

GAO

Report to the Committee on Foreign
Affairs, House of Representatives

April 2007

**INTERNATIONAL
ORGANIZATIONS**

**Assistance Programs
Constrained in Burma**





Highlights of [GAO-07-457](#), a report to the Committee on Foreign Affairs, House of Representatives

Why GAO Did This Study

Burma is one of the world's most impoverished and isolated countries. The United Nations (UN) and other international organizations have become important sources of outside assistance to the country. In recent years, UN entities have increased their funding for activities aimed at addressing Burma's problems. However, Burma's military regime has imposed restrictions on international organizations' activities in Burma. GAO (1) identified principal efforts of the United Nations and other international organizations to address Burma's problems and (2) described the impact of the regime's recent actions on these efforts. We reviewed UN, U.S., and Burmese official documents and interviewed UN, U.S., Burmese, and nongovernmental organization officials in the United States and Burma. We also visited UN project sites in Burma.

www.gao.gov/cgi-bin/getrpt?GAO-07-457.

To view the full product, including the scope and methodology, click on the link above. For more information, contact Thomas Melito at (202) 512-9601 or melitot@gao.gov.

INTERNATIONAL ORGANIZATIONS

Assistance Programs Constrained In Burma

What GAO Found

The United Nations and other international organizations have undertaken numerous efforts aimed at addressing Burma's most pressing problems, which include forced labor, harsh prison conditions, ethnic conflict, an HIV/AIDS epidemic, and poverty. The International Labor Organization (ILO) and the International Committee of the Red Cross (ICRC) have sought to monitor forced labor and prison conditions in Burma by allowing victims to voice their complaints without interference from the regime. The UN High Commissioner for Refugees (UNHCR) and ICRC seek to assist populations in conflict areas near Burma's border with Thailand. International organizations also attempt to provide food to vulnerable populations, promote local economic development, improve health conditions, and strengthen the Burmese educational system. For example, several UN entities provide assistance to combat HIV/AIDS, malaria, tuberculosis, and drug abuse, as well as to improve reproductive health.

Burma's military regime has blocked or impeded activities undertaken by many international organizations in Burma over the past 3 years. In 2004, the regime distanced itself from these organizations and began adopting increasingly restrictive policies. In 2006, it published formal guidelines to restrict international activities in Burma. These guidelines, which have yet to be fully implemented, contain provisions that UN officials consider to be unacceptable. The regime's restrictions have had the greatest impact on international efforts to monitor prison conditions, investigate claims of forced labor, and assist victims of ethnic conflict. The regime has blocked ICRC efforts to monitor prison conditions and, until recently, ILO efforts to address forced labor. The regime has also restricted UNHCR and ICRC efforts to assist populations living in areas affected by ethnic conflict. To a lesser degree, the regime has impeded UN food, development, and health programs by restricting their ability to (1) move food and international staff freely within the country and (2) conduct research needed to determine the nature and scope of some of Burma's problems. Despite these restrictions, several international organization officials told us they are still able to achieve meaningful results in their efforts to mitigate some of Burma's humanitarian, health, and development problems.

We asked the Department of State and officials of international organizations to comment on a draft of this report. State commented that the draft report was thorough, accurate, and balanced. The United Nations' country team for Burma did not dispute our specific findings regarding the regime's restrictions but expressed concern that that we had not noted that it had achieved "a significant opening of humanitarian space on the ground." We believe that this statement is not consistent with information provided to us earlier by UN officials, who stated that conditions in Burma had deteriorated since the 2004 purge within the regime. Other comments and our responses to them are contained in appendixes II, III, and IV.

Contents

Letter		1
	Results in Brief	3
	Background	4
	International Organizations Are Undertaking Wide Range of Efforts to Address Burma's Problems	11
	Burmese Military Regime Has Blocked or Impeded Activities of Many International Organizations	16
	Concluding Observations	26
	Agency Comments and Our Evaluation	26
Appendix I	Scope and Methodology	29
Appendix II	Comments from the Department of State	31
Appendix III	Comments from the UN Country Team	33
Appendix IV	Comments from UNAIDS	39
Appendix V	GAO Contact and Staff Acknowledgments	41
Figures		
	Figure 1: Burma	7
	Figure 2: Reported UN Expenditures in Burma, 2002-2005	10
	Figure 3: Participants in a UNDP-Sponsored Small Banking Project near Bassein	15

Abbreviations

FAO	Food and Agriculture Organization
ICRC	International Committee of the Red Cross
ILO	International Labor Organization
UN	United Nations
UNAIDS	Joint UN Program on HIV/AIDS
UNCT	United Nations Country Team
UNDP	United Nations Development Program
UNFPA	United Nations Population Fund
UNHCR	United Nations High Commissioner for Refugees
UNICEF	United Nations Children's Fund
UNODC	United Nations Office on Drugs and Crime
WFP	World Food Program
WHO	World Health Organization

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United States Government Accountability Office
Washington, DC 20548

April 6, 2007

The Honorable Tom Lantos
Chairman
The Honorable Ileana Ros-Lehtinen
Ranking Minority Member
Committee on Foreign Affairs
House of Representatives

Burma is one of the world's most impoverished and isolated countries.¹ With a per capita national income level below those of neighboring Bangladesh and Laos, Burma suffers from high infant and maternal mortality rates, epidemic-level HIV/AIDS infections, and widespread production of illegal drugs. Burma's isolation is largely the result of policies pursued by a succession of authoritarian military regimes that have ruled the country since 1962. According to the U.S. government, these regimes are responsible for Burma's mismanaged economy, human rights abuses, use of forced labor, human trafficking, and military campaigns against ethnic minority groups. During Burma's last election in 1990, Burmese citizens voted to oust the regime in favor of the National League for Democracy, led by Aung San Suu Kyi.² However, the regime confined her and many other League members, and continued to rule despite international condemnation of its actions. The regime's repressive policies have prompted the United States and other Western nations to end their foreign aid programs to Burma and enact a range of sanctions.

In 2006, the Burmese regime announced new restrictions on international organizations operating in Burma. These organizations have become important sources of outside assistance to Burma's approximately 54 million people as Burma has become increasingly isolated.³ They include

¹Since 1989, Burma's military rulers have promoted "Myanmar" as the name for the country of Burma. In accordance with U.S. government policy, this report refers to the country as Burma and not as "Myanmar."

²Aung San Suu Kyi was later awarded the Nobel Peace Prize.

³The United States helps fund some UN programs in Burma and also funds Burmese democracy programs and humanitarian aid to Burmese refugees outside of the country. About \$11 million was appropriated for these activities, as well as additional activities related to Burma, for fiscal year 2006 in the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 2006, Pub. L. No. 109-102.

the United Nations (UN), the International Committee of the Red Cross (ICRC), and various international nongovernmental organizations. The regime's actions have raised concerns regarding the extent to which these organizations will be able to continue their assistance efforts.

In this report, we (1) identify the principal efforts of the UN and other international organizations to address Burma's problems and (2) describe the impact of the regime's recent actions on the activities of these international organizations. To address these issues, we examined documents relating to programs conducted in Burma by the UN Country Team (which includes 10 UN entities located in that country) and the restrictions imposed on them by the Burmese regime.⁴ In New York and Washington, D.C., we met with officials of the U.S. Departments of State (State) and the Treasury, the United Nations, the World Bank, and the International Monetary Fund. We also met with the Burmese UN mission in New York. In Rangoon, Burma, we met with officials of UN entities, ICRC, and several international nongovernmental organizations who asked that we not identify their organizations in this report. In addition, we met with officials of the U.S. embassy and of the leading democratic organization in Burma. In and near Rangoon and Bassein, Burma, we met with recipients of UN assistance. We also traveled to Nay Pyi Taw (Burma's newly built capital) to meet with officials from the Burmese Ministry of National Planning and Economic Development and the Ministry of Health. In Bangkok, Thailand, we met with officials from three additional UN entities that operate programs in Burma from Thailand,⁵ as well as with representatives of other donor nations.

We conducted our work from May 2006 through February 2007 in accordance with generally accepted government auditing standards. More details on our scope and methodology can be found in appendix I.

⁴UN entities with offices in Burma are the Food and Agriculture Organization, International Labor Organization, UN Children's Fund, UN Development Program, Joint United Nations Program on HIV/AIDS, UN High Commissioner for Refugees, UN Office on Drugs and Crime, UN Population Fund, World Health Organization, and World Food Program.

⁵The three UN entities that operate programs in Burma from Thailand are the UN Educational, Scientific, and Cultural Organization; the Inter-Agency Project on Human Trafficking in the Greater Mekong Sub-Region; and the UN Industrial Development Organization.

