

Japan's Official Development Assistance Diplomacy towards Myanmar in Post 2012

Khen Suan Khai¹

Abstract

There has been a substantial change in Japan's foreign policy position on democracy support. Its 1992 Official Development Assistance (ODA) Charter committed the country to provide foreign aid in a manner that promotes democracy abroad (Ministry of Foreign Affairs [Japan], 1992). The second Abe administration, which came to power in December 2012, has taken Japan's policy of democracy support a step further. The 2012 ODA white paper, which was released in March 2013, not only expressed Japan's intention to strengthen democracy abroad but also prioritized it above the traditional issues of focus of Japanese foreign aid such as human security and hard infrastructure assistance. In Myanmar, Japan has a vital interest in nurturing friendly relations to increase its political and economic clout in the country. After the liberalization process began in 2011, Japan resumed its official development assistance towards Myanmar with a prospect to set its foot firmly in the country rich of natural resources. While Japan is trying to provide aid to Myanmar in a manner that promotes democracy, there are both positive responses as well as deprecation on the effectiveness of the aid from local people because of its inefficacious development approach in both urban and

¹ School of Social Innovation, Mae Fah Luang University, Chiang Rai, Thailand,
e-mail: khen.sua@mfu.ac.th

ethnic areas. This article will present empirical research finding about aid effectiveness of Japanese ODA.

Keywords: Aid Effectiveness / Japanese ODA / JICA / Myanmar / Context-sensitive development / Myanmar Democracy Support

Introduction

Myanmar, which has been undertaking a furtherance of its democratic development since 2010, has gained noticeable attention from aid donors (Ichihara, 2014; Wroughton et al., 2016). Among them, Japan has been a long-time supporter for development in Myanmar in the form of bilateral assistance. Japan took rapid steps to engage with the government of Myanmar by resuming its large-scale provision of Official Development Assistance (ODA) loans in 2012, which it had stopped in response to serious crackdowns of demonstration and a military coup in September 1988. Japan's International Cooperation Agency (JICA), the executive agency of ODA in Japan, initiated supporting and investing for legal capacity-building and economic infrastructure projects to help rebuild Myanmar's democratic status. However, there has been considerate concern from local people who are the subject group of development about Japan's democracy-related assistance model used in Myanmar, namely technocratic and top-down programming. It places little importance on civil society assistance.

This research article aims to highlight the scale used to measure both benefits and deficiencies of Japan's ODA diplomacy towards Myanmar since 2012. JICA's development assistance, especially in the ethnic minority areas of

Myanmar, needs to be more effective in bolstering human capital because of its explicit grounding in social transformation. In order to place this idea in context, this article will discuss Japan's ODA towards Myanmar in terms of its operational approach since the early 1950s along with Japan's ODA policies changes at times, implementation of integrated regional development for ethnic minority areas, and its assistance for human security and hard infrastructure assistance. The structure of this paper will be comprised of the focus of Japan's ODA policy towards Myanmar, the general description of the Japanese approach toward Myanmar, and finally the aid effectiveness of Japan's ODA in Myanmar.

During Aung San Suu Kyi's visit to Japan in November 2016, the Japanese Government promised ¥800 billion towards supporting peacebuilding and development over five years, of which ¥40 billion was for development for ethnic areas (Htwe, 2016). While appreciative of humanitarian assistance from Japan, ethnic nationalities have been concerned about their rights being neglected and their voices going unheard. Since all assistance has been granted through bilateral agreements between the central governments, JICA is viewed by the ethnic groups and civil society groups as avoiding obtaining their free prior and informed consent (FPIC) in its projects in Myanmar. On the other hand, there are Japanese private, non-profit grant-making organizations like the NIPPON Foundation, specifically focused on promoting the peace process through addressing the causes of decades-long civil wars and supporting the ceasefire agreements between the Union of Myanmar Government and the ethnic minority armed groups. The White Paper of Japan issued in 2012 stated

that supporting democratization was the primary principle of Japan's foreign engagement. The paper also mentions deliberately that the interest of Japan is a basis of Japan's support to developing countries in terms of securing peace and stability (Ministry of Foreign Affairs [Japan], 2012). Starting with its 1992 ODA Charter, Japan committed itself to providing foreign aid abroad for promoting democratization (Ministry of Foreign Affairs [Japan], 1992). The 2012 Japan ODA White Paper prioritized democracy over human security and hard infrastructure assistance, its traditional fields of foreign aid assistance.

