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THE MYANMAR-EU ROADMAP New Possibilities in a Changing Myanmar

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More and more individuals in Europe and in Myanmar are voicing their frustration regarding the unproductive bilateral deadlock, many of whom are also proactively seeking solutions to the problematic relationship. A more productive discourse is coming into being, where both sides understand that — after elections and new institutions in place — improved relations will lead to mutual benefits. Myanmar political parties with democratic credentials have called for an end to the European boycott. ASEAN has called for the lifting of Western sanctions. The European Union will need to respond, or risk losing sympathetic partners on the issue. The EU's rather restrained comments regarding the recent elections, the engagement orientated statements from high level EU officials, and increasing development assistance from the EU indicates that change is possible. This policy brief looks at a concrete win-win solution to achieve a normalisation — a negotiated Myanmar-EU Road Map.

Building Trust, not Denying Dialogue

Over the last years, the EU has extended its assistance to Myanmar to help cover immediate humanitarian, as well as more long-term, developmental needs in an attempt to usher progress forward. While the EU sees aid – apart from strictly humanitarian assistance – as a possible tool to engage the Government – the latter has never thought aid to be a European down payment for progress on the political front. In fact, political dialogue has been so far a loose sequence of sporadic ministerial encounters here and there, mostly in the framework of multilateral meetings – hardly worth being called "engagement." The leaders of Myanmar have never sought engagement with a Europe they perceive as hostile and obsessed with sanctions. In short, both parties have allowed alienation occur, and have not worked on building bridges.

Why Building Bridges?

Why should the EU and Myanmar be interested in working on improving their relationship? On the European side, one could think of looking beyond the current focus on formal democracy as a precondition for a more posi-

tive policy. One realizes quickly the benefits of increased contacts for the promotion of European core values. If the Tatmadaw is involved in human rights violations, then there is a greater, not a lesser need to engage them on human rights. If economic and social development in Myanmar depends on better macroeconomic planning, then it would be smart to extend a helping hand, not to ostracize the administration. The EU is the biggest foreign investor in all Southeast Asian countries — with the exception of Myanmar. More business would mean fighting poverty and helping with the emergence of a middle class. In short, market access for European businesses and respect for fundamental freedoms.

On the Myanmar side, the benefits for more engagement with Europe are equally obvious. Add to the above benefits from more economic ties the issue of technology; China, Thailand, Singapore and other regional neighbours can deliver technology – but only to a certain extent. The region can offer scholarships for Myanmar students – but only up to a degree. If the new Myanmar Government wants to make a difference, it would wisely lead the country back into the international mainstream of trade, investment, technology, cultural and academic exchanges, and into the debates about climate change, biodiversity and

the environment. Under this approach, there is hardly an alternative to including Western partners. And the EU – the non-offensive Kantian power in the global game – may see a strong interest to respond.

Promoting Normalization

In order for normalization to take place, certain targets need to be put in place and pursued. The forging of a new relationship will require the willingness of both sides to engage sustainably in a comprehensive dialogue, sharing views on values, principles and commitments. The aim is that increased dialogue will lead to more cooperation in a number of mutually agreed areas.

In order for an exchange to have value, it should include the promotion of the respect for human rights, the provision of developmental and humanitarian assistance, and the support to strengthen Myanmar's governmental and institutional capacity.

The Myanmar Government remains in charge of moving its domestic agenda forward, and will continue do so, in line with the ongoing Seven Step Roadmap to democracy. Within this plan, domestic skirmishes by the ethnic forces, unwilling to surrender their aspiration, are to be settled peacefully. Continued conflict is, in fact, in nobody's interest, while peaceful political, economic and social development is beneficial to all, including the Myanmar government, ethnic insurgents, as well as the EU.

Removing Sanctions?

The European Union has never imposed sanctions for the sake of sanctions. The declared purpose of "restrictive measures" has always been to push the Myanmar Government into changing its behavior. If sanctions are meant to be a stick, reducing sanctions would then equal rewarding the Myanmar Government. But, the uncontested fact is that the policy of permanent ostracism and remote carrots has not worked.

It would be, however, naïve to assume that the EU was in a position to lift the sanctions unilaterally. Too much has been said, rightly or wrongly, in defence or in challenge of sanctions. There is today a sanctions reality, based on the expectations of the European body politic.

Some economic restrictions do hit the unintended tar-

gets, namely the general population. The withdrawal of Generalized System of Preference (GSP) benefits is one of them – the absence of the GSP prevents the Myanmar textile and fishery businesses from accessing the European market at a level playing field, when compared to other Least Developed Countries. The trade and investment ban for Myanmar timber is another plainly wrong sanction – it just annihilates jobs in small and medium size wood processing companies in Myanmar. If another argument was needed, there is the paradox case of contradictory policies: how can the EU claim to lead the global agenda on preserving biodiversity and fighting deforestation, while it, de facto, helps the unsustainable export of harvested tropical hard wood from Myanmar to China and other countries?

Lifting these restrictions is not a matter of checking their effectiveness in detail. It is a matter of political correctness and urgency. It is hard to dispute that these measures have been wrong all along. They should simply disappear.

Another category is that of symbolic sanctions, for example travel bans and asset freezes. Some have qualified them as "mildly irritating" for the targeted people.

Strangely, there is no conceivable alternative to a negotiated approach for removing those sanctions: the EU cannot unilaterally lift them without seeing progress, e.g. by responding to the release of a significant number of political detainees. By the same token, the new Myanmar Government cannot expect the EU to act upon public calls for lifting them. The EU is stuck...and it needs Myanmar to act. Hence, a dialogue on these matters, held in confidence, might work. Incidentally, when invited to such a dialogue, the new Myanmar authorities will have difficulties in explaining the need to maintain scores of people under lock and seal for peaceful activities or their political convictions, when the country embarks on a transition to civilian rule.