Results in Brief

The United Nations and other international organizations have undertaken numerous efforts to address some of Burma's most pressing problems. These efforts include programs aimed at mitigating the effects of prison conditions, forced labor, and conflicts in Burma's ethnic areas. ICRC has attempted to monitor prison conditions in Burma, while the International Labor Organization (ILO) has sought to allow victims of forced labor to file complaints without interference from the regime. The UN High Commissioner for Refugees (UNHCR) and ICRC have worked to assist the population in conflict areas near Burma's border with Thailand. International organizations are also attempting to provide food to vulnerable populations, promote local economic development, improve health conditions, and strengthen the Burmese educational system. For example, two UN entities have provided food and agricultural support to vulnerable populations, while the UN Development Program has created village- and township-level community development and small banking groups. Several UN entities have provided assistance to combat HIV/AIDS, malaria, and tuberculosis, as well as to improve reproductive health and combat the manufacture and use of dangerous drugs. The UN Children's Fund is working to address health and educational problems affecting Burmese children.

Burma's military regime has blocked or impeded activities undertaken by many international organizations in Burma over the past 3 years. After ousting the former Prime Minister in 2004, the regime distanced itself from the international organizations and began adopting increasingly restrictive policies. In 2006, it published formal guidelines to restrict international activities in Burma. These guidelines, which have yet to be fully implemented, contain provisions that UN officials consider to be unacceptable. The regime's increased restrictions have had the greatest impact on international efforts focused on prison conditions, forced labor, and ethnic conflict. The regime has blocked ICRC efforts to monitor prison conditions and frustrated ILO efforts to monitor forced labor for four years before signing an agreement with ILO in February 2007. The regime also significantly restricted UNHCR and ICRC efforts to assist populations living in areas affected by ethnic conflict. To a lesser degree, the regime has also impeded UN food, development, and health programs by restricting their ability to (1) move food and international staff freely within the country and (2) conduct research needed to determine the nature and scope of some of Burma's problems. Despite these restrictions, several international organization officials told us they are still able to achieve meaningful results in their efforts to mitigate some of Burma's humanitarian, health, and development problems.

We requested comments on a draft of this report from the Secretary of State and cognizant UN and ICRC officials. We received written comments from State, the UN Country Team in Burma, and the Joint UN Programme on HIV/AIDS (UNAIDS), which are reprinted in appendixes II, III, and IV, along with our responses to specific points. State commented that the draft report was thorough, accurate, and balanced and that it would continue to encourage the regime to lift its unnecessary and unreasonable restrictions on international organizations. The UN Country Team agreed that international agencies are able to achieve meaningful results in Burma despite what it termed “a difficult and complex environment.” However, while it did not dispute our specific findings about the regime’s restrictions, the UN Country Team expressed concern that our draft report did not note that the United Nations and its partners had achieved “a significant opening of humanitarian space on the ground” over the past decade. This statement is in contrast to information UN officials had provided earlier stating that conditions had deteriorated since the 2004 purge within the regime. The UN Country Team also noted that on February 26, 2007, ILO and Burma had signed an agreement establishing a complaints mechanism for victims of forced labor. We have updated our report to reflect this change, which took place after we submitted our draft report for comment. The UN Country Team also said our report did not adequately reflect the nature of the UN entities’ work and the differences in their mandates. We believe we fairly describe the entities’ work in our first objective. While our draft report noted that UNDP has a restricted mandate prohibiting it from working with the government, we added language stating that other UN entities’ mandates do not have similar restrictions. UNAIDS commented that it appreciated our recognition of progress despite difficulties but added that the draft report could contain more evidence of this progress. We believe we fairly described UNAIDS’ work in our draft report.

Background

Military regimes have ruled Burma for most of the past 45 years. The current regime took power in 1988. In Burma’s last election in 1990, Burmese citizens voted to oust the regime in favor of the National League for Democracy. The regime confined the League’s leader (Aung San Suu Kyi) and many of the League’s members, and continued to rule Burma despite international condemnation. As of September 2006, the regime was holding more than 1,100 political prisoners under conditions that State has described as “harsh.” Amnesty International reported that the regime has

subjected Burmese political prisoners to torture and ill-treatment that has resulted in the deaths of some prisoners.⁶ The regime has also condoned the use of forced labor and taken military action against ethnic groups living in areas within Burma. According to the U.S. government, Burmese campaigns against ethnic minorities in conflict regions may have displaced as many as 500,000 persons. Due in part to the country's widespread violations of human rights, The Fund for Peace ranked Burma among the world's top 20 most unstable countries,⁷ while Transparency International ranked Burma 1.9 on a corruption scale ranging from 0 (highly corrupt) to 10 (highly clean).⁸

Burma is also one of the world's most impoverished countries. In 2006, the UN Development Program (UNDP) ranked Burma 130 out of 177 countries in its annual human development index based on economic and social indicators.⁹ The U.S. government has ranked Burma's per capita gross domestic product 186 out of 229 countries and territories—below those of neighboring Bangladesh and Laos. Both infant and maternal mortality rates are high in Burma. Humanitarian needs are particularly acute in the border areas that have been afflicted for many years by conflict and instability, according to the UN High Commissioner for Refugees. HIV/AIDS has become a generalized epidemic, with approximately 1.3 percent of the population suffering from the virus. According to UN officials, the quality of education in Burma has been declining from formerly high levels. Low educational attainment is depriving many Burmese children of a good start in life and significantly lowering their income opportunities and productivity as adults, according to the United Nations. The weak education system also has long-term implications for the country's ability to develop. According to the most recent World Bank data available to the public, the regime spent less during 2001 and 2003 on health and education in terms of percentage of gross domestic product than Bangladesh, Cambodia, and Laos, which are other low-income nations in the region. Burma has also emerged as a leading opium and

⁶See Amnesty International, *Myanmar's Political Prisoners: A Growing Legacy of Injustice* (June 2005), which can be viewed at <http://web.amnesty.org/library/index/engasa160192005>.

⁷Foreign Policy and The Fund for Peace, *2006 Failed State Index*.

⁸Transparency International, *Corruption Perceptions Index 2006*.

⁹UNDP's indicators include life expectancy, literacy rates, and per capita income.

methamphetamine producer and a source of human trafficking, according to the U.S. government.

The regime's leadership and policies have undergone shifts since it took power. Beginning in 1989, the regime began signing cease-fire agreements with some of Burma's ethnic groups. In 2002, it released the winner of the 1990 election. In 2003, Burma's newly appointed Prime Minister began offering the United Nations expanded opportunities to address some of Burma's problems. However, the regime subsequently renewed military activities against minorities along Burma's border with Thailand, reconfined the winner of the 1990 election, and, after purging the Prime Minister from power in October 2004, issued new restrictions on international organizations in Burma. In November 2005, the regime announced that it was moving Burma's capital from Rangoon to Nay Pyi Taw, which is more than 200 miles from the Rangoon headquarters offices of international organizations working in Burma (see fig. 1).

Figure 1: Burma



Sources: GAO analysis of UN and U.S. government data; Map Resources (map).

The regime's actions have prompted the United States to impose a variety of sanctions. The United States has banned the importation of Burmese goods, the export of financial services and arms by U.S. persons to Burma, and new U.S. investment in Burma. It has barred high-ranking Burmese officials from visiting the United States. The United States also proposed a UN Security Council resolution that would have called upon the regime to cease attacks on civilians in ethnic minority areas and begin a substantive political dialogue that would lead to a transition to democracy.¹⁰ In addition, it has supported UN resolutions on Burma, such as those passed by the UN General Assembly in response to the human rights situation in Burma. According to State, U.S. objectives for Burma include the release of political prisoners, the start of a credible and inclusive national reconciliation process, the ending of forced labor and attacks on civilians, and increased access for UN organizations and nongovernmental organizations.

While several other nations have imposed sanctions on Burma, China has strengthened its ties with that country. Australia, Canada, and the European Union have joined the United States in imposing some form of sanctions against the regime, according to State. In contrast, China has increased its commercial presence in Burma, emerged as Burma's largest single source of imports (about 30 percent in 2005), and become a strong market for Burmese exports. In addition, the current Burmese Prime Minister visited Beijing in February 2006 and signed agreements with Chinese officials that will provide Burma with grants and concessionary loans.

Burma has also become increasingly isolated from the World Bank, the Asian Development Bank, and the International Monetary Fund. The World Bank reported that it has not approved any new loans to Burma since 1987 and has no plans to resume its program. Burma is currently in arrears to the World Bank and has not enacted economic and other reforms. The Asian Development Bank and the International Monetary Fund have not made new loans to Burma since the 1980s.

