



Department  
for International  
Development

Operational Plan 2011-2015

# **Operational Plan 2011-2016**

## **DFID BURMA**

Updated December 2014

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## Introduction

In 2013 the UK became the first G7 country to meet the United Nations target of spending 0.7% of gross national income on international development. The Department for International Development (DFID) uses that investment to help countries to lift themselves out of poverty and leave poverty behind. Operational plans set out to the public how we plan to deliver results across policy areas and for every country we work in. These plans clearly explain why, and how, DFID is targeting its resources and what we expect to achieve; covering the period up until March 2016.

DFID is focused on spending in the right ways, on the right things, in the right places. The portfolio of our projects is already shifting to deliver a more coherent, focused and ambitious approach to economic development. We are helping to build strong and investable business environments in developing countries and improving access to finance for entrepreneurs.

Improving the prospects for girls and women in developing countries is a priority. Investing in girls and women is the smart thing to do, as well as the right thing to do. By unleashing their potential, we see returns for girls and women themselves, their families and communities, and for their economies and countries. No country can successfully develop if it leaves half its population behind.

Life-saving humanitarian assistance remains one of DFID's most fundamental responsibilities. When disaster strikes or conflict erupts we are first on the ground to support the most vulnerable people. We are also increasing our efforts to help those countries that are at higher risk of natural disasters to become more resilient in the first place.

DFID continues to drive value for money in everything we do on behalf of the British taxpayer. We have improved our procurement and programme management, increased our internal audit oversight and we are ensuring that staff have the skills to deliver the Department's priorities.

On the international stage we are working hard to agree a new set of global development goals to replace the Millennium Development Goals when they expire next year. We are determined to secure a clear and inspiring set of goals for the post 2015 development framework that leave no one behind.

Increasingly we will take new and innovative approaches and we will work with new partners. This will include businesses who are increasingly major development players. During the Secretary of State's as co-chair of the Global Partnership for Effective Development Cooperation, DFID played a key role in encouraging different development actors to work together and use internationally agreed principles for aid and development effectiveness.

As our operational plans set out, our approach to international development is ambitious and innovative. We are determined to ensure that every pound DFID spends has the biggest possible impact on the ground. Ultimately by investing in developing countries, we can end aid dependency for good and build a better, more prosperous world for us all.

## Context

The context in Burma has changed dramatically since this Plan was originally published. The elections in Burma in November 2010 – though widely seen as falling significantly short of international standards - started a remarkable process of change in the country. Key points in this include: the convening of a largely civilian parliament in April 2011, which has since enacted a series of economic and political reforms; the signing of ceasefire agreements with all but one of the ethnic armed groups in early 2012, followed by ongoing talks; and by-elections in April in which Aung San Suu Kyi's National League for Democracy won 42 out of 44 seats. Aung San Suu Kyi herself took her seat as an MP in parliament in May 2012. These changes are welcome and the UK has responded in a number of ways, including by:

- A visit by the Prime Minister, culminating in the suspension and then lifting of EU sanctions in April 2012 and April 2013
- Stepping up engagement with reformers in government and continued strong support for Aung San Suu Kyi, opposition parties & ethnic groups
- Developing a new programme and taking a lead role in using our aid and coordinating others to support reforms.

Yet fundamental challenges remain. In a region containing some of the fastest growing economies in the world, Burma remains one of the poorest countries in Asia. Data about poverty in Burma is difficult to obtain and some is unreliable, but there is evidence of widespread poverty and vulnerability. Its Human Development Index rank of 149/186 (UNDP) is the lowest in the region. Where reliable data exists, it shows the country is off track to reach many of the Millennium Development Goals (MDGs). It has some of the worst health indicators in Asia, and suffers amongst the highest rates of malaria, malnutrition (especially amongst children) and tuberculosis in the world. Conflict has caused widespread displacement affecting girls and women most. Women are poorer than men, often struggle to access healthcare in childbirth and are barely represented in public life, for example comprising less than 6% of the national legislature.

In addition, underlying ethnic tensions have the potential to undermine the reform process. In Kachin, a longstanding ceasefire broke down in 2012, with the intensified fighting leading to over 100,000 people (UNHCR) being internally displaced. In the southwest, inter communal violence between the Muslim Rohingya and the Buddhist Rakhine, and discriminatory policies towards Muslim populations, have led to segregation of many communities and a deteriorating humanitarian situation. Outbreaks of inter communal violence – mostly anti-Muslim in its nature - have spread to other parts of the country leading to increased displacement. An estimated half a million people are also still internally displaced in eastern Burma and some 128,000 people (UNHCR) continue to live in refugee camps in Thailand. There are concerns that the pace of wider political and democratic change in Burma may be slowing in the second half of 2014.

Economic and social reforms driven by government and agreed by parliament have not yet fully released the country's huge economic potential. The reforms have resulted in strong growth rates estimated at 8¼% this year. However, this growth is precariously based on extractives which account for 40% (IMF, 2013) of exports. The benefits from natural resources such as oil, gas, mining and timber are controlled by a small elite, and do not spur a broader growth base. Burma is still one of the hardest places in the world to do business ranking 182 of 189 in the World Bank's Doing Business report. The agricultural sector, once the rice basket of the region, and still the main source of income for 66% (UNCTAD) of the population, remains unproductive, uncompetitive and low value and there is a growing number of landless people (15 million) dependent on seasonal, non-farm work which is inadequate across the year. The banking sector is weak and over regulated, the country's majority rural population cannot access the credit they need, and the small private sector is starved of finance and hamstrung by unreliable infrastructure and red-tape.

Whilst there have been welcome increases in social spending - government health spending has increased 9 fold in the last 5 years to around \$8 per capita in 2013 and government education spending has tripled in the past three years - investment in basic services for people remains extremely low by international standards, and still lags far behind spending on the military. Skills in public administration at all levels had been in decline for 20-30 years. A key question now is whether the state machinery can deliver its leaders' reform priorities, or if years of military style command and control decision making will tend to stymie systemic change.

