

BURMA 2006: PROGRESS LIKE GLUE FLOWING UPHILL

I. Overview

Since 2004 PEOPLE IN NEED – GERHARD BAUMGARD STIFTUNG (PIN) initiated and supported humanitarian aid projects in Myanmar (Burma). During these three years we witnessed a worsening of the humanitarian situation which is according to the International Crisis Group (ICG) a “humanitarian crisis in-the-making (which) threatens not only lives and livelihoods but also political stability and the long-term prospects for internal peace, democracy and economic revival”. Living standards for the vast majority of the population are deteriorating continuously driven by high inflation, a weakening health and education system and a depressed economy which suffers from decades of mismanagement by a military government.

Recent data are hard to get but a UN survey from 2005 suggests that more than 30 percent of the whole population lives below the poverty line with much higher numbers in some regions: 70% in Chin State (bordering Bangladesh and India) and 52% in Eastern Shan State (bordering Thailand, Laos and China). With the recent price increases of basic food items more than half of the total population could be pushed below the poverty line soon. During the 12 months ending July 2006 the prices of lowest quality rice jumped 50% while cooking oil prices increased by 55%.

Surveys by the UN and International NGOs (Non-Governmental Organizations) show that

- more than 30% of the children under five suffer from malnutrition (the World Food Program (WFP) reports that in some of its project areas the number of chronically malnourished children amounts to 60 or even 70%).
- nearly half of the school-age children never enroll for school and only about 30% of the pupils complete five years of primary education.
- HIV/AIDS spread into the general population, affecting at least 1.3% of the total adult population. Recent reports (Johns Hopkins Bloomberg School of Public Health) put the HIV infection rate as high as 3.5% of the adult population which would equal about 1.1 million HIV infected adults with more than 50,000 deaths per year. Furthermore, it is estimated that 40% of Myanmar population is infected with tuberculosis.
- Myanmar's health system ranks as the second-worst globally (World Health Organization (WHO)). Even the official press admits that there are only 11 neurologists in the whole country servicing the population of 55 million in three hospitals in Yangon and one hospital in Mandalay.

During 2006 the Military Government further tightened the working conditions for International NGOs and Local NGOs. In particular, the activities of INGOs outside of Yangon have been curtailed:

- In late 2005, the Global Fund terminated its USD 100 million grants program for fighting HIV/AIDS, TB and Malaria in Myanmar as government restrictions made the grant implementation impossible.
- In early 2006, the French section of Médecins Sans Frontières (MSF) pulled out of Myanmar, as “the Burmese regime wants absolute control over any humanitarian actor present in these politically-sensitive regions. If we accept the restrictions imposed on us today, we would become nothing more than a technical service provider subject to the political priorities of the junta. It appears that the Burmese authorities do not want anyone to witness the abuses they are committing against their own population”.
- In February 2006, the junta refused to renew the visa of the country representative for Humanitarian Dialogue, a Geneva-based conflict-resolution

outfit that played a behind-the-scenes role in establishing UN-brokered negotiations between the SPDC (the Myanmar Military Government) and the opposition party, National League for Democracy, in 2003. Humanitarian Dialogue closed its office in Yangon.

- In November 2006, the authorities ordered the International Committee of the Red Cross (ICRC) to close down all its field offices around the country (officially "to temporarily suspend"). This came after most of its core activities including prison visits had already been blocked or restricted over the course of the year.

Surveillance of aid activities has become more intense and intrusive. Almost without exceptions international staff traveling upcountry is now accompanied by government officers and the daily activities are closely monitored. Furthermore, the so-called government-organized NGOs (GONGOs) - most notably the Union Solidarity and Development Association (USDA) - force their way into humanitarian programs. The number of cases increased in which projects have been hijacked by GONGOs. Typically, the government authorities insist that donor funds are channeled through the GONGOs which will get involved and will take the credit for the programs.

In today's situation the only way to entertain aid activities without directly liaising with the government authorities is to seek the protection of local NGOs or domestic religious organizations and hide under their umbrella. Such organizations can be – depending on their regional strength – Christian (mostly Baptist or Catholic), Muslim or Buddhist entities or registered genuine local NGOs. Consequently, in 2006 PIN continued its strategy to work through existing local religious organizations and NGOs and was able to initiate and support new activities. However, we had to terminate, suspend or decelerate activities started in the earlier years.

