same time, must avoid anything that would negatively affect the livelihoods of local communities, while also promoting benefits for them.

16. Public awareness about investment laws, policies and impact assessments must be raised with local communities.

17. Affirmative action programs must be established to promote small and medium enterprises (SMEs) for ethnic people at all levels.

18. Technical and financial support systems as well as banking systems to promote SMEs must be adopted effectively;

19. More investment in education, health and agriculture sectors must be made.

\textsuperscript{32} Protection mechanisms refer to specific laws that would prevent human rights violations (e.g. labour rights) caused by a form of trade and investment; and the establishment of judicial mechanisms for implementation.

\textsuperscript{33} Community Driven Grievance Mechanisms refers to mechanisms established by law to address and alleviate grievances of local communities and environment caused by trade and investment groups and investors.

\textsuperscript{34} This does not refer to internationally used tax-exempted "free-trade", rather it refers to economic paradiplomacy for State governments. Therefore, it implies that State governments have the right to manage trade for their respective States.

\textsuperscript{35} E.g., Farmland Law and Contract/Agreement
20. In order to trade more effectively, water, electricity, transportation, information and technology sectors must be improved.

21. Empowerment programs for ethnic people in regard to trade and investment must be established.

22. Organizations or committees that will focus on capacity building and empowerment for ethnic nationalities who are under-developed must be established. Respective ethnic leaders must have the right to participate in such organizations and committees.

23. Local ethnic people must be involved in grievance mechanism processes. Budgets for trade and investment must be allocated effectively.

24. Budgets for trade and investment must be allocated effectively.
ACTIVITY PHOTOS

Workshop of Policy Drafting
Consultation Meeting between Ethnic Armed Organizations and Community-based Organizations
Consultation Meeting between Ethnic Armed Organizations and Community-based Organizations
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