



Evaluation of the European Union's External Action

RESPONSE OF THE EU SERVICES TO THE RECOMMENDATIONS



Evaluation title	<u>Evaluation of the European Union's Cooperation with Myanmar (2012-2017)</u>		
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Associated EU Services	European External Action Service (EEAS)	Contractor	Aide à la Décision Économique (A.D.E.) s.a.
Evaluation budget	EUR 249 892	Publications	<i>Link to the Main Report at the Publications Office and the Evaluation Brochure</i>
Dates of the responses of the EU services	May 2020 & June 2023	Date of approval of final report	May 2020
Background/Analysis	<p><i>Before 2012, Myanmar was an isolated country controlled by the military. Conflict displaced large numbers of people from ethnic minority groups. The EU had imposed trade restrictions on Myanmar due to human rights concerns and the engagement was restricted to humanitarian assistance. In 2012, Myanmar embarked on a democratisation and peace process and EU trade restrictions were lifted in 2013. A Nationwide Ceasefire Agreement was signed in 2015. The EU's country programme in Myanmar grew significantly from a committed amount of EUR 125 million in 2007-2013 to EUR 656 million in 2014-2020. In 2012-2017, the EU contracted a total amount of EUR 426.8 million in bilateral, regional and thematic funding. It provided 11% of the total grant-based official development assistance to Myanmar in 2012-2017. According to the independent evaluation, the EU strategy evolved with the changing context and was broadened in response to the democratic transition and peace process. New focal sectors were introduced, and the level of support was significantly increased. The EU pursued a comprehensive approach to supporting peace. Peace was addressed across the four sectors, and interventions were in general conflict-sensitive although this was not always approached in a formalised and systematic manner.</i></p>		

Recommendations from the independent Evaluation

Response of the EU services May 2020 and June 2023

R1 Implement a systematic approach to conflict sensitivity across the EU country programme. Mainstream and standardise conflict sensitivity approaches by the EU and implementing partners.

Some suggestions on how this could be done:

- Mainstream conflict sensitivity into the programme cycle
- Include conflict sensitivity measures in policy dialogue priorities for budget support operations
- Introduce explicit conflict sensitive standards and requirements into grant application procedures and contracts with implementing partners
- Strengthen staff capacities on conflict sensitivity, including recruiting experts and providing training to staff
- Establish a helpdesk function specifically for Myanmar, which provides guidance and support to the EU Delegation and implementing partners on how to develop and implement systematic conflict sensitive strategies and approaches
- Focus on conflict sensitivity good practice: conduct lessons learned studies and lessons-sharing workshops for staff and implementing partners
- For interventions in conflict-affected areas: develop non-discrimination and due diligence criteria to be applied and met prior to, and during, programme implementation (the new “Nexus Response Mechanism” is likely to yield relevant lessons, tools and tools for this)
- Invest in peacebuilding and conflict awareness-raising in areas that are not affected by conflict: peace education, including civic education, should extend nationwide, particularly to those areas less directly familiar with, and affected by conflict

May 2020: This recommendation is Accepted

EU has been working towards greater conflict sensitive approaches at least since mid 2017. To this end it has undertaken a number of specific actions:

- In 2019, in close collaboration with Unit B2, the EU Delegation benefited from a Conflict Sensitiveness training for all relevant staff. It also organised information and discussions sessions on conflict sensitive approaches with all major stakeholders, including EU Member States, other Development Partners and UN organisations.
- With Unit B2 support and as a result of two-day discussions-analysis sessions during their mission to Myanmar, Guidelines to mainstream conflict sensitive approaches in the Delegation’s programming were developed, both for general programmes as well as sector specific (one for Education and one for Rural Development/Nutrition/Agriculture). These guidelines are being used in the context of the implementation of the two major programmes in these two sectors, the Education Sector Reform Contract – ESRC (Decision of EUR 221m approved in 2018) and the Nutrition Sector Reform Contract NSRC (Decision of EUR 112m approved in 2019).
- A one-day EEAS, INTPA [DEVCO at the time], ECHO workshop was organised in early 2019 to discuss options and alternatives for EU action to address conflict in Rakhine State. In the framework of the recently approved HDP Nexus SOPs (see below) conflict specific (Rakhine, Kachin, Northern Shan) workshops between the two Delegation sections + ECHO will be organised regularly.
- The recommendation to have a helpdesk function can not be realised due to staff recruitment limitations. We have nonetheless two staff in the Cooperation Section team dealing specifically with the peace process and conflict Rakhine. These two colleagues act as focal points for conflict sensitivity.
- In our Policy Dialogue on Education, notably around the ESRC, conflict and its impact on the access to universal and non-discriminatory education services are discussed regularly. Other areas of policy dialogue where conflict is prevalent and addressed as part of this dialogue are Nutrition, notably in relation to Land tenure legal framework, Peace (the EU being one of the main western actors in the Myanmar Peace process and where programmes are implemented both in support to Government and CSOs linked to Ethnic Armed Organisations) and Justice (notably transitional justice).
- The EU has also progressed significantly in operationalising the Humanitarian,

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	<p>Development and Peace Nexus. Because the most acute conflicts (either armed conflict or ethnic cleansing) in Myanmar result in Human Rights crisis, the Conflict Analysis and Conflict Prevention elements of the Myanmar EU Nexus approach are particularly important. The Operationalisation of the HDP Nexus (see below R4.) is a joint effort of DG INTPA (Cooperation Section), EEAS (Political Section) and the Myanmar ECHO office. As a result of this joint collaboration the Delegation developed in 2019 Due Diligence Criteria for all programmes operating in conflict areas and HDP Nexus Standard Operating Procedures. Both these documents have been validated and submitted by the Head of Delegation to the DGs of EEAS, DECO and ECHO.</p> <ul style="list-style-type: none"> • The recently launched HDP Nexus Response Mechanism will include a group of conflict/crisis experts that will constitute the Due Diligence and Conflict Analysis Facility (DDC Facility) and will significantly increase the Delegation's capacity to commission conflict analysis tailored to its needs. • Through the multi-donor Joint Peace Fund (EUR 98m of which EUR 35m from the EU) steps have been taken to raise awareness on conflict and peace beyond conflict areas. These awareness-raising actions could be progressively scaled -up in 2020-2021. <hr/> <p>June 2023 Follow-up:</p> <p>Following the coup d'état of February 2021, the environment in which the EU now operates in Myanmar has fundamentally changed. The Council Conclusions of 22 February 2021 gave a clear line for future cooperation with Myanmar, aiming at supporting the population of Myanmar and actors of democracy while stopping cooperation with the military government. Amidst the ongoing conflict in Myanmar and absence of any form of cooperation with the government, a conflict sensitivity approach and ensuring confidentiality of its implementing partners is of the highest importance.</p> <ul style="list-style-type: none"> • The EU no longer provides budget support in Myanmar. Following the coup d'état the EU terminated two major education (EUR 221m approved in 2018) and livelihoods (EUR 112m approved in 2019) budget support programmes for which the EU has had developed sector specific conflict-sensitivity guidelines. These guidelines have, however, been instrumental in designing actions under the Special Measure for 2022.