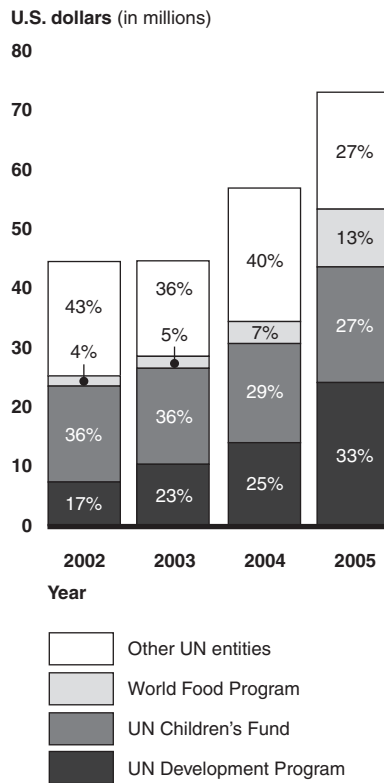
The United Nations and several international organizations have become an important source of outside assistance to the country. UN entities informed us that they had spent about \$218 million in Burma from 2002 through 2005. In 2005, more than 70 percent of these funds were spent by

¹⁰The resolution was vetoed by China and Russia.

UNDP, the UN Children's Fund (UNICEF) and the World Food Program (WFP), as shown in figure 2.¹¹ Of the remaining agencies, the UN World Health Organization (WHO) informed us it spent about \$4.9 million in Burma during 2005, while UNHCR and the UN Population Fund (UNFPA) informed us they had each spent about \$4.3 million. The UN Office on Drugs and Crime (UNODC) and the Food and Agriculture Organization (FAO) reported they had spent about \$3 million and about \$2 million, respectively, in Burma during the same year. ILO informed us it spent about \$321,000 in Burma during 2005, while UNAIDS reported it spent about \$691,000.

¹¹UNDP and WFP reported significant increases in their spending in Burma in 2005. According to UNDP officials, UNDP funding increased to about \$23 million in 2005 as a result of the former Prime Minister's decision to allow UNDP to expand into certain areas. According to WFP officials, WFP funding increased approximately \$6 million between 2004 and 2005 as it provided assistance to an increased number of families affected by the regime's 1999 plan to eradicate poppy production over a 15-year period. We did not assess the reliability of UN expenditure data because we used it for background purposes only.

Figure 2: Reported UN Expenditures in Burma, 2002-2005



Sources: UN organizations.

Note: Percentages may not total to 100 percent due to rounding.

The United States has provided financial support for some UN programs in Burma. For example, it has helped fund programs conducted in Burma by UNICEF. U.S. law requires that the United States withhold a proportionate share of its voluntary contributions to most UN organizations in connection with their programs in Burma. For example, the United States

has withheld a proportionate share of its voluntary contributions to UNDP because UNDP conducts programs in Burma.¹²

UNDP's governing board has also limited the scope of UNDP's mandate to conduct programs in Burma. UNDP's governing board, which includes the United States, has directed UNDP to work directly with the Burmese people at the grass roots level and not through the regime. State has requested and obtained annual assurances from UNDP that UNDP's Burma program is focused on the needs of the poor, does not provide any benefits to the regime, and works only through organizations that are independent of the regime.¹³ Other UN entities are not restricted from working with the Burmese regime by their mandates.

International Organizations Are Undertaking Wide Range of Efforts to Address Burma's Problems

The United Nations and other international organizations have undertaken numerous efforts to address some of Burma's most pressing problems. These efforts include programs aimed at addressing prison conditions, forced labor, and conflicts in Burma's ethnic areas. International organizations are also attempting to provide food security to vulnerable populations, promote local economic development, detect and treat HIV/AIDS and other diseases, and strengthen the educational system.

¹²Section 301 of chapter 3 of the Foreign Assistance Act of 1961, as amended (Pub. L. 87-195), states that "the President is authorized to make voluntary contributions on a grant basis to international organizations and to programs administered by such organizations...." Section 307 of the act specifies that "none of the funds authorized to be appropriated by this chapter shall be available for the United States' proportionate share for programs for Burma...." with the exception of contributions to UNICEF and the International Atomic Energy Agency. Under Section 307, State withheld more than \$905,000 from its fiscal year 2004 voluntary contributions to UNDP in connection with programs in Burma.

¹³State has also obtained UNDP assurances that UNDP has consulted Burmese pro-democracy groups regarding its program in Burma. Congress included similar conditions in a provision of the Admiral James W. Nance and Meg Donovan Foreign Relations Authorization Act, Fiscal Years 2000 and 2001, Pub. L. No. 106-113, § 108, 113 Stat. 1501, 1501A-417 (1999). This provision, which is no longer in effect, specified that of the funds made available for fiscal years 2000 and 2001 for voluntary contributions to UNDP, the United States would withhold "an amount equal to the amount" that UNDP spent in Burma unless State certified that all UNDP programs met the act's conditions.

ICRC and ILO Attempt to Monitor Prison and Labor Conditions

ICRC and ILO are attempting to address issues involving prison and forced labor conditions in Burma. ICRC has attempted to monitor prison conditions in Burma, while ILO has sought to allow victims of forced labor to file complaints without interference from the regime.

ICRC has sought to improve Burmese prison conditions by meeting with inmates unaccompanied by Burmese officials. In accordance with its international mandate of visiting prisoners during situations of internal violence and their consequences, ICRC began visiting Burmese prisons in 1999 following 13 years of negotiations with the regime. According to ICRC officials and documents, ICRC staff conducted about 450 prison visits between 1999 and 2005. ICRC staff informed us that while they do not allow regime officials to accompany them during prison visits, they have worked with regime ministries to improve prison health conditions and to help prisoners contact their families. According to ICRC, the prison visit program has helped improve prisoners' physical and psychological well-being.

To address the problem of forced labor in Burma, ILO has recently succeeded in establishing an independent mechanism to handle complaints from victims of this practice. ILO is charged with defining international labor standards, including an internationally recognized ban on the use of forced labor.¹⁴ In 1998, an ILO inquiry reported that it had found "abundant evidence" of the "pervasive use of forced labour imposed on the civilian population...by the authorities and the military" in Burma. Following negotiations with ILO, Burma agreed in 2002 to allow ILO to station a liaison officer for forced labor issues in Rangoon. In 2003, Burma agreed in principle to an ILO plan of action that called for the establishment of a non-Burmese facilitator for forced labor issues. This facilitator would receive and investigate complaints of forced labor provided in confidence and would then work with the regime to resolve the complaints while protecting the rights of the complainant.

¹⁴The Forced Labour Convention, adopted on June 28, 1930 in Geneva, Switzerland, prohibits the use of forced labor, as defined in the convention. The convention may be found at <http://www.unhcr.ch/html/menu3/b/31.htm>. Burma ratified the convention in 1955.

International Organizations Seek to Aid Populations in Conflict Areas

International organizations are also attempting to help populations in areas of Burma that have been marked by tension or conflict between regime forces and ethnic groups, according to officials of international organizations. These organizations include UNHCR and ICRC.

UNHCR is currently working in two areas that have been subject to ethnic tensions. Near Burma's border with Bangladesh, UNHCR is serving as the lead international agency in engaging the regime on protection issues affecting a large population of stateless Muslims, including more than 200,000 former refugees who began returning to Burma from Bangladesh in 1993. According to UNHCR, it is coordinating the work of several other international organizations in providing needed support to this population. UNHCR is also attempting to address the needs of persons living in three provinces near Burma's southeastern border with Thailand, where military campaigns have displaced large numbers of villagers. As a result of these campaigns, many thousands of Karen, Karenni, and Mon ethnic groups have crossed the border into Thailand. A senior UNHCR official told us that UNHCR was granted access to these areas in 2004 as part of a contingency plan for the possible repatriation of these refugees.

ICRC has also sought to assist and protect populations in conflict areas. ICRC officials informed us that ICRC teams travel to these areas to persuade fighting forces to avoid harming civilians and to help civilians who have already been harmed. The teams, which include medical personnel and interpreters, have operated from ICRC field offices. ICRC officials informed us that ICRC policy calls for the teams to travel freely in these areas without regime supervision. They stated that they do not notify authorities of each team's activities, although they must ask for permission to establish field offices.

International Organizations Aim to Address Burmese Development and Health Needs

UN and other international organizations have launched a wide range of assistance programs in Burma to address Burma's many social and health problems. These problems include food shortages, poverty, threats to public health, and a deficient and declining educational system.