Aid from the international community to Burma is increasing. Following the cancellation of Burma's outstanding debt payments to the World Bank and the Asian Development Bank, both are now starting to design and implement major programmes of support. As one of the few donors with a long established presence in Burma, our expert staff seek to work with other donors in ensuring what aid is given is used effectively.

# Vision

## Overview

A resource rich Burma that is accountable to its people and open to responsible investment has great potential to reverse years of decline and build a resilient and inclusive economy. Our aim is to help Burma harness this potential - to help create a better governed, more peaceful & prosperous country that uses its increased wealth to reduce poverty and vulnerability, and build the human capability to take up opportunities within Burma and the region more broadly. Our narrative is one of supporting transformational reforms that lead to greater political and economic inclusion whilst helping build the bedrock of better public services.

To support Burma's transformation, we are emphasising five key areas:

- Peace building and conflict resolution
- Improve state capability, democratic governance and accountability
- Economic transformation and job creation
- Supporting the development of a dynamic and resilient rural population and economy
- Developing human capital.

In addition to developing new programmes covering these areas, our ongoing investments – which are on track to deliver the significant results set out at the start of the plan – will also have a greater focus on these five areas.

The UK led suspension in April 2012 of EU sanctions, and their lifting in April 2013, has allowed us to start a new partnership and dialogue with the government. Our present policy is that none of our bilateral aid is provided through central government systems, only through United Nations organisations, trusted international and local NGOs and, where circumstances allow, to authorities at the township level. We are also initiating some private sector partnerships to stimulate inclusive and responsible investment. We continue to support efforts to develop national and local strategies that meet people's development needs, and that people have had a say in designing. Where those strategies exist we will explore aligning our support with them.

## Alignment to DFID and wider UK Government priorities

Development is a key part of UK government policy towards Burma. This plan has been developed in close coordination with the Foreign Office.

- Our plan targets key new areas of democratic governance, transparency, accountability, prosperity and security.
- Our programmes will be designed not only to meet basic needs, but to maximise their contribution to longer-term changes that address the root causes of conflict and fragility in Burma. Our plan has a strong focus on girls and women, with, for example, targeted interventions to reduce maternal mortality and increase women's access to credit. We will bring forward work to promote women's leadership and political participation; and strengthening women's voice in policy, planning and service delivery. We will also address the specific needs of girls and women in conflict and humanitarian situations and implement a cross-HMG Women, Peace and Security Action Plan.
- DFID Burma will mainstream climate change adaptation and resilience into our livelihoods work portfolio; drawing where possible on the International Climate Facility (ICF).

## What we will stop doing

- We have stopped our post-Cyclone Nargis relief programmes (£5m in 09/10 – 10/11) and have focused on longer-term recovery programmes in the Cyclone-affected areas.
- Two of the multi-donor funds we supported in 09/10 (Three Diseases Fund; UNICEF Education Fund) were redesigned and strengthened to achieve greater results.

## Results 2011/12-2015/16

**Headline results** (those with a \* directly attributable to DFID. In all other cases, DFID is contributing to the results)

	<b>Pillar/ Strategic Priority</b>	<b>Indicator</b>	<b>Baseline (including year)</b>		<b>Expected Results (including year)</b>
4.1	MDGs – Health	Number of women and men who receive appropriate treatment to contain the spread of drug-resistant malaria, through DFID funding*.	Nil at 2010 (Output indicator)	547,653 (177,376 women). Exceeded.	500,000 (Cumulative to end of 2014). 250,000 women, 250,000 men
4.2	MDGs – Health	Number of unintended pregnancies averted, through DFID funding*.	Nil at 2010 (Output indicator)	249,285. Exceeded.	153,000 unintended pregnancies averted, by the end of 2014
4.3	Wealth Creation	Number of development finance organisations that commit capital or attract private investment into Burma.	Nil at 2012 (Output indicator)	3 (IFC, ADB, WB). Exceeded.	2 by end of 2015
4.4	Wealth Creation	Increased transparency of public funds in Burma, particularly in the important natural resource sector	not transparent (2013) (Outcome indicator)	Burma has been confirmed as a candidate country for the Extractive Industries Transparency Initiative (EITI) with DFID's support.	2 key fiscal documents made publicly available as measured by global good practice. By end of 2016
4.4	Wealth Creation/ Poverty, Hunger & Vulnerability	Number of women reached with access to financial services as a result of DFID support*.	Nil at 2010 (Output)	135,708. Exceeded.	110,000 women by end of 2015  New target 124,000

			indicator)		by end of 2016
4.5	MDGs – Education	Number of girls and boys assisted to overcome barriers to accessing and completing primary school, through DFID support*.	Nil at 2010  (Output indicator)	178,100 (89,050 girls). On track.	227,000 children by end of 2015 (113,500 girls and 113,500 boys)
4.6	MDGs - Humanitarian	Number of people in conflict affected communities supported with humanitarian aid, through DFID support.	52,000 people by 2010  (27,000 women & girls, 25,000 men & boys)	399,636 (96,868 women). Exceeded.	155,000 people by end of 2014  (80,000 women & girls, 75,000 men & boys)
4.7	Governance & Security	Improvement in political rights and civil liberties, as measured by Freedom House.	“Not Free” in 2012	Still not free, but with significant improvements: The 2013 Freedom House index Burma has improved its score on political rights from 7 to 6 and civil liberties from 6 to 5. No change in scores in 2014 report by the Freedom House but with a stable status.	“Not Free” but with positive developments in political rights and civil liberties and an overall stable status in 2015
4.8	Governance & Security	Number of people supported to have choice and control over their own development, through DFID support.	Nil at 2010  (Output indicator)	124,946 (53,470 women). Exceeded.	94,000 people by end of 2015  (inc. 76,000 women).