Myanmar is an especially interesting case for Japan in terms of its ODA for several reasons. While Japan is promoting democracy through ODA in different countries, the recent democratic transition in Myanmar has attracted the attention of Shinzo Abe's administration to the point of resuming full-scale economic cooperation in 2013. Besides, Myanmar is perceptively trying to constrain the long-dominant power of China in the country while Japan focuses on developing its role in all members of the Association of Southeast Asian Nations (ASEAN) (Strefford, 2007). Since 1967, all the countries of the Mekong Region as well as all members of ASEAN have consistently received Japanese ODA (IDCJ, 2015). Japan has multiple reasons for its prominent role in Myanmar: amongst them are access to Myanmar's natural resources and markets, and taking a lead of international donors in a newly reforming country.

Myanmar, with its resilient workforce, favorable geographic location and rich variety of natural resources, has potential for development. However, it still ranks 150 out of 169 countries in the 2015 Human Development Index (UNDP, 2016). Serious concerns thus exist over development and equity issues. Successive military juntas also have created a situation where rich natural

resources have invited biased foreign investments that are enriching the authoritarian elites in the country.

Two issues have been prominent in the case of Myanmar: poverty eradication and constructive democratic transition as a pre-requisite to the peace process. According to its Thematic Guidelines on Poverty Reduction, JICA defines poverty as a deprived situation where the people are limited to enjoy their authentic rights and to apply their competences to access necessities, and also a condition where people are neglected from access to development (JICA, 2011). The Guidelines also state that JICA's cooperation is empowering human capital, in terms of economic, political and social-cultural capacities so that the underprivileged are able to overcome poverty. It is also creating an environment wherein people can manifest such capabilities (JICA, 2013). There is a broad agreement internationally that achieving these targets will require two factors: (1) effective targeted aid in accordance with local needs and (2) policy reform and better governance of aid in the receiving country. Baulch (2006) argues that there is less aid effectiveness and additional challenges to achieve development when appropriate policies and commitment in the developing countries are lacking. Therefore, Japan's foreign policy, a mélange of democracy support, humanitarian security and hard infrastructure assistance, is totally in line with the *sine qua non* in Myanmar.

Japan's ODA Diplomacy towards Myanmar

1. Japan's Approach to Myanmar

This section of the article builds on the uniqueness of the Japanese ODA approach to Myanmar. Japan has been focusing enormously on bolstering

human capital and technical assistance to make the country ready for its democratic transition. While many other donors from Western states have taken a democracy-first approach to Myanmar, before 2012 Japan prioritized development: human security and hard infrastructure assistance. Post-2012, through JICA, Japan has proposed development for peace and ensures development projects to be piloted along with political dialogue in Myanmar.

Even though Japan had stopped its large full-scale economic cooperation with Myanmar in 1988, Japan has been providing ODA to Myanmar through bilateral assistance, technical assistance and small-scale humanitarian assistance. From independence in 1948 until 1988, Myanmar was one of Japan's largest aid recipients. Around fifty percent (approximately ¥220 billion) of Japanese ODA funds went to Myanmar (Steinberg, 1993). Japan's long years of involvement in Myanmar means that Japan is helping to address challenges in Myanmar as it emerges from a half century of isolation and oppression.