In 2006, PIN refocused its activities on Central Myanmar. While in most of 2005 activities centered on the border area with Northern Thailand in Eastern Shan State we started new projects in Yangon and Mandalay. In April 2006, PIN closed down its office in Maesai, Thailand at the border with Myanmar. For about one year we had run and expanded projects across the border in Myanmar from our office in Maesai. With the project teams in place and the project operations running smoothly, PIN's permanent presence is not required anymore. PIN will continue to monitor and support the projects and will visit the project sites regularly.

II. New Projects

After the government increased the salaries for all civil servants and the military by 500 – 1000% in April 2006 prices exploded for the basic products, such as cooking oil and rice. Families struggle to earn the money for food and education of their children. In Mandalay – the second biggest city - a normal day laborer earns about 1,000 Myanmar Kyats a day (US\$ 70 cents); this amount could cover the basic living expenses about 2 years ago but following the recent price increases a family rather needs US\$3 – US\$ 4 a day. This is most dramatic in the big cities as the families of day laborers depend completely on the income earned; in the smaller places, villagers can often resort to growing some food themselves.

1. YMCA Mandalay: New Nursery Building

In one of the poorest townships of Mandalay, PIN helps YMCA to upgrade and expand its nursery with a new building. Currently, the nursery only has one room of 24 square meters for all 62 children. Due to the space constraints the children have to take their breakfasts and lunches outside in the open, about 4 meters away from the open toilet which is just a gutter of about 2 meters length.

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YMCA Nursery Mandalay



YMCA Nursery Mandalay: Dining Area

YMCA submitted a building proposal for a new nursery for 100 children to PIN and the Australian Embassy in Yangon. PIN and the Australian Embassy agreed to jointly finance the construction of the new nursery building. In November 2006 both PIN and the Australian Embassy paid US\$ 7,440 each to YMCA to cover for the construction cost of the building.



New Nursery Building Mandalay

The construction of the nursery building started immediately and the building should be completed by February 2007 and be opened for children soon after.



New Nursery Building Mandalay: Construction

2. Good Shepherd Sisters, Yangon

In August 2006 PIN started two new projects in Downtown Yangon together with the Good Shepherd Sisters (GSS, an international catholic order) at their Convent in Yangon. It is the former (Pre-WWI) German Club, next to the Latha Township High-School II and the Yangon General Hospital.

2.1 Nursery for socially-disadvantaged children

Jointly with the Sisters PIN decided to help children of one the poorest population groups in Yangon: their parents are garbage collectors and cleaners at the General Hospital and street vendors in Latha Township. Most of them live in Dala Township on the Southern side of the Yangon River; some of them are homeless, spending the nights at the hospital or railway station compounds.

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After renovation of an old garage building at the GSS compound the Sisters started a nursery and pre-school for 20 children on October 2, 2006. The children are between 3 and 6 years of age, 90% of the children are from Buddhist and Hindu families. Three trained nursery teachers look after the children. In addition to the normal nursery services we provide food and clothing to the children. The nursery program is complemented by regular two-weekly meetings with the parents to make them aware of basic hygiene and health issues and to help them with the education of their children.



Good Shepherd Sisters Convent, Yangon
(Former (pre-WWI) German Club)



GSS Nursery Yangon

By Christmas the nursery had grown to 30 children. Already after 3 months we have seen a remarkable improvement in social behavior, general health and hygiene of the children attending the nursery.



GSS Nursery Yangon: Christmas Party



GSS Nursery Yangon: New Playground

2.2 Vocational Training and Leadership Program for Young Women

The second new program of PIN and the Good Shepherd Sisters addresses the need of high-school and university graduates from villages upcountry to learn a profession, gain professional experience and develop leadership skills. In September 2006, the Good Shepherd Sisters started a one year vocational training program for 10 young women aged between 18 and 27. They receive a 4-6 months training in different professions, such as accounting, sewing, nurse aid, nursery teacher, etc. The theoretical training will be followed by a professional experience through working in Yangon businesses and institutions. The training is conducted outside of the Convent at private and charitable institutions. The young women stay at the GSS Convent and receive additional language and leadership training from the Sisters. In their free time they join the social projects of the Sisters in the General Hospital and in the slums of Yangon. After completion of the one year program the young women will return to their villages and towns in the different part of Myanmar and seek employment there.