## Headline Results

With an increased budget for FY 2014/2015 and FY 2015/2016 we will continue to deliver the existing programmes with headline results listed on page 10. In addition we will significantly scale up work on economic and political transformation (including on peace building) and investigate the feasibility of expanding our work on education. Our programme will develop in the following ways:

- **Major new investment on inclusive, transformative economic growth policy.** This may include reform of the financial sector and business climate, building markets, infrastructure, trade, reforming state enterprises and increasing opportunities for private investment – with the aim of generating much needed new jobs and increased private investment (including from abroad) in Burma.
- **Livelihoods and job creation:** a more ambitious livelihoods programme to capitalise on the opportunities for economic transformation by expanding into new ceasefire areas, support rural-urban migration for the landless through vocational training and safety net support, and help rural communities in situ to adapt to climate change.
- **Increased funding for the peace process.** This will include significant funding for political dialogue priorities and reforms, development and confidence building measures in post conflict areas in response to a national ceasefire, and participation of women in peace processes, with a potentially high impact on poverty reduction.
- **New investments in democratic strengthening** to ensure that citizens in Burma, especially women, are more strongly represented in the political and electoral processes, including the 2015 elections. This will be achieved through support to improve the capacity of the Union Election Commission (UEC) at local and national levels; by supporting voter education and the deployment of domestic election observers; and by funding parliamentary strengthening work.
- **Investigate the feasibility of a new investment in education,** building on the costed national plans developed through the Comprehensive Education Sector Review. We will explore a continued focus on strengthening systems for quality education, including basic education, whilst also scoping the potential to expand support to new areas including secondary education and employment related skills.
- We will add an **indicator on transparency of the use of public fund and natural resources** in the light of DFID commencing support to public finance management and transparency.

We are considering adding (i) an **indicator on nutrition**, as we have been delivering significant results on nutrition through our existing livelihoods and health programmes, and (ii) an **indicator on people supported to vote in elections**, if we can generate appropriate data in accordance with DFID required reporting methodology. We are considering to increase targets for several indicators which have exceeded the original targets including indicators on access to finance and on family planning.

## Evidence supporting results

The availability of good quality evidence in Burma is generally low. DFID has increased our support to large scale, systematic data collection and impact assessment via our significant funding for the first census in Burma for more than 30 years, and through our support to selected sectors including the health information system. Because data is difficult to obtain and some national data is still unreliable, our headline results refer to the direct results of UK-funded programmes, measured through programmes' own monitoring and evaluation (M&E) systems. Where possible and for comparability reasons we use internationally acceptable data and analysis, for example the Freedom House Index.

Our plan is based on the experience of several years of expansion of our aid, which has shown that it is possible to deliver aid, to achieve results and meet needs despite the difficult context. Based on this experience, the results presented in this framework are realistic, achievable but also stretching, based on partner estimates of what their programmes can deliver, as long as there is no major deterioration in the humanitarian and the operational context, and subject to the detailed design of new programmes.



In health, the emergence of artemisinin-resistant malaria is a threat to global malaria control. The country has developed a strategy in response to the threat called the Myanmar Artemisinin Resistance Containment Framework (MARC) which includes a common M&E framework.

Systems for independently monitoring the impact of our work on education are well established and provide reasonably reliable data.

The evidence supporting our investment indicator is straightforward. None of the major finance organisations (CDC, Private Infrastructure Development Group, the Asian Development Bank, International Finance Corporation and the World Bank) had capital resources invested in Burma in July 2012. The changing of their mandate (at the appropriate political moment) and the presence of operations in Burma are both observable. We are supporting analytical work by the World Bank on public financial management and the investment climate to generate baseline evidence for the economy. DFID also provides support to Burma for its candidacy to the Extractives Industry Transparency Initiative (EITI) and on transparency in general.

Our main investment to reduce poverty, hunger & vulnerability (the multi-donor livelihoods fund LIFT – Livelihoods & Food Security Trust) has generated good results to date and been designed with robust M&E systems built in to measure the impact of more innovative work.

The quality of evidence supporting our proposed humanitarian aid is mixed. The impact of aid to refugees in Thailand and internally displaced people (IDPs) in Rakhine is relatively straightforward to measure by NGOs working in the camps. Aid to communities within Burma in Kachin and the South East affected by conflict is more difficult to measure, as access to some of these areas is more restricted. We are reviewing practical measures to improve M&E of the programme.

The Freedom House indicator is a reasonable overall indicator of progress on democratic governance, political rights, and accountability. There is evidence of impact on communities from long-standing governance and security programmes by UNDP and NGOs. This shows the benefits that self-reliance group membership has had on women's economic opportunities and on their ability to influence community decision making. Support for larger voluntary organisations or networks and coalitions has started more recently, but has shown that it is possible to strengthen the effectiveness of such groups and to influence policy at national and sub-national levels.

### **VFM rationale**

Given the uncertain political situation and levels of fragility, investment in Burma carries a significant level of risk. But the potential rewards of successful aid investments are also significant, given the high levels of need and the relatively low levels of aid per capita. Our aid has also 'leveraged' in more significant funding and so increased impact (for example our investments in the Three Diseases Fund helped secure the return of the Global Fund for HIV, TB & Malaria, which will significantly improve results in tackling these diseases). Results identified in this plan have been prioritised on the basis of:

- The significant levels of need, and the benefits that can be delivered to Burma's people, which outweigh the costs.
- The potential global impact of aid to Burma – particularly the containment of the emergence of drug-resistant malaria.
- The potential to leverage other resources by working together with other government and private donors to develop programmes that they can fund.
- The potential for different activities to contribute to longer-term processes of peace-building, democracy & accountability and to giving people a greater say in their own development.
- Attention to a balanced portfolio of large, multi-donor funds and smaller, more flexible aid modalities.