In May 2013, Prime Minister Shinzo Abe initiated all possible assistance to prompt Myanmar's economy, by supporting the peace process, and bolstering social-capital and economic development of rural and ethnic areas (Ministry of Foreign Affairs [Japan], 2013) In terms of ODA, Japan's role in Myanmar is growing while the role of China is falling because it is facing reproach from ethnic groups for its environmental and social impacts on many infrastructure projects. For the first time in twenty-five years, in 2013 Myanmar received three new yen loans for its infrastructure development totaling more than ¥51 billion. The first ODA loan targeted to reinforce regional development for poverty reduction by providing life-supporting infrastructures to overcome impasses

hindering the development of rural areas. The second ODA loan aims for urgent rehabilitation and upgrading projects, especially in solving electric power shortages, which disrupt economic activities and citizen's daily lives in Yangon, the biggest city and former capital city of Myanmar. The third ODA loan is for an infrastructure development project in Thilawa SEZ. Among three Special Economic Zones (SEZ) in Myanmar, Thilawa SEZ is developed by a joint venture, initially between the Japan External Trade Organization and the Union of Myanmar Federation of Chambers of Commerce and Industry. The Myanmar government is also putting much endeavor in developing this SEZ to raise national income by attracting foreign companies to increase direct investment.

On September 5, 2014, the Japanese government proudly signed the ODA loan agreements with Myanmar to provide concessional loans of over ¥60 billion in order to improve people's access to basic infrastructure in Myanmar. The loan is for four development projects: (1) Yangon-Mandalay Railway Improvement Project Phase I, (2) Greater Yangon Water Supply Improvement Project, (3) Infrastructure Development Project in Thilawa Area Phase II, and (4) Irrigation Development Project in Western Bago Region. According to JICA, these four infrastructure projects for Myanmar are to reaffirm JICA's commitment to assisting Myanmar's socio-economic reform process with an emphasis on "people-centered development", emphasizing on the grassroot level people's development (JICA, 2014). Among the four projects, the third, Infrastructure Development Project in the Thilawa Area is to backup Myanmar's Thilawa Special Economic Zone (T-SEZ) Development Project. Since there has

been no laymen-friendly explanation of the projects to the effected local people, there is low level of understanding and acceptance of the projects.

2. Japan ODA to Promote Peace, Democracy in Myanmar

This section of the article highlights how two elements of Japanese ODA in Myanmar, strengthening human capital and hard infrastructure, have interacted with the principle of promoting peace and democracy. Japan's ODA consists of objectives, policies and priorities according to its revised Charter. Its first objective is to devote to the peace and development of the international community by safeguarding its own security and prosperity. Besides, Japan vividly and dynamically backed economic and social development of developing countries. While Japan tries to utilize ODA in the best way to support economic development in Myanmar, humanitarian assistance, supporting peacebuilding, nurturing democratization, and protecting human rights are also in its agenda. Japan has never been directly involved in the process of democracy and peace in Myanmar. Instead, over the years, Japan has committed to provide aid to Myanmar in a manner that promotes peace through development. Japan has been holding the principle that a certain degree of development will alleviate conflict in Myanmar. Since then, Japan's main principle towards Myanmar is friendly relations to increase its political and economic clout in the country. Hindering factors that are impeding development in Myanmar cannot be fixed until a functional democratic system is installed, and during a democratic transition grassroots level development also should be promoted. In the peace process in Myanmar, development is just as pivotal as other areas of reform such as constitutional amendment and

political and economic liberalization. It is fundamental to carry out development and peace in parallel.

Since one of the major causes impeding development in Myanmar is the armed conflict, it is vital to bring development and reintegration into ethnic areas, which represent more than forty percent of the population. In this way, development and positive political change can go in hand in hand. Following 60 years of armed conflict, 14 Ethnic Armed Groups have signed ceasefire agreements with the Myanmar government, and among them, eight groups have signed Nationwide Ceasefire Agreement with the government on October 14, 2015. On February 2013, Mr. Yohei Sasakawa, Chairman of the Nippon Foundation, was appointed by Japan as “Special Envoy of the Government of Japan for National Reconciliation in Myanmar” to represent Japan and facilitate technical assistance to national reconciliation in Myanmar through institutional and personnel capacity-building for legal development and operation which would match the social economy of Myanmar and international standards (Yokomaku, 2015). Still, Japan’s support for democracy in the country remains limited. In support of rule of law, JICA has initiated a legal capacity building projects through series of seminar under its’ Technical Assistant since November 2013. This project will be carried out until May 2018 aiming at contributing to the independent and sustained development of and proper application of laws and regulations in the future, and to the establishment of rule of law, democratization, and economic reform. (International Civil and Commercial Law Center Foundation, 2013)