International organizations have sought to address food shortages in Burma, including those affecting displaced populations along Burma's borders as well as other areas where malnutrition is increasingly prevalent.

- WFP, the emergency food aid arm of the United Nations, has sought to provide food to vulnerable populations in Burma that suffer from hunger,

malnutrition, and poverty and have been adversely affected by regime policies. WFP delivers food assistance to northwestern Burmese Muslim populations and to families from mostly ethnic minority groups who lost their main livelihood under a regime ban on opium cultivation. WFP implements food assistance programs for students and landless workers, and provides nutrition support for mothers and young children. WFP implements its programs with cooperating partners such as other UN entities or nongovernmental organizations rather than the regime. WFP has also provided emergency food assistance to families affected by the 2005 tsunami disaster and has responded to other localized food crises, such as floods and crop failures.

- FAO helps developing countries improve and modernize practices in agriculture, livestock and fisheries, and forestry by providing technical cooperation, expertise, and information, and by bringing knowledge to the field. For example, in northwest Burma, FAO works with foreign donors to provide support for agricultural resource management and promotes seed projects to improve food security for refugees returning from Bangladesh. FAO has also provided technical assistance to strengthen Burma's emergency preparedness for avian influenza and to aid tsunami-affected areas.

UNDP is currently operating several major programs at the grass roots level that seek to address poverty in Burma. These programs include projects aimed at strengthening the capacity of poor communities to address their basic needs, in part through the creation of community development groups. In 2005, UNDP expanded its operations to include a greater number of poor communities in selected remote townships. It was able to retain access to several formerly inaccessible townships after the ouster of the former Prime Minister who had invited UNDP to establish itself in them. It has also supported the creation of small banking networks that provide financial services to producers in selected poor villages, including the one pictured in figure 3. UNDP has also worked with other UN entities to secure funding from other international donors to establish a major campaign against the spread of AIDS and other infectious diseases in Burma.

Figure 3: Participants in a UNDP-Sponsored Small Banking Project near Bassein



Source: GAO.

International organizations have also sought to address threats to public health in Burma. Several UN entities have provided assistance to combat HIV/AIDS, malaria, and tuberculosis; to support the country capacity in both the human and animal sectors for avian and human influenza pandemic preparedness and response; and to improve reproductive health and combat the manufacture and use of dangerous drugs.

- UNAIDS is a joint effort of 10 UN entities that aims to prevent new HIV infections, provide care for those already infected, and mitigate the impact of the epidemic. Using available data on HIV/AIDS prevalence, UN entities aim to promote condom usage; raise awareness on prevention methods; provide care, treatment, and support for people living with HIV/AIDS; and take other actions.
- WHO, the UN authority on international health, provides technical cooperation on health matters to Burma and other member states. WHO's priorities for Burma include preventing and controlling diseases such as HIV/AIDS, malaria, and tuberculosis and vaccine-preventable diseases

such as polio, measles, and neonatal tetanus and tuberculosis; strengthening health systems; improving child, adolescent, and reproductive health; and strengthening Burma's ability to address avian and human influenza.

- UNFPA assists countries such as Burma in providing quality reproductive health and family planning services and formulates population policies that support sustainable development. UNFPA's assistance to Burma has focused on reducing maternal mortality and preventing the spread of HIV/AIDS by improving reproductive health information and services and by providing reproductive health commodities.
- UNODC operates several programs in Burma, including efforts to reduce demand for injecting drugs and the transmission of HIV among and from users of injecting drugs. Implementation of these programs is concentrated in areas near certain border areas where the prevalence of HIV and drug abuse is high. According to UNODC, it has supported almost 2,400 individuals in accessing drug treatment and rehabilitation services, while about 12,000 youth accessed its youth development centers and more than 6,500 individuals accessed UNODC health care services. UNODC has other programs in Burma, including programs to help define alternative livelihoods for families who lost their main livelihood under a regime ban on opium cultivation.

UNICEF also conducts a range of activities that include programs aimed at addressing deficiencies in Burma's educational system and improving women and children's health. Based on educational data to which it has access, UNICEF works with Burma's Ministry of Education to promote comprehensive quality education in Burma. UNICEF has supported projects in early childhood development, quality basic education, life skills, and HIV/AIDS prevention education. It has also provided school supplies to children from poor families and supported local parent-teacher associations and teachers in improving the learning environment for children.

Burmese Military Regime Has Blocked or Impeded Activities of Many International Organizations

According to officials of international organizations, Burma's regime has blocked or impeded activities undertaken by many international organizations following its ouster of the former Prime Minister in 2004. It has blocked international efforts to monitor prison conditions, and, until recently, forced labor cases. The regime has also significantly restricted international assistance to populations living in conflict areas, and, to a lesser degree, impeded food, development, and health programs. Despite these actions, many of the international officials we spoke with told us

that they are still able to achieve meaningful results in their efforts to mitigate some of Burma's many problems.

Regime Has Become More Restrictive Since 2004

The Burmese military regime became more restrictive regarding activities of international organizations after it purged the former Prime Minister in October 2004, according to officials of international organizations now working in Burma. The regime formalized its restrictions on the international organizations in 2006 by publishing guidelines to govern their activities in Burma. The guidelines, if fully implemented, would further tighten regime controls over these activities and contain provisions that UN officials consider to be unacceptable.

International organization officials informed us that the regime had become more restrictive of their activities since 2004. While the regime allowed UNDP to proceed with a previously agreed upon expansion of its programs into certain remote villages, international organization officials told us that the regime had otherwise increased restrictions on international access to conflict areas. The regime has also begun pressuring some international organizations to work more closely with regime-sponsored political mobilization groups, such as the Union Solidarity Development Association. A senior UN official in Burma told us that since 2004 the regime has made the operating environment for UN organizations far more difficult than before. He noted that the regime had distanced itself from international organizations. Other officials told us that their organizations were unable to make contact with regime officials for months after October 2004. International organization staff also reported that a lack of coordination and consistency between regime ministry staff and between local commanders led to delays in international programs and approvals of needed agreements.

The effect of the regime's withdrawal has been compounded by its decision to distance itself physically from the international organizations. In 2006, the regime moved its officials to the new capital, Nay Pyi Taw, which is more than 200 miles inland from Rangoon. As a result, Rangoon-based international organization officials must now spend several hours traveling by car and airplane to meet with government officials who were formerly located in Rangoon.

The regime moved to formalize restrictions on the international organizations in February 2006, when the Burmese Ministry of National Planning and Economic Development published guidelines governing international organizations' programs in Burma.¹⁵ A senior official of the Ministry of National Planning and Economic Development told us that the guidelines are intended to improve the efficiency and effectiveness of the international organizations' programs by improving coordination and eliminating duplicative programs. The official also stated that the guidelines would help address the tendency of some international humanitarian entities to become involved in what she referred to as "political matters." The ministry disseminated differing English and Burmese language versions of the guidelines. A UN-provided translation of the Burmese language version revealed that it contains several restrictions not included in the English language version. A senior ministry official told us that the Burmese language version is intended to help Burmese local officials better understand the English language version of the guidelines.

The provisions in the two versions of the guidelines would restrict several aspects of international organizations' activities in Burma. For example, the guidelines would require the international organizations to

- agree that their international staff may only travel within Burma with permission from the subject area ministry and with a regime representative;
- obtain prior approval of all international projects by subject area ministries and by the Ministry of National Planning and Economic Development;
- avoid conducting or distributing any surveys not mentioned and approved in the original project documentation;
- deposit all incoming funds in Burma's national bank for subsequent withdrawal as "foreign exchange credits";

¹⁵Burmese Ministry of National Planning and Economic Development, *Guidelines for UN Agencies, International Organizations, NGO/INGOs on Cooperation Programs in Myanmar* (February 2006).

-
- agree that their programs will “enhance and safeguard the national interest,” “prevent infringement of the sovereignty of the State,” and “be on the right track...to contributing to the socio-economic development of the Nation”;
 - coordinate their work with local and state coordinating committees that include representatives of the Union Solidarity Development Association and similar groups; and
 - select their Burmese national staff from government-prepared lists of individuals.

The extent to which the regime will fully implement these guidelines is unclear. High-ranking officials of the Ministry of National Planning and Economic Development and the Ministry of Health told us that the guidelines are now in effect and are not being negotiated. UN officials, who have taken the lead in speaking for all international organizations regarding the guidelines, informed us that they continue to try to engage the regime in discussions regarding the guidelines.