## Delivery and Resources

### Instruments of delivery

The DFID Burma team comprises staff based in the DFID office in Rangoon (in the British Embassy building), a full-time staff member in Bangkok, and part of the time of DFID colleagues in London, Delhi and Hanoi. DFID staff work very closely with Foreign Office (FCO), UKTI, MoD & British Council colleagues. In September 2014, the UK government established a new **Whitehall Burma Unit** in London as part of the wider Cabinet Office initiative to improve co-operation and efficiencies between departments. Building on an already close inter-departmental working relationships in the UK and Burma, the new Unit brings the FCO Burma Team into even closer alignment with people working on Burma in the MoD and DFID in London to pool information, confer more closely on policy development and actions, and respond to media and parliamentary enquiries. DFID's team in Rangoon is supported by staff in London to respond to the considerable public and political interest which Burma attracts. To deliver the Operational Plan, we have already brought in new staff with a range of technical expertise and will continue to strengthen the team over the coming years.

### Other Delivery Mechanisms and Partners

Partnerships are key to DFID's effectiveness in Burma. They enable DFID to enhance its impact and extend its influence. Our present policy is that none of our bilateral aid is provided through central government systems, only through United Nations organisations, trusted international and local NGOs and, where circumstances allow, to authorities at the township level. DFID seeks to leverage additional donor resources for key development priorities. We helped provide the leadership to construct multi-donor funding mechanisms into which others have contributed. Examples include the Three MDG Fund in health, and the Livelihoods and Food Security Trust Fund (LIFT). The UK is one of the largest providers of official development assistance to Burma, and we seek to be influential in terms of policy and programme leadership. The recent political changes have resulted in many new bilateral and multilateral donors, including the World Bank and Asian Development Bank, initiating or expanding work in Burma. We seek to play an influential role in coordinating this influx, with a view to avoiding duplication of effort, ensuring the government is not inundated with offers of assistance that it cannot manage and using the expertise we have built up in Burma to ensure aid reaches the poorest and achieves maximum impact.

### Multilateral Organisations

Our UN delivery partners include UNICEF and UNDP. In both cases, our assessments locally match those of the 2010 Multilateral Aid Review (MAR). UNICEF demonstrates strong delivery in this fragile environment. UNDP plays an important governance and gender role. Both of these organisations could work more effectively with other each other and parts of the UN and we will press them to improve this. A significant proportion of our scaling up will be channelled through the UN Office for Project Services (UNOPS) which was not assessed as part of the MAR. Maintaining its effectiveness is a priority for us. The World Bank Group and the Asian Development Bank, strong performers in the MAR, returned to the country in January 2013. We are working closely with these institutions as they formulate their strategies to ensure that they are able to provide the best possible support to the country. We are beginning to route some of our resources directly through them: on public financial management through the World Bank; on investment climate reform through the International Finance Corporation; and on Public Private Partnerships through the Asian Development Bank. We have set up an in-country trust fund with the World Bank Group which will enable the UK put resources through them in a way that delivers strong value for money for the UK taxpayer.

Burma is a recipient of finance from global funds including the Global Fund to Fight AIDS, TB and Malaria (GFATM, £198 m 2013-16) and the Global Alliance for Vaccines and Immunisation (GAVI, £51 m 2012-16), both of which receive DFID funds at the global level. Both funds are performing well – in line with the Multilateral Aid review findings - and progress is overseen by the Myanmar Health Sector Coordinating Committee on which DFID has a seat. Over the next year plans will be put in place for further alignment of these programmes with government systems.

### Other Country Activity

Our team has more than doubled in size since 2010/11, so we now have increased capacity and responsibility to provide technical and policy leadership. Support on maternal & child health and to strengthen civil society are good examples. We believe that UK leadership is appreciated by others and helps to extend wider UK

influence. However, it also imposes greater demands on DFID programme staff and these are reflected in our proposals for organisational design.

The lifting of EU sanctions (except the arms embargo) in April 2013 has opened up to us a wider choice of aid instruments and we have the chance now to develop additional options. For example, we supported a World Bank assessment of the Government's financial management as a first step in considering how we might strengthen government resource allocation and delivery systems.

### **Maximising the impact of our people**

Over the remainder of the Operational Plan period, further expertise as well as programme and administrative support will be recruited to manage our increased engagement. Between 2010/11 and 2014/15 our staff complement has doubled 14.5 to [29.5] Full Time Equivalents (FTE). DFID Burma will continue to draw on the skills and expertise of DFID advisers based in the UK and Asia as well as developing the significant potential of our locally employed staff, through mentoring, professional skills development and communications training. The office has a longer-term strategic workforce plan to identify and develop Burmese expertise to strengthen the office's local knowledge base. The number of locally engaged staff has increased from 6 in 2011/12 to 16 in 2014/15. Our staffing profile will also change to increase the numbers of more senior staff appointed in country (SAIC).

With the influx of international organisations into Burma, both development and commercial, competition in labour market makes it difficult to secure, as well as recruit, good locally engaged staff. This is a challenge that DFID Burma will have to manage by ensuring local salaries are competitive, developing the potential of our own staff and making certain that job adverts are reaching the appropriate audience.

## Planned Programme Spend

Pillar / Strategic Priority (£ million)	2011/12		2012/13		2013/14		2014/15		2015/16	
	Resource	Capital	Resource	Capital	Resource	Capital	Resource	Capital	Resource	Capital
Wealth Creation	13	0	4	0	16	0	11	0	0	0
Governance and Security	3	0	2	0	13	0	7	0	0	0
Education	4	0	3	0	2	0	1	0	0	0
Reproductive, Maternal and Newborns Health	3	0	9	0	8	0	15	0	0	0
Malaria	2	0	3	0	8	0	4	0	0	0
HIV/AIDS	1	0	1	0	1	0	3	0	0	0
Other Health	2	0	2	0	4	0	16	0	0	0
Poverty, Hunger and Vulnerability	5	0	0	0	5	0	3	0	0	0
Humanitarian	4	0	6	0	12	0	4	0	0	0
Water and Sanitation	0	0	0	0	0.2	0	0.2	0	0	0
Global Partnerships	0	0	1	0	1	0	0.4	0	0	0
Climate Change - International Climate Budget	0	0	0	0	-	0	0.5	0	0	0
<b>TOTAL</b>	<b>37</b>	<b>0</b>	<b>31</b>	<b>0</b>	<b>70</b>	<b>0</b>	<b>65</b>	<b>0</b>	<b>82</b>	<b>0</b>