Still, political instability has been hindering reform agenda in resource-rich frontiers where most ethnic groups are located. Now, the fragile peace process in Myanmar has reached a critical stage - it can either move ahead with a nation-wide peace agreement now or be dragged on in its current status with no end in sight. The role of Japan, as a mediator is significant as Japan has been a long-term supporter to Myanmar in terms of grassroots level development, as well as technical assistance towards government sectors. While promoting urban area development such as railway refurbishing, water management system and waste management sectors, and SEZ, Japan has been proactively implementing assistance in ethnic areas, where the armed conflict is ongoing. The assistance included strong improvements of people's livelihoods and capacity building for constructive social, economic and political change.

3. Japanese ODA in Ethnic Areas of Myanmar.

Considering the point made above about Japan's proactive assistance in the ethnic areas of Myanmar, this section will discuss the advantages and the deficiencies of Japan's ODA using empirical case studies in ethnic areas. Japan has several accomplishments in assisting ethnic areas in Myanmar. Along with NPO Terra People Association, JICA provided sustainable circular, agricultural technical assistance to the Southern Shan State for the dissemination and distribution of drug crop alternatives. In the Chin State, high value-added plantation techniques were provided by technical cooperation with the Makino Memorial Foundation of Kochi Prefecture. Business involvement is more important in a place like Chin State. There has only been low intensity conflict and most people have not been directly affected by war.

However, it is the second poorest state in Myanmar, in which more than 70 percent of the population earns less than international poverty line. When the Chin National Front negotiated with the government, the people wanted them to bring development. In collaboration with the UN World Food Program, food assistance was delivered to six ethnic states, including Rakhine and Kachin where armed conflict is ongoing. Karen refugee camps along Thailand-Myanmar borders were provided ¥14 million to build vocational training centers (Ministry of Foreign Affairs [Japan], 2012). On the other hand, there has been serious criticism of Japanese ODA approach as an 'ingredients based approach'. It means that Japan mainly focuses on hard infrastructure, and that it is weak in empowering communities and providing a means for poverty eradication. It therefore neglects the voice of local civil societies and lacks to change at the grassroots level. Japanese aid has fewer political conditionality and is intended to be request-based, requiring the participation (and, in principle, the ownership) of government counterparts (Menocal & Wil, 2012).

Case Study: JICA's Involvement in Karen Refugee Issue

As a case study, JICA's involvement in Karen refugee issues will be highlighted in the following paragraphs. Karen state is one of the states in Myanmar suffering severely from the result of ethnic armed conflicts. It resulted in thousands of refugees going to Thailand and many internally displaced persons (IDPs) within the country as well.

There are two main discussion for this case study. The first argument is while poverty is claimed as hindrance to development and the root cause of conflict in Myanmar by international donors, the root cause of conflict and key

impediment to development in the country is not poverty, rather the root cause of the conflict is a lack of human rights, protection, and autonomy. Second, in the case of Karen, however, development initiatives by ODA even cause suspicion and rage from the local community without free prior and informed concern of the main beneficiaries.