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- In 2019, former Unit B2 delivered conflict sensitivity training to the delegation staff as part of a Conflict Sensitivity assessment of a proposed Budget Support operation. No further conflict-sensitivity training for Delegation staff has taken place, although Conflict Sensitivity trainings are offered approximately 3 times a year on EU LEARN. The EU Delegation will discuss with Unit G5 (former B2), the possibility of organizing another training.
- As part of the NDICI-GE requirements on Conflict Sensitivity, Myanmar was selected as one of the 60+ countries to undergo a mandatory conflict analysis in order to ensure conflict sensitive programming. The Conflict Analysis Screening process started in 2020, in order to support the design of the MIP but was not finished as a result of the coup. The process was re-started and completed in September 2021. The CAS report provides recommendation on conflict sensitivity for the Special Measures.
- Amidst the uncertainty about continuation of EU MS programmes in Myanmar and absence of a Multiannual Indicative Programme (MIP), an EU - MS Strategic Framework was developed in line with the February 2021 Council Conclusions, which has become the framework of reference for EU and MS actions. The Strategic Framework was built around a joint analysis of critical areas of need and it highlights the importance of continuing to ensure that aid programming is sufficiently flexible and continues to strongly adhere to conflict sensitivity principles.
- A joint EU-MS analysis highlighted that it is crucial to continue to ensure that aid programming is sufficiently flexible and continues to strongly adhere to conflict sensitivity principles.
- Under the EU funded Nexus Response Mechanism there is a Conflict Analysis Research facility that acts effectively as a helpdesk, providing guidance and support to the EU Delegation and implementing partners on how to develop and implement systematic conflict sensitive strategies and approaches. In addition, there are two staff in the cooperation section dealing specifically with the humanitarian development nexus portfolio and the peace process.
- The current context has led to the development of an extremely polarised communication and information environment where all parties to the conflict struggle to control the narrative, with a worrying trend toward the weaponisation of (dis)information, which in turn fuels the ongoing conflict. Development partners' engagement and communication

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	<p>efforts are under scrutiny of all sides and widely criticised, driving down positive perception. In this context, conflict-sensitivity is at the core of the EU communication efforts and strategy in Myanmar. In addition, an action focusing on strategic communication with a conflict sensitivity approach at its core, is part of the planned 2023 Special Measure.</p> <ul style="list-style-type: none"> • Conflict sensitivity considerations have been part of Joint Peace Fund (JPF) since the inception of the programme in 2017. This is once again a core element of the conflict analysis conducted in 2022 that has informed the drafting of a new JPF strategy for 2023 and beyond. The section devoted to conflict sensitivity considerations focusses on issues relating to engagement with the State Administration Council (SAC), the National Unity Government (NUG), ethnic armed groups and pro-democracy actors; with different ethnic groups; and with civil society. Peacebuilding and conflict awareness-raising are core components of JPF. • Through implementing partners and advisors, with key leaders and stakeholders, JPF has facilitated scenario analysis and formulation of conflict transformations strategies and positions to inform the development of non-violent responses to the conflict(s). • JPF includes specific analysis and actions addressing women’s rights/non-discrimination, contributing to implement the women, peace and security (WPS) agenda/UN Resolution 1325. This continues to be a core component of the programme in 2023 and beyond.
<p>R2 Implement a systematic approach to ensuring sustainability and continuity. Emphasise ensuring continuity and consolidating processes initiated and results achieved, and improving the technical and financial capacity of the Government to implement policies and provide services to the citizens of Myanmar</p> <p><i>Some suggestions on how this could be done:</i></p> <ul style="list-style-type: none"> ▪ Maintain the four current focal sectors – education, peacebuilding, governance and rural development – in the next programme period ▪ Increase the focus on building the capacity of the Government to implement policies, including through further engagement of the Government in the implementation of EU-funded interventions; this may include project-based and trust fund support, as appropriate 	<p>May 2020: This recommendation is <u>Accepted, when applicable</u></p> <p>It is intended that these four focal sectors stay at the core of the next programming period (with rural development probably being integrated in a broader sector on climate change adaptation and mitigation).</p> <ul style="list-style-type: none"> • Further involvement of the Government will be pursued. Already in the period 2017-2019 there has been a dramatic increase of collaboration through the two Sector Reform Contracts in Education (EUR 221m) and Nutrition (EUR 112m) together accounting for more than 50% of the 2014-2020 MIP’s budget. The EU will continue to pursue further Government involvement in multi-donor funds like LIFT, new Budget Support Operations within the 2021-2028 budget and actions in the area of Governance (My Justice, Support to Election STEP II). The EU will also favour the signing of Financing Agreements between with the Government for most of its programmes. Note however than in certain areas of work such as conflict in Rakhine, (the Peace process and Nexus operations) the EU can’t