A senior UN official familiar with the full range of UN programs in Burma told us that the United Nations has informed regime officials that the last three of the above restrictions are not acceptable to the United Nations. According to this official, the United Nations cannot agree that its programs would support the regime’s definitions of the national interest because UN humanitarian assistance must be apolitical. For the same reason, he told us, the United Nations could not work with committees that include the Union Solidarity Development Association and similar organizations. Other international organization officials also informed us that they would not agree to allow the regime to select their Burmese staff members.

Regime Has Blocked ICRC Initiative to Monitor Prison Conditions

According to ICRC officials, the regime has blocked ICRC monitoring of prison conditions. The regime has halted ICRC’s prison visit program by insisting that pro-regime staff observe ICRC meetings with prisoners. ICRC staff told us that the regime appeared to have reassessed its view of ICRC and other international organizations in 2004. According to ICRC officials, in September 2005 the Burmese Ministry of Home Affairs suddenly demanded that representatives of the Union Solidarity Development Association accompany ICRC staff on all prison visits. ICRC refused the ministry’s demand, given ICRC’s policy of protecting the confidentiality of

its discussions with inmates. As a result, the ministry has denied ICRC access to Burmese prisons since the end of December 2005.

Burmese Regime Blocked ILO Efforts until Recently

The regime frustrated ILO efforts to conclude an agreement establishing an independent complaints process for forced labor victims for 4 years until signing an agreement with ILO in February 2007. In 2003, Burma agreed in principle to establish such a process. ILO relations with the regime deteriorated after October 2004. In the absence of a final agreement on the establishment of an independent complaints mechanism, the ILO liaison officer worked with regime officials to informally address complaints of forced labor. However, he stopped doing so after the regime began to arrest and prosecute complainants. Three individuals were sentenced to death for allegedly contacting ILO. In 2005, the Union Solidarity Development Association staged mass anti-ILO rallies, while the ILO liaison officer reported receiving 21 similarly worded death threats. Following ILO expressions of concern about the situation, the regime released the imprisoned complainants, agreed to not prosecute complainants for the next 6 months, and began negotiating a new “understanding” with ILO to protect complainant rights. These negotiations deadlocked in October 2006 after regime officials objected to language in the draft understanding that would have allowed the liaison officer to employ a sufficiently large staff with the diplomatic and travel rights needed to meet with complainants in a timely and confidential manner. ILO and the regime subsequently agreed that necessary adjustments to the liaison officer’s staff capacity would be made “after due consultation,” and ILO announced on February 26, 2007, that it had reached an agreement with Burma to establish a complaints mechanism for victims of forced labor. Prior to the signing of this agreement, ILO had no project activities under way in Burma because of the regime’s policies.

Regime Has Restricted International Efforts in Certain Conflict Areas

According to officials of international organizations, the regime has impeded international efforts to address the needs of populations in conflict areas by restricting international access to those areas. It has limited UNHCR efforts along the Thai border, while halting or impeding efforts in conflict areas by ICRC and other organizations.

A senior UN official familiar with the full range of UN activities in Burma informed us that the regime’s refusal to allow free access to conflict areas is one of the most important restrictions faced by international organizations in that country. The official contrasted the current regime’s

policies with those of the former Prime Minister, who expanded opportunities for UNDP to work in previously closed parts of Burma.

The current regime's policies have particularly affected efforts by UNHCR to assist displaced persons in the southeast region near the border with Thailand. UNHCR officials told us that UNHCR operating conditions in the southeast region near the border had deteriorated sharply in 2005. Previously, according to UNHCR, the agency had been developing plans for the anticipated repatriation of thousands of refugees from the Thai side of the border, with the support of the Prime Minister in assessing the region's capacity to support returning refugees.¹⁶ These conditions, along with the prospects for a political settlement between the regime and a Karen organization, changed after the Prime Minister's removal. The regime's Ministry of Interior initially ignored UNHCR's efforts to restart discussions before reassigning UNHCR to a less influential ministry. More importantly, the resumption of military operations in the area convinced UNHCR that conditions were no longer conducive to the return of refugees.

The regime has also resisted UNHCR's subsequent efforts to assist communities on the Burmese side of the border that have been affected by the displacement of persons within the area. UNHCR officials told us that restrictions on UNHCR's access to several areas have impeded the agency's efforts to improve its fragmented understanding of the population's needs and its capacity to address them. The regime, which denies that internally displaced persons are in the region, has not allowed UNHCR to access certain border areas that it does not control. While UNHCR has been allowed to implement certain "quick impact" projects (such as the building of schools and bridges) in some 300 villages, UNHCR considers these projects to be only a first step toward fulfilling its protection objectives. Because regime officials closely monitor these projects, UNHCR staff cannot easily meet with villagers to improve UNHCR's understanding of the problems facing internally displaced persons. A senior UNHCR official in Burma told us that UNHCR does not want to jeopardize its already limited access to the region or to put the local population at risk by holding public meetings on protection issues.

¹⁶Over 150,000 Burmese refugees live in camps along the border in Thailand, according to officials of a nongovernmental organization that works on the Burma-Thailand border. UNHCR and international organizations, such as the Thailand Burma Border Consortium, assist these refugees. The consortium's efforts in Thailand are partially funded by the United States.

The regime has halted ICRC's efforts to assist and protect civilians in conflict areas over the past 2-1/2 years. ICRC staff informed us that the regime began restricting ICRC's access to conflict areas after October 2004. ICRC staff also told us that regime authorities had begun demanding that representatives of the Union Solidarity Development Association accompany ICRC teams in certain conflict areas. ICRC staff stated that allowing regime representatives to do so would compromise the independence of ICRC's role in these areas. ICRC staff estimated that between 2002 and October 2006, regime actions reduced the scope of ICRC's assistance and protection effort by 90 percent. The regime then ordered ICRC to close its five field offices in Burma, including those that served as bases for ICRC conflict area teams. ICRC stated that the closures will make it impossible for it to carry out most of its assistance and protection work for civilians in the conflict areas. According to State and ICRC officials, the regime has since allowed ICRC to reopen the field offices but has not allowed ICRC to resume humanitarian assistance programs out of the offices. The regime now insists that ICRC follow strict guidelines that do not allow space for independent movements by teams as in the past, according to a senior ICRC official in Burma.

Several other international organizations reported similar difficulties in sensitive regions of Burma. FAO staff reported that local police had barred them from traveling to villages in Shan State to question people regarding food supplies. UNICEF staff stated that they had difficulties accessing parts of the country. WHO also lacks access to populations in certain areas. A representative of an international nongovernmental organization told us that the regime began strictly enforcing its ban on access to conflict areas after 2004.

**Regime Has Impeded
Other Assistance Programs**

Officials of international organizations informed us that the regime has also impeded international food, development, and health programs. They stated that it has done so by restricting their ability to (1) move food and international personnel freely within Burma and (2) gather data needed to understand the scope and nature of Burma's problems.

**Regime's Travel Restrictions
Have Hindered Programs**

The regime's policies on travel have hindered international organizations' efforts to ship food to vulnerable populations within the country. For example, delays in obtaining transport permits for food commodities from the current regime have hindered WFP efforts to deliver food to vulnerable populations. A senior WFP official told us that WFP has not always been able to deliver food on schedule because regime officials have required 3 to 5 months to approve food shipments and because regional military

commanders have not always been available to approve food deliveries upon their arrival. As a result, he stated, WFP had been unable to deliver several months' worth of food to students and their families in the northern parts of the Rakhine State during the 2005 school year. In addition, he informed us that WFP had been unable to deliver 20 percent to 30 percent of its planned food shipments during 2005. He added that the regime began to provide authorizations in a timelier manner in 2006.

The regime's time-consuming travel procedures have also impeded the ability of international staff to move freely within the country to ensure the timely provision of assistance. According to UN officials, the Burmese regime typically requires non-Burmese staff of UN entities and other international organizations to obtain travel permits to visit project sites. Officials of eight of the nine UN entities that provide humanitarian, health, and development assistance in Burma told us that the regime requires at least 3 to 4 weeks' advance notice to authorize travel. An official of the remaining entity told us that it is required to provide 2 weeks' notice. These officials said that the additional time it takes to apply for travel permits impedes the planning and monitoring of projects through field visits and reduces the scope of their activities. In August 2006, the acting UN Resident Coordinator informed the Minister of National Planning and Economic Development that with regard to internal travel, "Unnecessary and time-consuming procedures impede us from providing assistance in a timely manner."