JICA's blueprint, *Preparatory Survey for the Integrated Regional Development for Ethnic Minorities in the South-East Myanmar: Final Report* has proposed industrial development in Southeast Myanmar, to support the return and settlement of refugees and IDP's in Karen and the Mon States (JICA, 2013). The blueprint offers development for peace process and effective political dialogue. According to the blueprint, JICA will support the setup of information centers for returning IDPs and refugees, so that they will be able to access information on conditions of resettlement and reintegration, as well as economic activities and job opportunities within the region. The blueprint states that refugees and IDPs will return on a voluntary basis, via UNHCR resolutions, when more development occurs. It also states it will carry out large-scale industry and infrastructure developments that will be implemented in parallel with the peace process. Karen people have been fighting with the Myanmar military for more than six decades, for self-determination and for a federal system. Over 60 years of civil war has brought more than ninety thousand non-combatants into refugee camps across the Thailand-Myanmar border. The Ceasefire agreement between the Union Government of Myanmar and the Karen National Union (KNU) was signed in January 2012. Karen civil societies and social activists believe that the current peace process is not yet in a state of a significant decentralization of constitutional powers, thus the voice of local

concerns is not sufficiently heard. Since there have been outbreaks of armed conflict between Myanmar military and ethnic Karen armed groups, even after the signing of the ceasefire agreement, many ethnic interlocutors, including human rights defenders and Karen MPs, have presaged that it was neither right nor was it safe timing to return Karen refugees from the camps along Thailand-Myanmar border.

According to JICA's Preparatory Survey for the Integrated Regional Development for Ethnic Minorities in South-East Myanmar, to support the return and settlement of refugees and IDPs, high development might bring stability in this border area if the east-west economic corridor with Thailand can be installed, and if joint development between Karen State and Mon State can pave wider development chances for the national level. Since Karen State is a war-torn area, where trust building and reconciliation between and among armed groups and Myanmar army could not be build up yet, it is pivotal to understand the context of the conflict. From the Karen local people's stance, the root cause of conflict and key impediment to development in Karen State is more about social and political exclusion of the governmental state holders who do not based the assistance on a context-specific analysis. The main wish of the people is to have development projects which result in structural change in both conflict transformation and human rights. Additionally, how structural change might be achieved and how it can be best supported. For local people in the Karen State, there is not even an enforceable ceasefire, and there are still clashes between Myanmar military and Karen armed groups from time to time (JICA, 2013). Hence, until or unless the government of Myanmar and ethnic

groups reach a negotiated resettlement, aid effectiveness from any ODA will be still unavailing.

Since March 2013, through a Japanese Platform, Japan has signed a MOU for Assistance Program for Refugees and IDPs returning to Myanmar. This is a three-year program with ¥1.2 billion starting from April 2013. The aim is to assist refugees and IDPs returning from Thailand and also to prepare prospective host communities for reintegration and resettlement in the Karen State of Myanmar where armed conflict has been ongoing for more than six decades. There are fifteen Japanese NGOs participating in this project. These NGOs will assist comprehensive social development and human resource development in Myanmar, where refugees and IDPs will return, and support future returnees to Myanmar, at the refugee camps in Thailand. When asked for voluntary return of refugees, almost all participant refugees in the Mae La refugee camp and Nuh Po refugee camp are willing to return to their native land, on the condition it is really safe socially, economically (living), and in particular politically.

In the Karen State, however, there is no such noteworthy preparation to secure livelihood opportunities for returning refugees and IDPs. Two big news agencies in Myanmar have reported that the first 161 Karen returnees are held in some temporary accommodations and are not provided information for further resettlement, and they already have regrets about their return because the government has not supported them as promised. According to news reports, the Thai government provided each adult refugee 8300 baht (US\$235) and 6500 baht (US\$185) per child. 300,000 kyats (US\$215) also was offered for each family by the Myanmar government. The Myanmar Red Cross also

provided 100,000 kyats (US\$72) per family. However, as there is not further assistance yet, the returnees are in a current state of hardship (Karen News, 2016; Myanmar Times, 2016)

Since JICA's intention for the development assistance in the Karen State was for developmental for peace, it is essential to have good interaction with key local people to analyze who can be connectors and local capacities for peace. It is also important to review all aspects of the assistance projects such as place and reason of assistance offered, people to get involved (external and internal, government staff and local people), channel of recruiting staff, prime targeted issues and recipients, decision making process, methods of assistance delivery and distribution. If the primarily targeted local people do not enjoy any developmental assistance, then it is important to re-evaluate and redesign any assistance projects in that area.