Vocational Training Yangon: Sewing

III. Ongoing Projects

1. Shalom Foundation, Development Workshops in Kayah State

In 2004, PIN teamed up with a local Myanmar NGO – Shalom Foundation (Nyein Foundation) for joint development projects. Shalom Foundation focuses on dialogue, peace-building and conflict resolution between the government and the ethnic minorities and is represented in all ethnic areas. Together, Shalom and PIN started workshops on Participatory Action Research in different townships of Kayah State. In the 2-week workshops the villagers learn to identify and prioritize needs for community projects and some basics for writing project proposals and managing development projects. We targeted one of the poorest States in Myanmar: Kayah (Karenni) State bordering Thailand. Here, government troops fight ethnic rebel groups and local communities suffer violence and displacement. With the unstable security situation only three of the envisioned workshops could be completed so far but we hope to finish all eight workshops in the different districts of Kayah State in the near future. Of course, this area around Loikaw is off-limits for foreigners: PIN was never permitted to visit the workshops in action. Shalom Foundation will continue to organize the workshops with local resource persons and with the financial help of PIN.

2. Eastern Shan State

After the purge of the former Prime Minister Khin Nyunt in late 2004 social work became difficult in Yangon. In 2005, PIN moved its main activities to the so-called Golden Triangle in the Northeast of Myanmar. Here, Myanmar, Thailand and Laos border along the Mekong River and China is only about 100 km away. Maesai, the Northern-most Thai city, offers a convenient base for cross-border activities in Myanmar as foreigners are allowed to enter Myanmar (Tachilek) by road.

2.1 Good Shepherd Sisters, Mong Kho Village Tract

In March 2005 PIN started to support a rehabilitation and education project of the Catholic Good Shepherd Sisters in Mong Kho Village Tract, about 30 – 80 km away from the border town of Tachilek, inside of Eastern Shan State, Myanmar. The project for the ethnic minority hill-tribe of the Akha had been started by the Sisters in 2001 with UNDP funding (for one year only) as a rehabilitation project for drug users and villagers with HIV/AIDS: Historically, the villagers sold their daughters into prostitution to Thailand and took the money to buy and smoke opium. As a result many of the villagers were drug-addicted, HIV-positive and worst of all the young generation older than 12 years was gone – the boys didn't stay long after the girls had left. When we arrived UNDP had long stopped the funding and in 2005 PIN took over the financing of the complete project.

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After one year of successful cooperation between GSS und PIN, the Sisters expanded the project coverage from initially 6 villages with 900 villagers to 13 villages with 444 households, i.e. 2,331 villagers of which 720 are younger than 18 years.

With a project staff of 16 persons total (4 Sisters, 5 teachers for the nurseries, 2 trainers for the sewing program, 1 trainer for handicrafts, 1 nurse, 1 translator and 2 workers) and several volunteers in the villages, the Good Shepherd Sisters run

- a nursery with 50 children (70% are from Buddhist families) at the Convent in Yangon Ywar Village.
- a new nursery with 25 children in Hway Thar 2 Village.
- an education program for 54 students attending Primary and Middle School with additional school education in the morning and evening before and after public school.
- a boarding house with 15 girls attending Primary and Middle Schools.
- a sewing training program to train 14 girls (mostly bar girls and former illegal migrant workers in Thailand).
- a sewing and handicraft workshop to generate income opportunities for 100 - 200 women and girls in the villages.
- a boarding house for 12 girls attending the sewing training.
- a small pharmacy and clinic with a nurse; in 2006 the nurse had about 2,000 patient visits (including about 750 children of less than 6 years). In addition, the Sisters accompanied the most severe medical cases to Thai hospitals in Maesai and in Chiang Rai (about 200 cases in 2006).
- a hygiene and nutrition program for 50 poor children between 3 and 13 years from the neighboring villages.
- a counseling and support program for 25 HIV/Aids patients and free HIV-treatment at Chiang Saen Hospital in Thailand.
- seminars and retreats for former drug users and seminars on hygiene and public health.
- regular meetings and trainings of community leaders and villagers to improve health and livelihood in the villages.

In addition, PIN sent 11 students (6 girls and 5 boys) to High-Schools in Mandalay, Thiri and Tachilek and pays for the boarding and school fees.



Sisters in Yangon Ywar Village



High-School Boarding Girls

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Sewing Workshop



Contract Work in Akha Village

In June 2006 the Sisters opened a new nursery building at the Convent in Yangon Ywar Village; the construction was financed by the Kentung Diocese (Eastern Shan State); PIN pays for the operating expenses.