Moreover, the regime's internal travel restrictions contributed to a major setback to international efforts to fight three diseases in Burma. The Global Fund to Fight AIDS, Tuberculosis, and Malaria¹⁷ had agreed to provide \$98.4 million over 5 years, beginning in 2005. However, in 2005 the fund terminated its program in Burma after the regime instituted new travel clearance procedures that would have impeded international staff travel to project sites. In announcing its decision to terminate the program, the fund cited the adverse impact that the new travel restrictions would have had on its ability to ensure that the program was properly managed.¹⁸

¹⁷For more information on the Global Fund, see GAO, *Global Health: The Global Fund to Fight AIDS, TB and Malaria Is Responding to Challenges but Needs Better Information and Documentation for Performance-Based Funding*, GAO-05-639 (Washington, D.C.: June 10, 2005).

¹⁸Donors are working to establish an alternative trust fund that supports efforts to combat tuberculosis, HIV/AIDS, and malaria in Burma.

Some UN international staff also reported they have been hindered by the regime's requirement that they be accompanied by their regime counterparts when they travel in Burma, although others noted that the requirement has some benefits. One official said that counterparts had prevented her from meeting with project beneficiaries in private. Another stated that his organization has faced the challenge of finding government counterparts to accompany international staff when they need to travel. However, four UN officials noted that Burmese technical experts had facilitated their travel and access and provided input to their work.

In addition, officials of three UN entities reported difficulties in obtaining permission for experts located outside Burma to visit sites in that country. These experts had been sought out to provide technical expertise on agricultural, HIV/AIDS, and educational projects. One organization in Thailand also reported delays in obtaining visas as the primary reason that it did not have active programs in Burma.

Regime Impeded Gathering and Sharing of Needed Health and Development Data

International organization officials told us that the regime's informal restrictions on surveys and data sharing have impeded their efforts to address Burma's problems. According to UN officials, regime data concerning health and education in Burma is incomplete and unreliable. UN officials noted that the regime has not conducted a census since 1983 and expressed concern that the regime's collection of statistics has deteriorated since 2004. WHO has reported with concern that Burma's deteriorating statistics on health are not reliable and that Burma lacks a plan to develop a nationwide health information system. Officials working for other UN entities in Burma's health sector expressed similar concerns. UN officials also criticized Burmese statistics on education. One official told us that the lack of solid and evidence-based research on education in Burma significantly impedes efforts to address educational problems. UN officials also expressed concern that the regime is deliberately providing inaccurate data to the public.

The United Nations has stated that these data weaknesses have impeded international organizations' efforts to assess needs, conduct strategic planning, and implement programs in Burma. According to the United Nations, international organizations require a comprehensive understanding of the needs of the population to efficiently direct their resources. The United Nations has also noted that surveys would be valuable for identifying issues related to poverty alleviation, initiating activities that create longer-term benefits, and evaluating program performance.

However, UN and other international officials told us that the Burmese regime has impeded their ability to conduct their own surveys and freely share the data they gather regarding the nature and scope of Burma's problems. In its strategic framework for assistance to Burma, the United Nations has called upon the regime to allow a wider range of data to be collected, analyzed, and shared without alteration. According to one UN official, the regime has rejected project proposals that cite the terms "research" or "data collection." UN health officials also told us that the regime had restricted the scope of their HIV/AIDS research and the health data that they could share with the public. A WFP official told us that while his organization has not encountered any problems carrying out surveys and assessments in the regions in which it has been operating, it has encountered difficulty in carrying out national surveys on food needs. Representatives of several international nongovernmental organizations working in Burma also expressed concerns about regime restrictions on research and surveys by their staff. International organization officials also noted that the guidelines for international organizations contain the regime's first formal restriction on research.

In commenting on a draft of this report, UNDP said it recently completed two major research projects without encountering significant difficulties with the government. According to UNDP, its survey of over 18,000 households represented a unique effort. Similarly, UNDP noted that its agricultural sector review provides an in-depth analysis of the inadequate growth of Burma's agriculture in recent decades that has contributed to declining real incomes and growing poverty in rural areas.

**Despite Restrictions,
International Organization
Officials Stressed That
Their Organizations Are
Still Able to Achieve
Meaningful Results**

Several international organization officials stressed that their organizations are still able to achieve meaningful results in their efforts to address Burma's development, humanitarian, and health problems, despite the regime's post-2004 restrictions. For example, UNDP reported that its banking projects for small businesses in selected poor villages had over 180,000 active borrowers as of March 2006. UN officials working in the health sector told us that the Burmese regime had been increasingly cooperative in efforts to address HIV/AIDS prevalence and recently worked with several UN entities to develop a multisectoral plan that targets all victims of the disease in Burma. For example, UN officials told us that UN entities provided home-based or community-based care and support on HIV/AIDS to over 5,000 people in 2005, a 175 percent increase over service provision in this area in 2004. UN officials also noted that they launched a measles campaign after October 2006 after earlier government resistance. In addition, a WFP official told us that WFP operations have

expanded over the last 3 years in Burma and have gained better access to certain areas.

Programs that address health and development issues in Burma have generally been less constrained by the regime's restrictions than the ILO and ICRC human rights efforts. Officials said that careful planning is the key to managing useful health and development projects within regime limits. Several officials also emphasized that restrictions have had the least effect on their organizations, which tend to work closely with the regime. For example, an FAO official told us that FAO generally has good relations with the technical ministries it cooperates with due to its close work with these ministries in providing technical assistance and supporting knowledge transfer.

Concluding Observations

Due to restrictions imposed by the Burmese regime, international organizations are facing an increasingly uncertain future as they continue their efforts to address Burma's assistance needs. The recent actions of the Burmese regime indicate that it is now seeking to exert a greater degree of control over international activities in Burma than before. While the regime appears to have accepted international efforts to relieve Burma's development, health, and educational problems as necessary, it has also opted to regulate them more closely. The regime also appears to have become more insistent that international organizations cooperate with regime-sponsored political mobilization groups. Such actions can only further narrow the opportunities for international organizations to address Burma's pressing human rights, humanitarian, and development problems.

Agency Comments and Our Evaluation

We requested comments on a draft of this report from the Secretary of State and cognizant officials at the United Nations and ICRC. We received written comments from State, the UN Country Team in Burma, and UNAIDS, which are reprinted in appendixes II, III, and IV, along with our responses to specific points.

State said that the draft report presents the challenges and opportunities facing international nongovernmental organizations in Burma in a thorough, accurate, and balanced fashion. State added that it "will continue to encourage the Burmese regime, both directly and through various UN fora, to lift the unnecessary and unreasonable restrictions it has placed on organizations seeking to provide humanitarian assistance and to promote respect for human rights."

The UN Country Team said that it agreed with our analysis that UN and other international agencies are able to achieve meaningful results in Burma despite a difficult and complex environment. However, it expressed concern that our draft report did not note that a significant opening of humanitarian space on the ground has been achieved by the UN and its partners in the past decade. This statement is in contrast to information UN officials had provided earlier stating that conditions had deteriorated since the 2004 change in government. The team did not dispute our specific findings about restrictions faced. However, it noted a significant development for one organization—ILO. Following the completion of our draft report, ILO and Burma signed an agreement to establish a mechanism for victims of forced labor to file complaints on February 26, 2007. We have updated our report to reflect this change.

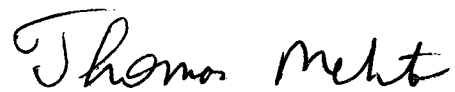
The UN Country Team also said our report did not adequately reflect the nature of the UN entities' work and the differences in their mandates. We believe we fairly describe the entities' work in our first objective. While our draft report noted that UNDP has a restricted mandate prohibiting it from working with the government, we added language stating that other UN entities' mandates do not have similar restrictions.

UNAIDS commented that it appreciated our recognition of progress despite difficulties but added that the draft report could contain more evidence of this progress. We believe we fairly described UNAIDS' work in our draft report.

State, UN agencies, and ICRC submitted technical comments that we have incorporated into this report, as appropriate.

As agreed with your offices, unless you publicly announce the contents of this report earlier, we plan no further distribution until 30 days from the report date. At that time, we will send copies to interested congressional committees, the Secretary of State, and other interested parties. We will also make copies available to others on request. In addition, this report will be available at no charge on the GAO Web site at <http://www.gao.gov>.

If you or your staff have any questions about this report, please contact me at (202) 512-9601 or at melitot@gao.gov. Contact points for our Offices of Congressional Relations and Public Affairs may be found on the last page of this report. Key contributors are listed in appendix V.

A handwritten signature in black ink that reads "Thomas Melito". The signature is written in a cursive, flowing style.