According to the Karen Peace Support Network, an umbrella organization of 28 Karen civil society organizations, Karen people, welcome any genuine development in social, economic, political, and environmental terms (KPSN, 2014). Still, Karen civil society groups and rights defenders recommend that any development assistance organizations should ensure development projects are developed and implemented according to the 2008 United Nations Development Group Guidelines on Indigenous People's Issues, in particular by fully adopting the principles of the UN Common Understanding on the Human Rights Based Approach. Upon meetings and interviews during my research period, local people and civil society groups altogether agreed that development is required in Karen State, but it should be people-centered

development (which is in accordance with Free Prior and Informed Consent of the people), not just technocratic top-down government to government projects. In selecting government sectors to work together as partners, local people have deep concerns about the Ministry of Border Affairs, especially in the progress of border areas and the National Races Development Department, as the local people have found out that this department is totally under control of the military. It is said that it is a hidden mission and is not virtuously about development but more about how to secure army stations.

Poverty is just amongst one of many other heart-breaking outcomes of the mismanagement of unequal political share in Myanmar. As Japan's cabinet decision on the Development Charter Implementation Principle A (a) says a more strategic approach should be applied in cooperation with diverse stakeholders, it is vital to consider whether the "development" cooperation focuses on results that meet the targeted area's priorities, which is an important indicator of aid effectiveness. The recent peace process in Myanmar, has not yet reached a state of democratic manner, therefore local people's voices are not being reflected in the government development policies. It is pivotal that JICA's blueprint adequately identifies this context to propose a critical people-centered development alternative.

Upon Japan's initiation to support refugee returnees from camps of the Thailand-Myanmar border, Karen armed groups and refugees in the camps also expressed their concern that they were uncertain whether to return or not, as proper information was not provided from the Myanmar government side. It also needs the continuing support of the international community through the crucial post-conflict phase, to ensure that those who make the brave decision

to go home can rebuild their lives in a stable environment. Karen State is not ready for this sort of resolution yet, not just because of its state of development, but rather due to the insecurity present in terms of political settlement. It is very precarious to execute technical support with big funds without consulting the related communities and neglecting the primary root cause of conflict in the region. On the other hand, one of the three durable solutions of UNHCR is voluntary repatriation with safety and dignity, which requires the full commitment of the country of origin to help reintegrate its own people. To be consistent with its own stated principles, "Clarification of Principles for the Project Implementation" which is a JICA Position Paper issued on March 20, 2014, JICA must ensure to have meaningful partnership with the targeted population for development in order to strengthen local capacity and ensure sustainability. Besides, it is crucial to listen to views and suggestion from local civil society organizations that are working hand in hand with armed groups, local people, and even refugees. Acutely, an accurate transformative agenda that is both collective and flexible to the conditions of each state in Myanmar, and that places local people at the center is a must.

Discussion on relating Theories and Conclusion

In post 2000, the three main different discussion on delivering and achieving aid effectiveness area are (1) Results-Based Financing, (2) Aid-Agenda Conferences and (3) Program-Based Approaches (Riddell, 2008; Binswanger-Mkhize et al., 2010; World Bank, 2001, 2010, 2011; Alsop et al., 2006; OEDC, 2011; Mumssen et al., 2010; Savedoff & Martel, 2011). Among them, Japan has been focusing mainly on Program-based Approach in

Myanmar in term of delivering aids, especially in ethnic area. Japan has always been very attentive in balancing its friendly cooperation with aid receiving government in two terms; first a *hardware type cooperation*, such as through construction and provision of equipment, and second a *software type cooperation*, such as through technical cooperation and institution building. ODA is one of the most important diplomatic tools for Japan in relations with Myanmar. Japan's ODA to Myanmar is not only intended to be charity or philanthropic activities but also for securing a diplomatic environment favorable to Japan as a diplomatic tool.