## Planned Operating Costs

Operating Costs	2011/12	2012/13	2013/14	2014/15	2015/16
	£'000	£'000	£'000	£'000	£'000
Frontline costs - Pay	501	965	990	1,198	1,254
Frontline costs - Non Pay	434	374	742	791	932
Administrative Costs - Pay	29	72	117	130	96
Administrative Costs - Non Pay	28	60	132	117	82
<b>TOTAL</b>	<b>992</b>	<b>1,471</b>	<b>1,981</b>	<b>2,236</b>	<b>2,364</b>

\*Expenditure figures for 2015/16 are indicative. DFID works in a variety of challenging environments, including fragile and conflict affected areas. Humanitarian work is often reactive and can be scaled up or down. An element of flexibility within funding allocations is necessary to ensure that we can balance the need for long term planning alongside the ability to respond where necessary to changing requirements

## Efficiency savings

Delivering Programme Efficiencies		
Category	Details	Residual cost in the SR period £'000
Strategic Reprioritisation	The Delta region will remain a geographical focus for DFID Burma. However, support to communities affected by Cyclone Nargis in 2008 will be mainstreamed within larger programmes over the Plan period.	5793

## Administrative cost savings

Over the course of this Operational Planning period, our budget for programmes will more than double. To support delivery of this increase; the number of full-time equivalent frontline staff will double. Frontline costs will therefore increase over the Operational Plan period from £767,000 in 2010/11 to £1.989 million in 2014/15. This reflects a higher number of UK staff in-country and the increasing costs of staff being based in Rangoon. DFID Burma's administration budget will increase from £61,000 in 2010/11 to £178,000 in 2014/15. Following steps will be taken to bring down administrative costs.

- Improving the value for money of our procurement (in both programme and admin spending). Staff received professional training from Crown Agents and DFID's regional Commercial Adviser. We aim to conduct a Commercial Capability Review to assess our systems and those of our partners in 2015.
- Achieving savings by working with other government departments and moving to a single corporate services team led by the FCO so that human resources, transport, accommodation, travel are managed by a single embassy team. This is intended to reduce administrative costs and increase efficiency. The new Joint Housing Committee and a Joint Management Board will help identify areas for savings.
- Establishing baseline indicators in key areas such as energy consumption, travel, water consumption and stationery-use to reduce staff-associated costs. Conducting annual 'mini market surveys' to drive greater competitiveness among currently used travel suppliers.
- Identifying and developing locally employed staff to strengthen local knowledge, and gradually to bring down staff costs as these staff take over more advisory work from more expensive international staff.

## Delivering Value for Money

**Maximising the impact of every pound that we spend in DFID Burma on poor people's lives.** DFID Burma works in a challenging, unpredictable environment, and its programmes are subject to high levels of scrutiny. Delivery of value for money is already a high priority. By balancing risk and diversifying our portfolio – working through a mixture of large-scale multi donor trust funds, UN agencies, international NGOs and local NGOs and community-based organisations – we have demonstrated that aid can deliver results in Burma for the poor people who most need it. Within the donor community, DFID Burma endeavours to be one of the leaders in increasing clarity over measurement of results and improving value for money.

There are **challenges** to delivering this agenda over the Operational Plan period:

- Burma is a quasi-fragile state with a young reform process where the costs of delivering aid can be high.
- There has been a significant influx of new donors and potential for uncoordinated aid.
- Limited access to areas affected by conflict makes measurement of impact challenging. But these are the areas with some of the greatest humanitarian need.
- Although there have been improvements in data transparency, national data remains incomplete and of highly variable quality, and it will take time for new data to be collected, processed and published.
- Measurement of the value of our work is not straightforward where the impact and outcomes do not lend themselves to quantification – for example development of more democratic and accountable institutions.
- We are expanding into new areas and so there will be a lead time as we build up our skills and knowledge and develop partnerships with organisations that have or are developing the requisite skills.

DFID Burma has a VFM strategy, and has worked closely with implementing partners to improve their delivery of VFM, financial management, forecasting, and programme management. We are making major contributions to improving the evidence base in Burma, through our support to the 2014 census, and through research by major funds in health and education.

We have taken significant actions to make sure we have the right staff to deliver value for money on our programme. We have upgraded the Head of Programme Delivery post, which oversees programme management compliance, financial management, results, and risk management. We have a trained Procurement Officer, which complements close links with the UK-based Divisional Commercial Adviser. A Finance Manager has been recruited to strengthen financial risk monitoring and management, and provide financial guidance for the team. We have recruited a second full time Economist in-country, to further increase our capacity on economic appraisal and evaluation. We have made programme management training a priority, including recent office wide training on financial management, due diligence, commercial awareness and effective programme management. We are in the process of consolidating our corporate services with those of the FCO, so that human resources, transport, accommodation, travel are managed by a single embassy team.

We anticipate new developments in Burma which could increase the potential to deliver value for money. For example, as the range of effective implementing organisations based in Burma increases, we will have more options to work with high quality partners and to exercise competitive pressure. The development of a national mobile phone network over the next 4 years will also create new opportunities for far-reaching use of aid funds.

DFID Burma will continue to seek opportunities to strengthen value for money in its own **operations**. We will continue to:

- Implement our value for money strategy to improve our ability to assess the impact of programmes and integrate this into all stages of programme management.
- Design monitoring and evaluation frameworks that include targets and indicators for lowering implementing partners' unit costs.
- Conduct competitive tendering for contracts for goods and services procured locally and identify ways of bringing in further expertise on procurement from within DFID and externally.
- Identify areas – subject to strict criteria on accountability, governance and transparency – where by working closely with government or national systems we can deliver real improvements for poor people, economies of scale and greater value for money
- Enhance our use of local knowledge and experience in our programmes.