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<ul style="list-style-type: none"> ▪ Engage in building the capacity of the Government at the local/sub-national level to deliver rural services, while keeping the local context and conflict-sensitivity issues in mind ▪ Engage in building the capacity of the Government at the local/sub-national level as duty-bearers to meet citizen’s demands vis-à-vis good governance and peacebuilding, while keeping the local context and conflict-sensitivity issues in mind and maintaining support to ethnic providers ▪ Further engage in interventions that support the Government in enhancing its capacity to collect revenues, e.g. in connection with the provision of budget support – as a first step identify opportunities and potential partners for such engagement. 	<p>simply align with Government policies because some of these policies are disputed by EAOs (e.g. Land) or lead to entrenched segregation of minorities</p> <ul style="list-style-type: none"> • Support to increased capacity to Government at local level must indeed be encouraged, even if the current level of decentralisation (notably for the budget) is quite limited. The NSRC programme has placed particular focus on working at the subnational level. Simultaneously, support to Ethnic Service Providers has also been significantly scaled up in 2019 through the signature of the contract Case4Learn. This EUR 20m project aims at supporting Ethnic Education Service providers (for this programme it was not possible to sign a Financing Agreement with the Myanmar Government). • In 2019 the EU started to support the Internal Revenue Department of the Ministry of Finance with the aim of contributing to the Government’s endeavours to increase its tax base. Myanmar is one of the countries in the world with lower Tax/GDP ratio, which translates in limited capacity to deliver quality and inclusive services to its people, despite its robust economic growth. This is one of the most serious problems that the country faces and poses a serious risk for the consolidation of its democratic transition. <hr/> <p>June 2023 Follow-up:</p> <p>Following the coup d’état of February 2021, the environment in which the EU now operates in Myanmar has fundamentally changed (see R1 response above). Therefore, in this new environment, the EU no longer provides any technical or financial capacity building to the Government authorities.</p> <ul style="list-style-type: none"> • Despite the absence of a MIP, the priority areas identified in the draft version of the February 2021 MIP from have remained broadly relevant, while some pivoting was necessary to adapt to the changing situation. The EU’s programming remains centred on three focal sectors – peacebuilding, inclusive human development and green deal (incl. growth and jobs, climate change, agriculture and nutrition). The Special Measures have been informed by the Conflict Analysis Screening mandated by NDICI-GE regulations, which was finalised in September 2021. • Due to the absence of any political engagement, it is not possible to engage in capacity building for the Government authorities. The primary modus operandi is to support civil society and the vulnerable population, with a strong localisation agenda. In this context, capacity-building efforts have completely shifted to these local actors, now at the forefront of service delivery in contested areas. By providing assistance and technical support for them to respond to emerging needs, the EU contributes to the capacity of

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	civil society to fill the gaps left by the collapse of state-run services.
<p>R3 Enhance mainstreaming of cross-cutting issues and multi-sectoral themes. Include specific objectives, indicators, baselines and targets for cross-cutting issues, and introduce mainstreaming procedures and approaches across interventions.</p> <p><i>Some suggestions on how this could be done:</i></p> <ul style="list-style-type: none"> • Apply an explicit gender focus in the country strategy, through the inclusion of explicit gender-specific objectives and a budget for gender specific actions in the 2021-2028 MIP • Introduce environment, climate change and disaster risk reduction mainstreaming procedures and guidelines in trust funds. • Include environment, climate change and disaster risk reduction and awareness raising indicators and targets in sector budget support • Include environment, climate change and disaster risk reduction in policy dialogue at the sector level • Include climate risk assessments and adaptation measures in interventions • Learn from and apply the tools and approaches developed by EU-funded programmes that specifically promote mainstreaming. Include nutrition awareness in the support for the education sector • Include nutrition awareness in the support for the education sector in the formulation of some of the most recent programmes, should be closely monitored for actual implementation 	<p>May 2020: This recommendation is <u>Accepted</u></p> <p>The relevance and credibility of policies is at the core of budget support eligibility. The budget support guidelines already provide for the elements that need to be considered to assess whether a strategy is sufficiently relevant and credible. However the EU is not drafting country policies. This responsibility lies with the partner country and the EU shares policy advice and provides capacity development assistance in order to improve their design and support their implementation.</p> <p>The expected progress with respect to PFM and transparency is mentioned in the monitoring table attached to the PFM and transparency monitoring report, which contains a selection of the country’s reform priorities.</p> <p>The EU already involves all relevant stakeholders in the choice of indicators and the definition of targets.</p> <p>The recommendation to limit the number of indicators and avoid sub-indicators is in line with the ECA Special Report No 25/2019 which stated that <i>“the Commission should: refrain from using sub-indicators in order to limit the actual number of indicators to the maximum described by the guidelines”</i> (the EC budget support guidelines 2017 recommend using between three to ten indicators). The Commission accepts this recommendation. Nevertheless, in exceptional cases, more than ten indicators may be accepted, if justified by the policy framework and partner country preferences. It may notably be appropriate for programmes addressing structural fragility (e.g. Niger’s third generation of SBCs).</p> <p>Even if the EU already maintain indicators over time, a certain degree of responsiveness should be ensured. For example, as part of the COVID-19 response, some existing indicators on specific areas have been neutralised because they were no longer relevant and/or monitorable due to the sanitary crisis context.</p> <hr/> <p>June 2023 Follow-up:</p> <p>Following the coup d’état of February 2021 the EU Delegation in Myanmar does not have a MIP and instead relies on yearly Special measures allocations.</p> <ul style="list-style-type: none"> • The EU no longer provides a sector budget support in Myanmar following the coup d’état.