Yet there are local people's voices that the Japanese field-level engagement approach lacks in meeting, especially with the grassroots level. Instead it is applying state and local governments' propositions. Japanese aid should take request-based approaches from the context of the targeted group of people in Myanmar, with special attention to environmental soundness, ownership, mutual cooperation from both sides of donors and aid receivers, and especially assurance of quality-based sustainable livelihood development for local residents. It is pivotal to understand the "context" of aid receiving community. According to Conflict Sensitivity Consortium, context refers to "the operating environment, which ranges from the micro to the macro level – e.g., community, district / province, region(s), and so on" (Conflict Sensivity Consortium, 2004). Karen state has been a war-torn state for more than seven decades, and many Karen refugees have packed refugee camps along Thailand-Myanmar border. Clash between the Tatmadaw and Karen armed-groups still broke out time to time. The context within which Japan operate has sensitive political, economic, social cultural and historical factors, from micro

level of the village or even refugee community to the macro level of national issues. Although Japan's projects strategies are aligned with Myanmar national strategies, it is important to conduct context analysis in the project locations as local people need to be informed, be aware of the project, and enjoy the benefits of development. It is sensitive in terms of understanding the contextual factors underlying interaction between the aid receiving community and the donor and government as the views and processes embodied by the people should be respected to minimize negative impact and to maximize positive impact while working for change.

Recent concern on foreign official development assistance to Myanmar is that donor countries tend to provide support without consulting the local communities or paying heed to their concerns. They should be more caution payed to the underlying causes of conflict in Myanmar. In its poverty alleviation project, Japan has inaccurately assessed poverty as the negative root cause impeding development. Poverty is not the root cause of conflict, it is however a key impediment to development, but it is the lack of human rights protection and autonomy which caused the conflict. Most of ethnic areas in Myanmar fall under JICA's "poverty-focused projects," as JICA stated in its Thematic Guideline for Poverty Reduction. The projects target areas with high poverty incidents, or regions designated by the government as poor areas in parallel with or separate from the poverty rate, as well as groups regarded as the vulnerable (JICA, 2011). For development purposes, in the long run, lack of conflict analysis in areas which have been fraught with conflict for many decades will bring more tension than benefits. Hence, applying context

sensitive and conflict sensitive approach as an extension of participatory development would secure advantageous output in delivering and receiving aids in Karen state.

Especially in supporting the return and settlement of refugees and IDP's in Karen, it is perilous and risky to disregard the longtime underlying causes of conflict which pushed the Karen people to flee into refugee camps on Thailand-Myanmar border. It is worth waiting for the region to become more peaceful first, and then to consult with local communities and refugees in the camps, for more flexible and practical solutions. It is indispensable to engage with civil society organizations, ethnic armed groups, and refugees at all levels of project planning, design, and implementation, to avoid risk of further conflict. JICA's blueprint assumes that refugees and IDPs will voluntarily return when more development occurs, and it assumes that large-scale industry and infrastructure development projects are appropriate for the area and that they will be implemented in parallel with the peace process. In the case of supporting refugee returnees and resettlement, currently there is neither adequate information nor consultation with beneficiaries. The target group does not even know what the procedure would be, if they were to voluntarily return to their homeland. Until now there is no translation of project strategies into prioritized results-oriented operational programs. Without having mutually agreed frameworks with the targeted group, they will never benefit from the projects as much as it is intended. To have alignment of donor's endeavor and beneficiaries' benefit, there should be reliable assessment of the project. If the donor's action plans are not in harmony with the context of the project areas

such as Karen State, aid cannot be effective. Contextualization for implementation of the development project is pivotal.

To make aid effective in Myanmar, it is important to engage in dialogue with donors on developing simple planning tools, where national development strategies are not yet in place. It is important to have result-oriented frameworks so that local residents will be able to align, harmonize, and manage the results of the development projects in their native land. In applying it, context sensitivity and conflict sensitivity should be reckoned for the best aid effectiveness. It is indispensable that the aid receiving community is entitled to participate in, contribute to, and enjoy economic, social, cultural and political development, in which all human rights and fundamental freedoms can be fully realized.

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