## Monitoring and Evaluation

### Monitoring

**How.** Each of our programmes has an appropriate monitoring framework. Selected programmes have a distinct output to ensure sufficient funding and arrangements for effective M&E. In the large multi-donor funds we will seek to build on the progress we've made in ensuring DFID's standards, and particularly key indicators in our 'logical frameworks', are adopted by all partners. Implementing agencies will be responsible for continuous day-to-day monitoring of progress and receiving feedback from beneficiaries. We will involve independent external reviewers at appropriate intervals through the life of programmes and ensure that our work remains relevant and sensitive to conflict and political dynamics. Regular field visits are undertaken by DFID Burma staff, in particular utilising the experience and insights of our local staff, to allow us to report on the impact on the ground.

**Who.** Overall responsibility for monitoring sits with the respective programme managers and advisors within DFID Burma. These resources will be augmented by external expertise when necessary. The team will liaise closely with partners on their monitoring activities, ensuring that good quality reporting is provided to agreed timetables.

**When.** Monitoring is a continuous process. We track reporting timetables rigorously and proactively engage with partners to ensure that as good quality as possible information is provided to DFID Burma.

**What.** We monitor programme progress against key targets in the logical framework, and review the programme relevance and the likelihood of achieving programme impact at project and programme key milestones, for example at mid-term reviews.

### Evaluation

DFID Burma's capacity in evaluation was strengthened significantly in 2011/12 with the recruitment of 50% of an Evaluation Adviser based in Hanoi, Vietnam. An Evaluation Plan has been developed and agreed to improve DFID Burma's ability to design better, more cost effective interventions based on high quality and timely evaluations of our programmes and learn lessons. Some 1-5% of new programme expenditure will be allocated to evaluation and to wider investment in monitoring and assessment of results. All DFID's major programmes including the 3 MDG Fund, the Drug Resistant Malaria Programme (PSI), the Livelihoods and Food Security Trust Fund (LIFT), the CSO programme, and the Refugee/ Internally Displaced People (IDP) Programme will be independently evaluated. Programmes will address evaluation recommendations in a timely manner. All major evaluations will be peer reviewed and quality assured using DFID Evaluation Department's Support Services and Agreement Framework. The lessons learnt from these evaluations will be shared across the DFID network, government & civil society counterparts and donors.

### Building capacity of partners

The variable quality of national statistics means we do not generally rely on them for monitoring purposes. At national level, we continue to work with the government and partners to maximise the value of our support to the census by facilitating good analysis, dissemination and use of the census data. We will continue to support opportunities to collect better population based survey data in key sectors that DFID supports such as in health and livelihoods. Where national data are not reliable, we will ensure our partners gather sufficient programme level data to show the impact of the programme activities.

We will continue to support implementing partners in their efforts to secure access for monitoring, data collection and independent analysis and research. The latter is important not only for showing evidence on DFID's contribution to Burma's development for accountability purposes, but also to bring new knowledge to resolve regional and global emerging issues such as Artemisinin resistant malaria. Health, livelihoods and inclusive growth will be priorities for this work, but we will also develop more innovative M&E tools to measure the impact of our support for civil society, and the perceptions of communities on security and development in conflict-affected areas.

## Transparency

Transparency is one of the top priorities for the UK Government. It helps people see where money is going and for what purpose. It helps improve value for money and makes governments everywhere more accountable to their citizens. DFID is a world leader in aid transparency and has an ambitious vision for both DFID and its partners. We will ensure that we play our part in continuing to work towards that vision – set out in a suite of commitments the Aid Transparency Guarantee (ATG), Aid Transparency Challenge (ATC) and DFID's Open Data Strategy.

### **Actions to ensure DFID meet its commitments in the UK Aid Transparency Guarantee**

DFID Burma will publish detailed information of all new programmes on the DFID website where this does not put local partners at risk (see below). Annual project performance reviews and project completion reports have been published for the programmes approved from 2011 onwards. We will ensure that wherever possible all information in the public domain is comprehensive, accessible, comparable, accurate and timely.

As well as publishing this Operational Plan in English, Sections 1-4 will be translated into Burmese. We will consider the need for translation of specific project information into other languages where there is a particular need to do so. DFID Burma will promote access to information in Burma in other ways too, for example in partnership with the BBC Media Action. A long-standing priority is to make our aid accessible to local civil society organisations. We will also continue to input into the embassy's communication materials such as the UK Government's *UK in Burma* website and FCO Facebook page.

We will meet the standards set out in the International Aid Transparency Initiative, and encourage our partners in civil society, multilateral organisations and other donors to do the same. We will ensure that large multi-donor funds to which we contribute make relevant information available on their website: the two largest funds that we currently support already do so. We will continue to maximise opportunities to support greater government transparency. We, along with the World Bank and the Government Budget Department, have conducted an assessment of the government's public financial management systems which was published in May 2013. We have also participated in a similar review of public expenditure and led donor engagement (along with the World Bank, Australian Department for Foreign Affairs and Trade, and the EU) to support the government's commitment to join the Extractive Industries Transparency Initiative. Burma was accepted as an EITI candidate country in July 2014.

We will not insist on transparency where it could endanger the safety and security of our implementing agencies or their beneficiaries. In all cases we will seek and be guided by implementing partners' and communities' view on what sorts of transparency would not compromise their security. We will also insist that international organisations funded by DFID follow the same principles in their dealings with local partners and communities.

We intend to look to increase opportunities for feedback by those affected by DFID programmes. The major Trust Funds we support in Burma have established processes for feedback from implementing partners and beneficiaries. Internet access and mobile phone coverage in Burma is improving, allowing us to investigate options for receiving direct feedback from beneficiaries and stakeholders via internet or SMS.

DFID Burma does not have a dedicated communications officer. We allocate dedicated staff time to ensure accurate and timely input of all relevant documentation and data. We will continue to work closely on transparency with the FCO, with whom we share an objective on stepping up public diplomacy around HMG's work in Burma.