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	<ul style="list-style-type: none"> • Efforts to mainstreams gender considerations are now systematically done across all programmes. Following GAP III requirements, the Country Level Implementation Plan (CLIP) for Myanmar was finalised in August 2021 and details targeted actions and indicators for the selected specific objectives of focus. A strong gender focus was mainstreamed in all new actions contracted and planned under Special Measures 2021 and 2022, which all received a gender marker 1. The same focus is being applied to the preparation of the Special measures 2023, which will benefit from the support of a dedicated gender expert to ensure all new interventions have an explicit gender focus and specific gender objectives, indicators and baselines. A G2 gender-dedicated action is also planned. • The EU funded Livelihoods and Food Security Fund (LIFT) programme promotes gender equality and women empowerment in Myanmar. Campaign activities increase public awareness on specific gender related issues, and reinforced changing discriminatory norms and culture in society. • The Education Sector Reform Contract (ESRC) Budget Support programme, included the nutrition awareness indicator. However, due to the coup, the EU no longer provides budget support in Myanmar, resulting in a termination of the Education budget support programme (EUR 221m approved in 2018). Nevertheless, the EU Delegation works towards further mainstreaming nutrition in other recent education programmes. QBEP4Children programme under SM 2022 (adopted in Dec 2022) includes awareness-raising activities on cross-cutting messaging around nutrition, COVID-19, psychosocial wellbeing, self-care, sexual exploitation, and child protection to facilitate interactive discussions with relevant target audiences. Awareness campaigns on a quarterly basis will be conducted at the community level on different topics.
<p>R4 Further improve in-house coordination and cooperation. Strengthen the joint implementation of the humanitarian-development-peace nexus in conflict-affected areas, and the synergies between the programmatic support and the political engagement.</p> <p><i>Some suggestions on how this could be done:</i></p> <ul style="list-style-type: none"> • Building on existing structures for cooperation (such as the humanitarian-development-peace nexus action plan, conduct regular team meetings and the joint engagement in policy dialogue in relation to sector budget support), further 	<p>May 2020: <u>Accepted</u></p> <p>Since the drafting of the evaluation report significant progress has been made in operationalising the HDP Nexus approach. The EU in Myanmar is leading (among the other five Delegations designated by the Council in 2017) in translating Nexus principles into action:</p> <ul style="list-style-type: none"> - HDP Nexus Standard Operating Procedures have been drafted jointly by the Cooperation section, the Political section and ECHO in 2019 with the aim of institutionalising “new ways of working together”. These have been validated by the Head of Delegation and submitted to the respective DGs of EEAS, DEVCO and ECHO with the hope that they will inspire other Delegations dealing with conflict and human