New Nursery in Yangon Ywar Village



Nursery Children

New Nursery at Hway Thar 2 Village

In the neighboring village Hway Thar 2 PIN financed the construction and operation of an additional nursery. The new nursery and pre-school for 25 children opened on November 1, 2006 and is run by two nursery teachers.



New Nursery Building in Hway Thar 2 Village



New Boarding House for Girls at GSS Compound, Yangon Ywar Village

Many young girls from remote villages without access to schools want to attend Primary and Middle Schools. To help the girls the Sisters want to extend the boarding facilities in Yangon Ywar Village. The project proposal for a new boarding house for 80 girls was approved by the German catholic Kindermissionswerk "Sternsinger". As soon as the money will arrive the construction of the boarding house will start. The construction should be finalized in 2007; PIN committed to assume all expenses of running the new boarding house.

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Water Supply for GSS Compound, Yangon Ywar Village

In the dry season April/May 2006 the Sisters and the people living at the compound experienced a major water shortage and an increase in diarrhea cases and other diseases. To prevent this from happening again and to prepare for the additional water consumption by the new bigger nursery and by the envisioned boarding house for girls, PIN financed the construction of a new 2km water pipeline and additional water tanks linking the Convent compound with the water supply at the other villages. The construction of the new water supply system started in January 2007.



Water Tank in Hway Thar 2 Village



Village Transport (...where a car can't go)

3. Other Projects

PIN continued to support the family of Yan Sofyan in Kampung Makasar, Jakarta, Indonesia and financed the university study of the daughter Maria. In 2004 Yan Sofyan died of colon cancer and left the family without financial support.

Furthermore, in Myanmar PIN made small donations to nurseries, Buddhist orphanages and to HIV/AIDS patients.



Jakarta: Sofyan's Wife and Daughter



Yangon: U Shein (HIV/AIDS Doctor)

IV. Suspended Projects (on hold)

1. Dhammasiri Hospital, Tachilek

Following its strategy of working through local organizations PIN teamed up with one of the most respected Shan monks. Khrubar Seng Hlar is 78 years and resides in his Two Dragon Monastery in Tachilek. He draws his power and the respect of the population from his Buddhist achievements; he attained the second highest level in the Burmese Buddhist spiritual hierarchy; his complete title is unpronounceable: Phrakruwa Seng Hlar Venerable Dhammasiri Abhidhaja-Aggamaha-Saddhamma-Jotika, Aggamaha-Pandita, Aggamaha-Saddhama-Jotikadhaja of Ngagar Hnakaung Monastery in Tachilek, Shan State (East).

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Dhammasiri Hospital, Tachilek



Khrubar Seng Hlar

In 2002, Khrubar Seng Hlar started to build a 200-bed hospital in Tachilek: When finished the poor should receive free medical care at the new Dhammasiri Hospital. Currently, medical care is insufficient and expensive; the next hospital with surgical facilities is in Kentung, about 5 hours drive by car.

When we met the monk for the first time in 2005, the hospital construction was about 90% completed. A large part of the US\$ 6 million construction budget had been donated by Thai individuals and institutions such as the Thai Royal Family, Thai Lotto Company, and families of former Thai Prime Ministers. The reasons for this generosity were simple: it was the respect for the Shan monk – the Shan belong to the same ethnic group as the Thais – and more importantly, the intention to upgrade the health care facilities on the Myanmar side to stem the flow of sick Burmese to Thailand. To help the Monk to finish the hospital construction PIN donated the oxygen supply equipment for the hospital in 2005.

In 2006, the hospital construction was finished but it could not open yet. Its future hinges on five critical issues:

- the operating permit for the private hospital has to be granted by the Myanmar Government;
- doctors and nurses with Burmese licenses have to be identified and employed;
- the medicines and medical supplies have to be sourced;
- the supply of electricity has to be secured from Thailand (in Tachilek electricity is not available 24-hours a day, it is unstable and five times as expensive as on the Thai side);
- the operational budget for the hospital has to be raised (about US\$ 1.4 million p.a.).