## Annex A: Changes to operational plan

### *Brief summary of key revisions to Operational Plan (OP) 2014/15*

- The Context and Vision pages of the OP have been updated to reflect an evolution in DFID Burma's strategy in response to continued progress on change in Burma, to the risks that the pace of political change may be slowing, and to concerns about the situations in Kachin State and Rakhine State. The headline results page includes a summary of how our programme will develop, including new investments to reflect the evolution of DFID Burma's strategy
- The workforce planning slide has been updated to reflect the arrival of new staff and the change in team structure.
- The variation in the overall country allocation is a consequence of a recalculated GNI lowering the spend required to achieve the 0.7% GNI target. Country programme allocations are reviewed on a regular basis and we expect there may be scope to revise upwards as resources become available.
- The refreshed OP also highlights progress on results, transparency, value for money and evaluation since the plan was first published.

Page Numbers	Change made to operational Plan	Reason for change
3	Vision – various changes	The Context and Vision pages of the OP have been update to reflect an evolution in DFID Burma's strategy in response to the opportunities that recent reforms in Burma provide, and in response to the risk that the pace of political change may be slowing, and to concerns about the situations in Kachin State and Rakhine State.
5	Context – various changes	See above
7	Results 2011/12-2015/16	Updated to include latest results and to add new indicator on transparency of public funds in Burma
8	Headline Results	High level narrative added to summarise intended impact and results from new programming for 2015/16 and shifts in the portfolio, including planned new work on economic development.
10	Evidence supporting results	Updated to reflect DFID's increased support to data collection in Burma including funding for the recent census
11	Results Progress	Updated to include latest results and to add new indicator on transparency of public funds in Burma
13	Delivery and Resources	Updated to reflect revised programme and operating costs, and latest workforce plans
18	Delivering value for money	Updated to reflect DFID's further work to improve VfM in the Burma programme.
20	Monitoring and Evaluation	Updated to reflect latest approach to monitoring and evaluation
22	Transparency	Updated to reflect latest approach on Transparency

## Annex B: UK Human Rights Assessment

### Human Rights Context:

Burma is one of 28 Countries of Concern in the 2014 FCO Human Rights Report

- Economic and social rights: Burma ranks 150 out of 187 countries in the Human Development Index (UNDP) (2013). Its GDP per capita is some \$1,100 (IMF). Women are poorer than men and paid less for the same work despite achieving higher levels of education. Burma is off track to meet many of the Millennium Development Goals. It has some of the worst health indicators in Asia, child mortality at 57 deaths per 1,000 live births (UN).
- Non-discrimination: Burma is ranked 83 out of 151 countries on the Gender Equality Index (UNDP, 2013). Only 18% of women have at least secondary education. Only 6% of parliamentarians are women and there are few women involved in the peace process. Maternal mortality estimate is high for the region at 200 per 100,000 live births (UN). Legacy colonial era laws criminalising same sex acts remain, and whilst not generally enforced, their existence facilitates discriminatory behaviour. but are not enforced. Regional inequality remains high with ethnic states and regions tending to be significantly poorer. Minority religious groups, particularly Muslims, are under- represented in senior government and military positions.
- Civil and political rights: Freedom House rates Burma as “Not Free” in its 2014 report, whilst noting a significant improvement in civil liberties during 2012 and 2013. The legal and institutional framework is weak, law enforcement is arbitrary and subject to influence by the executive. Burma has not ratified the ICCPR or the ESCR. It has ratified the Convention on the Rights of the Child (CRC), the Convention on the Elimination of Discrimination Against Women (CEDAW) and the Convention on the Rights of persons with Disabilities. However in practice the provisions of these conventions are not yet fully implemented.
- Human Rights in Conflict: Conflicts in ethnic areas has displaced half a million people in eastern Burma. Around 128,000 (UNHCR) live in refugee camps in Thailand, with many more resettled or displaced globally. In July 2014 the UN Special Rapporteur on the Situation of Human Rights in Myanmar called for allegations of human rights violations to be “addressed as a matter of priority”.
- Children and Armed Conflict: Burma remains on the UN Security Council’s watch list for the recruitment and use of child soldiers. There has been some progress following the agreement of an action plan with the UN. The UN Secretary General in his report on Children in Armed Conflict (May 2014) stated that “the recruitment and use of children by parties to conflict continued to be a concern”
- Sexual violence remains a concern. A lack of international access to conflict areas means that the full extent of sexual and gender-based violence is unknown, although it is likely to be widespread. The Burmese Government launched the National Strategic Plan for the Advancement of Women in 2013; the Ministry of Social Welfare is working with civil society groups to draft legislation on anti-violence against women.
- Non-discrimination: Inter-communal violence in 2012 in Rakhine State led to the displacement of 140,000 people. The majority remain in Internally Displaced Persons camps until now and are Rohingya Muslims. The spread of anti-Muslim sentiment and violence in 2013 and 2014 elsewhere in Burma is concerning, and may increase in the politically charged run up to elections 2015 as hate speech and incitement to violence remains unchecked. The authorities in some instances of violence were criticized for failing to intervene effectively. The wider failure of authorities to hold perpetrators to account has helped create a culture of impunity. A longer term situation of erosion and denial of rights of Muslims in Rakhine has also led to hundreds of thousands seeking refuge or economic opportunities in Bangladesh, while 87,000 (UNHCR) have migrated on boats to other countries since 2012.