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<p>institutionalise cooperation between DEVCO, EEAS and ECHO at the EU Delegation in the standard operating procedures, such as:</p> <ul style="list-style-type: none"> • Prepare regular and joint updates of the humanitarian--development-peace nexus action plan • Sharing of political information with technical level staff as a standard agenda point for EU Delegation team meetings • Ensure that the design of all interventions planned in conflict-affected areas is peer reviewed by the different sections (DEVCO, EEAS, ECHO) – also with a view of identifying options for joint engagement • Ensure that the procedures for humanitarian-development-peace nexus are kept lean and operational 	<p>rights/ protracted crisis.</p> <ul style="list-style-type: none"> - The Nexus Plan of Action was finalised in April 2018 and has not since been updated. It should be updated and discussed again with the EU Member States at the end of 2020. - As per the Nexus SoPs regular meetings are taking place to discuss and analyse the evolving conflict context and programming from the political/peace, development and humanitarian perspective. Since the launch of the HDP Nexus Response Mechanism in December 2019 these meetings are now taking place monthly in the form of a HDP Nexus Advisory Board which is the formal consultative body of the Mechanism. - As per HDP Nexus SoPs both ECHO and DEVCO are already sharing for consultation and before submission to HQ all programming documents (e.g. including ECHO's annual Humanitarian Indicative Plan-HIP). This is already bringing major benefits in terms of coherence, synergies and efficiency in the strategic approach and allocation of resources. Both DEVCO and ECHO, together with EEAS are increasingly working with the joint aim of supporting “durable solutions” for IDPs and other vulnerable populations. <hr/> <p>June 2023 Follow-up:</p> <p>The EU continues to operationalize the Triple Nexus with a coordinated and systematic approach to H-D-P programming primarily through the Nexus Response Mechanism (NRM).</p> <ul style="list-style-type: none"> • The increasing challenges faced in developing and rolling out a sound and broad nexus approach is a result of massive suspension / reduction in development programming, drastic reduction of access, dramatic increase in humanitarian needs, increased legal and administrative restrictions and impediments, shrinking space at Country level for development and peace processes. • Concerning the NRM, the EU's decision-making is informed by the NRM's Conflict Analysis and Research Facility (CAR), a research unit that forms part of the NRM Secretariat and provides up to date joint analyses on the changing context and emerging issues, therefore enhancing conflict sensitivity of intervention and approaches. Yearly area assessments for each of the NRM's target areas provide the EU and the NRM Secretariat a comprehensive analysis of humanitarian needs, political economy, gender and conflict drivers that informs project design and adaptation.

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	<ul style="list-style-type: none"> • Despite the significant challenges in the context and decreases in operational space, the NRM has been able to maintain and expand a wide range of programmatic interventions throughout Myanmar in fulfilment of its objectives of reducing vulnerability, building resilience and protecting rights. This has been achieved through an approach centering itself on civil society-led response; the NRM now works with a network of more than 70 civil society partners across the country. • Area-based nexus projects have now been launched in eight of Myanmar’s conflict-affected states and regions, piloting various localisation approaches to provide a contextually informed response. Area-based projects are integrated by thematic activities, including a nationwide mine action project. A cash transfer programme has provided cash, nutritional and vocational support to more than 100,000 workers, primarily women, from a garment industry that has been devastated by Myanmar’s economic collapse. • Support for human rights organisations and the documentation of human rights violations is included throughout its area-based projects. NRM funding has also been directed to expanding freedom of the press through support for independent news agencies and women and journalists belonging to the Country’ minorities. A stand-alone support project for human rights defenders is also pending but should soon commence. • While the NRM provides an example of a coordinated EU action, more can be done to promote the operationalisation of Nexus coordination and joint advocacy frameworks at a systemic level, specifically across EU MS, bilateral donors, UN agencies, and civil society. Engagement with EU MS will be strengthened in the redefinition of an EU nexus strategy and in the following phase of the programming with the aim to have a more holistic approach and common approach, including a direct participation of EU MS into the NRM mechanism.