No solution is in sight for the obstacles delaying the hospital opening. PIN abilities to support the Monk in his endeavor are limited: On behalf of the Monk PIN asked the Thai Minister of Health for the donation of medicines of about US\$ 500,000. Unfortunately, since the ouster of Prime Minister Thaksin in Thailand the interim Minister of Health in Bangkok did not want to address this delicate cross-border issue. In addition, PIN's funding request to the Melinda and Bill Gates Foundation was rejected as the Gates Foundation does not want to sponsor general health care and health infrastructure projects.

2. Vocational Training Center for the Jewelry Industry in Yangon
Jointly with a German Jeweler PIN developed the plan for a Vocational Training Center for Goldsmith, Silversmith, Jewelry, Jewelry Design and Objects. We envisioned a 12-36 months training program to educate and train Burmese students to become qualified goldsmiths, being able to manufacture jewelry of Western standards. The idea is that precious stones – sapphires, rubies and jade – are unique

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natural resources of Myanmar. The stones are held in high esteem by the Burmese political leaders and any upgrade of the Myanmar jewelry industry should be in their interest. In Burma most of the stones are exported in a rough and unfinished form, i.e. the income from the finished jewelry will be generated outside of Myanmar (mostly Thailand and Switzerland), leaving the local industry with a tiny fraction of the potential profits. By educating young Myanmar nationals to design and manufacture high quality jewelry PIN hopes to upgrade the Myanmar jewelry industry and create highly qualified jobs. The training center could sell finished jewelry in a showroom to Western tourists and export it abroad. The revenues and study fees should enable the training center to be financially self-sufficient after 3-4 years.

In summer 2005 PIN initiated discussions with the Myanmar government to attain the permission for the Training Center. With the help of Thai government agencies, retired Myanmar generals and senior ministry officials we held discussions with industry representatives and submitted a proposal to the Minister of Mines. But to this day, PIN did not hear back from the Ministry. Either the proposal has been forgotten, has been declined or is simply put on hold. The informal feedback was that the Ministry was very busy relocating its offices to the new capital – Pinyinana or Naypyidaw, the New Royal City. (Background: In a surprise move which stunned Western and fellow ASEAN Governments, the Myanmar Government relocated all of its ministries and offices to Pinyinana starting in November 2005. Pinyinana or Naypyidaw lies in malaria-infested jungle in-between mountains, about 400 km north of Yangon.) We continue to wait for an official response to our proposal; maybe one day there will be a call



Destroyed Landscape: Jade Mines Hpakant



Working Elephant, Hpakant



Ruby and Sapphire Mining, Mogok



Daily Production of Open Pit-Mine, Mogok

V. Terminated and Finished Projects

High School Boarding House at Myaing Gyi Ngu, Kayin State

In 2004, PIN gained access to the restricted area in Kayin (Karen) State in Burma's mountains and jungles close to the Thai border. Here, a 60-year long war rages between the government military and the independence army of the Karen minority (KNU). Together with the Buddhist monk U Thuzana PIN started the construction of a boarding house for 200 children at the local Basic Education High-school. The start was very promising. We laid the foundation stone and the construction got underway in September 2004. But then – in late 2004 - the Burmese Prime Minister Khin Nyunt was sacked and Military Intelligence Department was liquidated. PIN and other International Aid Organizations were not allowed to travel into the restricted areas anymore: the border areas became absolutely off-limits for foreigners. Without being able to travel to the construction site anymore the budget for the proposed boarding house ran out of control. PIN had to put the funding on hold. We had hoped that the building stop would be temporary only and that the South-East Commander of the Burmese Military would grant a travel permit after some time and the construction of the boarding house could continue with our help. But 2 ½ years later the situation had gotten worse and travel restrictions are even tighter. Without the continuation of PIN's funding the monk modified the building plan, cancelled kitchen, washrooms, and dining and study hall and converted the envisioned boarding house into an additional school building. The building is finished now and fortunately, it has some good use.



Myaing Gyi Ngu at Salween River



Primary School, Myaing Gyi Ngu

VI. Outlook 2007

We do not expect the hostile environment for humanitarian aid and the economic situation in Myanmar to materially change over the next years. To the contrary, we expect further deterioration in education and public health and the livelihoods of the majority of the population.

Nevertheless, PIN is committed to continue its projects in Eastern Shan State, Yangon and in Mandalay. We expect that the 2007 financial requirements in Yangon Ywar Village will increase as the new boarding house for girls attending primary and middle schools should be opened in 2007. In addition, we evaluate possibilities to expand the vocational training program for young women in Yangon.