## **Direction of Travel**

- Economic and social rights – improving. The opening up of Burma's economy could stimulate strong economic growth. According to the Asian Development Bank 7-8% per year growth could raise per capita income to \$32-43,000 by 2030, although sustained growth at this rate over this period will be challenging to maintain. The relaxation of internal travel regulations (except for Rohingya in Rakhine) has made it easier for people to look for work.
- Civil and Political rights- now stagnating after the major improvements in 2011-2013. Reforms since 2011 reforms included the release of hundreds of political prisoners and the loosening of political and media restrictions. However recently some protestors have been detained and some journalists given harsh jail sentences. However the military still nominate 25% of MP's giving them a veto over constitutional change.
- Non discrimination: Remains a major concern. The spread of anti-Muslim sentiment and violence both in Rakhine and in (isolated) areas elsewhere in Burma poses a threat to the broader reform process. NGOs and UN agencies were temporarily forced out of Rakhine State following riots in March 2014. Agencies have returned since then although major concerns remain, including impunity for the perpetrators of violence
- Conflict: Slowly Improving. Peace process discussions continue towards the possible signing of a Nationwide Ceasefire Agreement with all groups. The most important stage of the peace process – the political dialogue process – still lies ahead. This will be where solutions will be sought under a federal-type system, for the main issues and grievances. Fighting does, however, continue in Kachin and northern Shan.

## **DFID approach**

- DFID will help improve economic freedoms through increased support for inclusive growth through private sector development, economic reform and responsible investment that respects human rights.
- DFID is supporting improved transparency, accountability, and empowerment including through support for civil society, and new support for Parliament, and electoral strengthening to build opportunities for Burmese people to exercise their political rights.
- DFID will support immediate peace-building work to support the peace process and to reduce inter-communal violence through its Peace Support Fund; and invest in improved economic opportunities and service delivery in the ceasefire areas. DFID programmes provide humanitarian support to internally displaced people and refugees.
- DFID works closely with the FCO to advocate for human rights in Burma. DFID and FCO Ministers and senior officials regularly raise human rights issues at senior levels of government in Burma, and in public fora.

## Annex C: Gender

The context is changing slightly with access to more, though variable quality, data. In-country capacity to respond is emerging with a potential to make a significant difference in the future. Momentum is growing within civil society for women to be more active participants in the peace process. Legislation on violence against girls and women is currently being drafted.

- **Men and women continue to have equal rights under the law, but social and cultural beliefs norms and practice continue to prevent this in reality.** The UN Gender Inequality Index places Burma 80 out of 148 countries.
- **Conflict has caused widespread displacement affecting girls and women most.** Violence against girls and women is one of the most critical concerns in IDP camps<sup>1</sup>. Sexual violence by the military has been reported in Kachin<sup>2</sup>.
- **There are still few women leaders in Burmese public life** with women making up less than 6% of the national legislature. A recent NGO report highlights obstacles women face in public and political life<sup>3</sup>.
- **There are also few women leaders at peace talks** and limited ways for women to engage in peace processes at local or national level<sup>4</sup>.
- **Women are poorer than men** and paid less for the same work. While women achieve higher levels of education than men, they find it harder to enter the labour market<sup>5</sup>.
- **Women do not all receive skilled and timely support during pregnancy and delivery:** more than three quarters of births take place at home, and less than one quarter of women receive the full four antenatal visits during pregnancy<sup>6</sup>.

### To address this we are:

- **Implementing the HMG Women, Peace and Security Action Plan** with FCO and MoD. The plan strengthens our collective ambition and commits us to pursue visible change for girls and women affected by conflict and violence in Burma. It will ensure that our defence, diplomatic and development activity is better co-ordinated to support implementation of the four pillars of UNSCR 1325: prevention, protection, participation, and relief and recovery. We will also focus on working with men and boys and strengthening partnerships.
- **Promoting women's leadership and political participation** through the Programme for Democratic Change. Working through the UN, INGOs and local civil society organisations the programme will support women as voters, elections observers and as potential political candidates. Further work on women's leadership will be designed to start after the 2015 elections.
- **Strengthening women's voice in policy, planning and service delivery.** The Health programme will continue to support maternal and child health including identifying gender specific barriers to accessing health and supporting women and girls hold health providers accountable.
- **Increasing women's access to productive and sustainable livelihoods by:** improving our tracking of gender impacts in agricultural programmes and having clearer gender-based objectives and results; analysing the key drivers of gender inequality in agriculture and cost

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<sup>1</sup> The Women's Needs Assessment in IDP Camps, Kachin State (Feb 2013)

<sup>2</sup> The Women's League of Burma (Jan 2014), *Same Patterns, Same Impunity: Sexual abuses by the Burma Army*

<sup>3</sup> Oxfam, Trocaire, Care and Action Aid (2013), *Women and Leadership in Myanmar*

<sup>4</sup> Centre for Human Dialogue (Dec 2012), *Myanmar's current peace processes: a new role for women?*

<sup>5</sup> Economist Intelligence Unit (2014), *Myanmar High Education Case Study*

<sup>6</sup> Ministry of Health, Five Year Strategic Plan for Reproductive Health, 2014

effective interventions at scale; and improving the quantity and quality of off-farm job opportunities for women.

- **Addressing the specific needs of girls and women in conflict and humanitarian situations.** The UK is one of the largest humanitarian donors to the two main areas of conflict in Burma – Kachin and Rakhine – where we are also funding UNFPA to support coordination of violence against women prevention and protection activities.
- **Working with men and boys:** Working with MoD, courses for senior members of the Burmese Army and security forces will include components on human rights, violence against women and girls, and child soldiers. Through the preventing sexual violence initiative (PSVI) we are supporting Geneva Call to work with non-state armed groups on preventing sexual violence.
- **Strengthening partnerships with the government, civil society and the UN:** We will continue to consult with civil society, building on the GAPS consultation on the UK Women, Peace and Security National Action Plan, including regular meetings between civil society and the UK Defence Attaché. We will work with the government's sector working group (led by UNFPA and the French Embassy) on Gender Equality and Women's Empowerment to raise the profile of the UK work in support of the National Strategic Plan for the Advancement of Women.
- **Ensuring compliance with the Gender Equality Act and improving our reporting** by working with partners to go beyond sex disaggregation of results and ensure gender quality – including for men - and gendered differences in needs are addressed. We will do this by including gender equality in business cases, project and programme design, contracts and reporting requirements including for annual reviews, mid-term reviews and project completion reports. We will monitor progress every 6 months and through the annual OP gender annex update.

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