Thomas Melito
Director, International Affairs and Trade

Appendix I: Scope and Methodology

To identify the principal efforts of United Nations (UN) and other international organizations in addressing Burma's problems, we examined documents relating to programs conducted in Burma by the 10 UN entities located in that country. We also traveled to several locations in Burma, where we met with officials of the Food and Agriculture Organization, International Labor Organization, Joint United Nations Program on HIV/AIDS, UN Children's Fund, UN Development Program, UN High Commissioner for Refugees, UN Office on Drugs and Crime, UN Population Fund, World Health Organization, World Food Program, and International Committee of the Red Cross. We also met with several international nongovernmental organizations (who asked that we not identify their organizations in this report). In addition, we met with Burmese staff working for the United Nations who are implementing three projects in or around Rangoon and two projects in villages a day's travel by car and small boat outside of Rangoon and Bassein. In Thailand, we met with officials from the Inter-Agency Project on Human Trafficking in the Greater Mekong Sub-Region; UN Educational, Scientific, and Cultural Organization; UN High Commissioner for Refugees; UN Industrial Development Organization; and UN Office for Project Services. We conducted telephone interviews and videoconferences or exchanged e-mail correspondences with officials at the headquarters of the 10 UN entities and the respective U.S. missions in Geneva, New York, Rome, and Vienna. We met with additional U.S. Department of State officials in Washington, D.C., Burma, and Thailand. We did not assess UN data on UN expenditures in Burma because we only used these data as background information in our report.

To describe the impact of the Burmese regime's recent actions on the activities of international organizations in Burma, we reviewed the *Guidelines for UN Agencies, International Organizations, and NGO/INGOs on Cooperation Programmes in Myanmar* set forth by the Burmese Ministry of National Planning and Economic Development. We traveled to Nay Pyi Taw, the newly built Burmese capital, to discuss the regime's restrictions on international organizations with senior officials from the Ministry of National Planning and Economic Development and the Ministry of Health. In addition, we met with officials of the U.S. embassy and of the leading democratic organization in Burma, as well as with local recipients of UN assistance. We also spoke with a UN official from the Department of Political Affairs and met with the Burmese UN mission in New York. In Thailand, we met with representatives of the British and Dutch embassies to discuss aspects of their nations' aid to Burma. In Washington, D.C., we met with officials of the U.S. Departments of State and the Treasury, individuals from several international

nongovernmental organizations, and individuals at the World Bank and International Monetary Fund.

We conducted our work from May 2006 through February 2007 in accordance with generally accepted government auditing standards.

Appendix II: Comments from the Department of State



United States Department of State

*Assistant Secretary for Resource Management
and Chief Financial Officer*

Washington, D.C. 20520

Ms. Jacquelyn Williams-Bridgers
Managing Director
International Affairs and Trade
Government Accountability Office
441 G Street, N.W.
Washington, D.C. 20548-0001

MAR 15 2007

Dear Ms. Williams-Bridgers:

We appreciate the opportunity to review your draft report, "INTERNATIONAL ORGANIZATIONS: Human Rights Programs Blocked in Burma; Other Assistance Proceeds Despite Constraints," GAO Job Code 320417.

The enclosed Department of State comments are provided for incorporation with this letter as an appendix to the final report.

If you have any questions concerning this response, please contact Aaron Cope, Burma Desk Officer, Bureau of East Asian and Pacific Affairs at (202) 647-0056.

Sincerely,

A handwritten signature in black ink, appearing to read "Bradford R. Higgins".

Bradford R. Higgins

cc: GAO – Cheryl Goodman
EAP – Christopher Hill
State/OIG – Mark Duda

Department of State Comments on GAO Draft Report

INTERNATIONAL ORGANIZATIONS: Human Rights Programs Blocked
in Burma; Other Assistance Proceeds Despite Constraints
GAO-07-457/GAO Code 320417

Thank you for the opportunity to comment on the draft report
*INTERNATIONAL ORGANIZATIONS: Human Rights Programs Blocked in
Burma; Other Assistance Proceeds Despite Constraints.*

We found that the draft report presents the challenges and opportunities facing international non-governmental organizations in Burma in a thorough, accurate, and balanced fashion. The State Department will continue to encourage the Burmese regime, both directly and through various UN fora, to lift the unnecessary and unreasonable restrictions it has placed on organizations seeking to provide humanitarian assistance and to promote respect for human rights.

The State Department expresses its appreciation for the GAO's collegial approach to producing this report and its openness to input and clarifications from the State Department.

Appendix III: Comments from the UN Country Team

UNITED NATIONS  NATIONS UNIES

OFFICE OF THE RESIDENT COORDINATOR, YANGON, UNION OF MYANMAR
OFFICE OF THE HUMANITARIAN COORDINATOR, YANGON, UNION OF MYANMAR

REFERENCE:

5 March 2007

Dear Mr. Melito,

On behalf of the United Nations Country Team (UNCT) in Myanmar, I would like to thank you for the opportunity to comment on your Office's draft report titled "Human Rights Programs Blocked in Burma; Other Assistance Proceeds Despite Constraints." While fully agreeing with the analysis reflected in the second half of the title (that United Nations and other international agencies are able to make progress in this country despite a difficult and complex operating environment), the Country Team is concerned that the full picture of what is being accomplished, including on the human rights front, is not necessarily captured in the draft report.

The comments of the UNCT can be summarized as threefold: 1) the report does not adequately reflect the differences in UN agencies' mandates and the nature of their work; 2) the analysis fails to capture the fact that a significant opening of humanitarian space on the ground has been achieved by the United Nations and its partners in the past decade; and 3) the report does not include a number of United Nations activities that contribute to the establishment of a protective environment for the nation's people, including some that specifically address human rights. Concerning this last point, there has been a significant development on the human rights front since the drafting of your report. Specifically, the International Labour Organisation has concluded on 26 February 2007 an agreement with the Government of Myanmar on the establishment of a complaints mechanism for victims of forced labour.

See comment 1.

With regard to the mandate issue, the report does not clarify which agencies are mandated to work with Government and those which are not. For example, it seems to single out the United Nations Children's Fund (UNICEF), saying it "assists the Burmese regime." In fact, several United Nations agencies provide technical support to Myanmar's social services structures, which are eroding due to lack of budgetary support, as is noted, and the lack of capacity of the younger generation of civil servants. These functions of United Nations agencies are in full compliance with the mandates set out for them by their Executive Boards, which are made up of United Nations member states.

See comment 2.

Mr. Thomas Melito
Director
International Affairs and Trade
United States Government Accountability Office

OFFICE OF THE RESIDENT COORDINATOR • NO. 6 NATMAUK ROAD • P.O. BOX 650 YANGON • UNION OF MYANMAR
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Only the United Nations Development Programme (UNDP) has a specific restriction, placed on it by its Executive Board, to not work with Government. Similarly, by implementing a Protracted Relief and Recovery Operation (PRRO) rather than a Country Programme, the World Food Programme (WFP) also does not work directly with Government. In addition, some of the descriptions of agencies' work seem to leave out important parts of their mandates. Though, for example, the United Nations Office on Drugs and Crime (UNODC) is acknowledged as working in the HIV/AIDS sector, the organization is also involved in defining alternative livelihoods for ex-opium farmers, monitoring of the extent and patterns of opium poppy cultivation, and the socio-economic status of opium farmers.

See comment 3.

Regarding the issue of humanitarian space, a great deal has been achieved over the last three to four years in terms of geographical access, programmatic success, and operating space for the UN and non-governmental organizations (NGOs). In terms of geography, for example, ten years ago UNODC struggled to start its operations in the Wa regions. Now UNODC's projects reach about one third of the total Wa population (120,000 people), and its access opened the door for that of INGOs and other UN agencies. There are now more than 15 UN agencies and international NGOs operating in this very poor and needy area. Similarly, in 2004 the United Nations High Commissioner for Refugees for the first time was allowed to start work in eastern border areas of possible refugee return, and its presence is opening the way for its NGO partners as well. This point about the UN expanding space for others is an important one, as in some cases the UN "umbrella" helps NGOs set up operations in a specific area. This said, clearly a number of INGOs have also been very effective in expanding humanitarian space.

On the programmatic side, the example of HIV/AIDS shows how much can be achieved through persistent work by international agencies. In the mid-1990's, the Government did not acknowledge the severity of HIV in the country. Today, in contrast, international NGOs, the UN and its partners are providing anti-retroviral treatment to nearly 6,000 patients, double the number from just 2005. More than 300,000 people benefited from HIV and health education. Since 2000, voluntary HIV counseling of pregnant women is now permitted in community based screening programmes involving community midwives, and in health clinics. This programme is now functional in 90 townships. There are 16 outreach service delivery sites for drug users, as opposed to just one in 2001. The number of pregnant women accessing prevention of mother-to-child transmission services has more than tripled between 2003 and 2005. Condom use in Myanmar is estimated to have expanded from 3 million per year in 1996, to 40 million in 2005, more than a ten-fold increase.