This dialogue on sanctions and their removal will be a tedious exercise. It shall respond to, and reflect the Myanmar Government's commitment for reform. As part of this plan, progress in achieving these goals is to be jointly monitored through regular consultations at an appropriate level.

Democracy and Human Rights

The promotion of democracy and human rights are essential for an improvement in Myanmar–EU relations. According to the EU, the strengthening of Myanmar's democratic

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bodies is essential for the country's economic and social development and stability, whilst institutional and administrative reforms are necessary to ensure sustainability. Human rights issues in Myanmar continue to attract public concern throughout the EU, especially when EU resources are involved. But human rights challenges also include safeguarding civil and political rights, a formal moratorium on the death penalty (and eventually its legal abolition), as well as respect for women's and children's rights. Progress in this field is proportional to improvements in bilateral relations.

The aims of the EU are to strengthen democracy by assisting in promoting the effectiveness of Myanmar institutions, at national, provincial and local levels; by developing conditions for good financial management accountability; and by promoting the respect for human rights and fundamental freedoms in line with international commitments and standards. These aims can be achieved by means of political dialogue, where regular meetings, at ministerial level, lead to a better understanding of positions and interests and where the lifting of EU sanctions can be negotiated as a consequence of increased dialogue. As part of this, the EU could be granted greater access to Myanmar, where the opening of an EU diplomatic mission is agreed swiftly. Therein, contact between the European Parliament, the Myanmar House of Representatives (Pyithu Hluttaw) and the House of Nationalities (Amyotha Hluttaw), and other institutions, could ensue.

Regarding a capacity building plan, the EU and its member states can offer assistance in national and regional/state administrations, based on an agreed work plan, for enhancing administrative skills and the more effective provision of public services, as well as for improving the sense of accountability in public institutions. The generation of a legal framework is also essential, where the ratification of core UN conventions, notably on human rights, can be pursued with the relevant support for their effective implementation by the EU, as well as working for a full abolition of the death penalty. Added to this, the EU can assist in the facilitation of a comprehensive legal system. These suggestions can further in the strengthening of good governance in Myanmar.

Development Assistance and Cooperation

In order to further EU development, assistance programmes and bilateral EU Member States assistance for Myanmar, a comprehensive and mutually agreed multi-annual strategy needs to be worked out. Myanmar has a number of well thought out sectoral plans, like in health and education. However, an overarching national indicative plan is missing, but the EU may be ready to assist. Consultations on the Millennium Development Goals have taken place already in a constructive atmosphere.

Why not expand these consultations to include implementation priorities, and the funding of such future national programmes, the objectives of which are to encourage social and economic development, in order to reduce poverty. This objective can be pursued by upgrading education and training systems, or more specifically by modernizing education curricula and pedagogical methods. Added to this, comprehensive health care financing systems, beginning with pilot projects, can be initiated.

There is also the possibility to cooperate in the fields of land distribution and land rights, water management, agriculture, and the environment, where the EU have access to relevant experts. Support for Myanmar participation in relation to the EU Framework Programme should be promoted via the EU Erasmus Mundus scholarship programme and academic exchanges, and also by linking the Myanmar research and education community to the Trans-Eurasia Information Network (TEIN) in Europe.

Within the global approach to migration and the Stockholm Programme, cooperation could be initiated regarding legal migration and the prevention of illegal migration, linking migration to development, whilst working towards mitigating the effects of climate change, inter alia on mitigation and adaptation of policy and techniques. Added to this, issues of deforestation and biodiversity can be addressed using the EU FLEGT programme, by working on the implementation of obligations of the Convention on Biological Diversity. Finally, support should be given to the Myanmar government's efforts on drug eradication, on a national and international (UNODC) level, where the focus is on the prevention of the distribution of precursor chemicals and other substances. The suggestions in this section will hopefully have an impact on the objective of encouraging social and economic development, in order to reduce poverty.



Economic Issues

Myanmar is currently not a beneficiary of the EU GSP and its parallel special version for Least Developed Countries, Everything-But-Arms Initiative (EBA). Both sides wish to enhance bilateral trade as a means to help restore and enhance economic stability and prosperity. Myanmar is better served with a variety of international business contacts, rather than with a limited regional set of economic partners. The EU is among the biggest providers of foreign direct investment in Southeast Asia, with the exception of Myanmar. This is not a given, and can be remedied.

The objectives under the economic heading should be to integrate Myanmar into the global economy, through adaptive strategies to support macroeconomic growth and to cooperate on diversifying Myanmar business opportunities, in order to help overall economic and social development. These objectives could be pursued by working on commitments to re-introduce the EU GSP and the EBA. Enhancing trade and investment opportunities between the EU and Myanmar can be helped notably through Business Charters (or Codes of Conduct for trade and investment, i.e. for responsible behavior as an economic actor). Such Charters are to be promoted for signature by European companies, but also open to Myanmar companies to highlight their intentions as responsible economic actors, and even to thirdcountry foreign companies operating in Myanmar. Support could be given to the improvement of sanitary, phyto-sanitary and other quality standards in conformity with international criteria.

The EU could assist on improving the business climate in Myanmar. For example through support to a EU-Myanmar Chamber of Commerce, improving labour standards, dialogues on Intellectual Property Rights, rules of origin, trade facilitation and procurement, through travel advisories, trade fairs, and market surveys, as well as the promotion of the country as a tourist destination. As a side effect of this development, the EU would also need to provide technical assistance to develop the emerging tax system. By normalizing Myanmar-EU bilateral relations, the Road Map outlined above would lead to a win-win situation for both parties. These suggestions would also help to integrate Myanmar into the global economy, promoting social and economic development, and thereby helping to reduce poverty.

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