It is clearly the case that the HIV/AIDS sector, and communicable diseases more broadly, is an area where successful work can be done, and this has been recognized by international donors. It is very important to note that following the withdrawal of the Global Fund for HIV, TB and Malaria (which you mention on p23), six donors (the EC, UK, Netherlands, Sweden, Norway and Australia) put together a new fund, with more flexible structures but a similar amount of money, to fund HIV, TB and malaria work in Myanmar in recognition both of the needs and of the fact that possibilities for meaningful progress do exist. In this regard, in FN 18 the report notes, incorrectly, that the World Health Organisation (WHO) "is working to establish an alternative multi-donor trust fund" on HIV, TB and malaria. It is not a WHO Fund but a donor-created fund. Other examples of positive programmatic collaboration include the

See comment 4.

support UNICEF and WHO provide to the Government to successfully eradicate polio; the development of a national Avian influenza pandemic plan in collaboration with FAO, UNICEF and WHO; and the launching of the national measles campaign in January 2007.

The third concern is the implication that there are no activities at all by international agencies (other than the initiatives by ICRC and ILO) that advance human rights in Myanmar. The United Nations agencies are working to create a protective environment for the people of Myanmar, both in the broader sense of having more offices on the ground (UNDP alone expanded its offices from 24 to 66 townships in the past two years) and working to provide health, education and livelihoods to the most vulnerable people in the country, but also in the more specific, human-rights context.

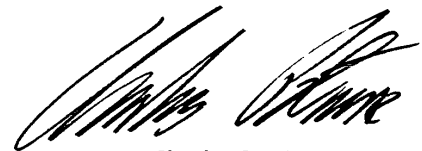
- UNHCR's work in Northern Rakhine State since 1994 has been predominantly geared towards enhancing the legal status of former refugees, who also happen to be stateless. Since 2005 the agency's focus has expanded to cover the entire stateless population of the area – close to 800,000 persons – and to engage the Myanmar authorities in a policy dialogue on human rights issues, including non-discrimination and legal identity.
- WFP has initiated protection workshops for all its field staff and partners, in which they learned that the serious protections gaps in Myanmar required concerted efforts by all relevant organizations but that support through formal and informal education related activities should be used the principal entry point through which protection issues could be addressed. This has shaped the orientation of WFP activities in 2007 – 09, where a heavy focus is placed on food for education and food for training activities.
- Since 2004, UNICEF has also supported training workshops on child protection, juvenile justice, social work, anti-trafficking, commercial sexual exploitation of children, community-based psychosocial care and support, alternative care for orphans, family reunification of trafficked children, and child protection in emergencies - for community-based organizations, NGO's and technical counterparts. Training programmes for law-enforcement and social welfare officials including the police, administration, and social welfare officers and prison staff have focused on international juvenile justice standards, child rights, child-friendly and women-friendly procedures, and the promotion of a more protective environment and services for children.
- On human trafficking, the United Nations Inter-Agency Project on Human Trafficking in the Greater Mekong Sub-Region (UNIAP) has made significant progress over the last years in raising awareness of trafficking issues among government officials and supporting the development of comprehensive anti-trafficking legislation, enacted in September 2005, that contains strong provisions for the protection of trafficking victims. Since then, training and awareness raising activities for both government and non-government service providers have included a specific focus on these provisions and have led to improved protection and immunity from prosecution for trafficking victims returning to the country.

See comment 5.

For your convenience, I have appended to this letter the full set of comments and suggestions made by the UNCT to the early draft you sent to us. At the time, your office had also asked us to provide examples of successes and we have done so. These do not seem to have made it into the report. It would be regrettable were they not to be included as it would provide a more nuanced, and possibly more accurate, assessment of "principal efforts by the United Nations and other international organizations to address Burma's problems".

One of your colleagues mentioned that a UNCT response to the draft report would be appended to your final report. Were this to be the case, we have no objection to the inclusion of this response.

Yours sincerely,



Charles Petrie
UN Humanitarian & Resident Coordinator
in Myanmar
On behalf of the UN Country Team

cc: Ms. Cheryl Goodman, Assistant Director, GAO
Mr. Pierre Toureille, GAO
Mr. Lyric Clark, GAO

The following are GAO's comments on the UN Country Team's letter dated March 5, 2007.

GAO Comments

1. The UN Country Team (UNCT) noted that the International Labor Organization and Burma had concluded an agreement establishing a forced labor complaints mechanism after we had submitted our draft report for comments. We have updated the text and title of our report to reflect this recent development.
2. The UNCT commented that our draft report did not adequately reflect the differences in UN entities' mandates, in that it did not clarify which entities are mandated to work with the regime and which are not. We disagree. Our draft report noted that UNDP's governing board has restricted UNDP from working through the regime. We further clarified our report by adding a sentence noting that the mandates of other UN entities do not contain restrictions similar to those of UNDP.
3. The UNCT commented that our draft report did not describe a significant opening of humanitarian space in Burma. The UNCT's letter is not consistent with the information and assessments provided to us by UNCT members and NGO officials during our October 2006 fieldwork in Burma. At the time, UNCT and NGO officials provided numerous examples of how Burmese restrictions had impeded their activities (including UNHCR's recent efforts in the Thai border region) and a senior UN official in Burma informed us that the "humanitarian space" in Burma was dwindling. UNCT members reconfirmed much of this information in February 2007, when we asked them to review excerpts from our working draft report for accuracy and sensitivity. We then reflected many of their suggestions in our draft report, which we subsequently submitted to UN entities for official review and comment. The UNCT comments do not take issue with our findings concerning the range and nature of the regime's restrictions (with the exception of the recent agreement reached between the government and the ILO). Moreover, they do not explain how those restrictions might have eased following our field work.
4. The UNCT commented that our draft report did not address human rights activities by agencies other than ILO and ICRC. In assessing the effect of the regime's restrictions on international human rights efforts, we focused on ILO and ICRC because their missions in Burma are primarily related to human rights. We did not focus on ancillary efforts by agencies whose primary mission is to address development and humanitarian concerns.

-
5. The UNCT letter states that we did not include the examples of successes in Burma that we requested in February 2007. We reviewed the information the UN organizations sent to us and believe we fairly summarized UN achievements in Burma.

Appendix IV: Comments from UNAIDS



Telephone: +41 22 791 3392

Reference: CRD/BW/MZ/lw

Mr Thomas Melito
Director
International Affairs and Trade
United States Government
Accountability Office
Washington DC
USA

14 March 2007

Dear Mr Melito,

Thank you very much for the opportunity to comment on the draft report of the US Government Accountability Office entitled "Human Rights Blocked in Burma; Other Assistance Proceeds Despite Constraints". We welcome this review of the ability of the United Nations to assist the people of Myanmar in need of health care and other assistance. The people of Myanmar have rights to information about HIV prevention and risk as well as to medical treatment and socio-economic care and support. UNAIDS works to help ordinary Myanmar people to obtain these rights.

In this light, while appreciating the report's recognition of progress despite the difficulties, the report could reference more evidence of this progress and gain consequently in robustness. Specifically, important gains have been made in Myanmar on the area of AIDS, in particular since 2003. Some specific text has been provided in the joint letter from the UN Country Team dated 5 March, 2007 (attached). Further formal references to the following reports would add to the depth of your report.

1) *Fund for HIV/AIDS in Myanmar, Annual Progress Report 2005*, UNAIDS, 2007 (available on www.unaids.org).

2) *Response to HIV and AIDS in Myanmar: Progress Report 2005*, Ministry of Health, Government of the Union of Myanmar, 2007. (Attached electronically and available on www.unaids.org).

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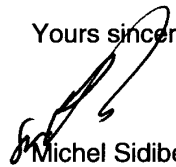
Mr Thomas Melito

14 March 2007

3) *Joint Programme for HIV/AIDS in Myanmar Progress Report 2003-2004 and Fund for HIV/AIDS in Myanmar Annual Progress Report 2005*, UN Expanded Theme Group on AIDS, 2006 (available on www.unaids.org).

We thank you again for the opportunity to comment on this report.

Yours sincerely,



Michel Sidibe
Director
Department of Country and Regional Support

Appendix V: GAO Contact and Staff Acknowledgments

GAO Contact

Thomas Melito, (202) 512-9601 or melitot@gao.gov

Staff Acknowledgments

In addition to the person named above, Cheryl Goodman (Assistant Director), Pierre Toureille, Lyric Clark, Barbara Shields, Debbie Chung, and Ian Hongola made key contributions to this report. Martin De Alteriis and Mary Moutsos provided technical assistance.

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