

Opinion on the Investigation Report  
of  
the Examiner for the JICA Guidelines for Environmental and Social Considerations  
on  
the Thilawa Special Economic Zone Development Project (Class A Area)  
in the Republic of the Union of Myanmar

December 1, 2014  
Private Sector Partnership and Finance Department  
Japan International Cooperation Agency (JICA)

This English text is a translation of Japanese version for the reference purpose only and in case there are any discrepancies between English and Japanese, the Japanese versions shall prevail.

- On June 2, 2014, three Project Affected Persons (hereinafter referred as “PAPs”) of the Thilawa district submitted to the Examiner for the JICA Guidelines for Environmental and Social Considerations (hereinafter referred as “Examiners”) the Objection regarding the Thilawa Special Economic Zone Development Project in Myanmar, concerning the resettlement of PAPs.
- Following a preliminary investigation (June 6 – July 3), the Examiners conducted a four-month investigation (July 4-November 4) and submitted to the President of JICA the investigation report named “Investigation Report, Thilawa Special Economic Zone Development Project In The Republic of the Union of Myanmar” (hereinafter referred as “Investigation Report”) on November 4, 2014.
- The government of Myanmar considers the Thilawa Special Economic Zone Development Project (Class A Area) to be a project symbolic of the nation’s democratization and economic reforms, and to ensure that the Myanmar government can relocate PAPs appropriately in accordance with the JICA Guidelines for Environmental and Social Considerations (hereinafter referred as “JICA Guidelines”), JICA has dispatched seven specialists to the Myanmar government since an early stage of the resettlement process, provided support and examined the process while investing considerable resources. In addition, JICA Head Quarter dispatched multiple missions to promote the Myanmar government’s appropriate environmental and social considerations.
- In the investigation by the Examiner, JICA’s understanding, responses, awareness of the issues, policies for the actions, and other matters were described for each of the items on the Objection. (See The Operational Department report to the Examiners 1 and 2<sup>1</sup> for details of the matters described by JICA to the Examiner.)

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<sup>1</sup> [http://www.jica.go.jp/english/our\\_work/social\\_environmental/objection/myanmar\\_01.html](http://www.jica.go.jp/english/our_work/social_environmental/objection/myanmar_01.html)

- The Investigation Report did not point out any violations from JICA Guidelines in JICA's handling of this project.
- At the same time, the Examiners did make a number of proposals. We intend to work for them with sincerity, and the content of such proposals and policies for addressing them are described below.

## 1. Problem solving methods (pp. 25-26 of the Investigation Report)

### (i) Proposals of the Examiners

Noting that "the PAPs<sup>2</sup> showed their concerns over their future. It takes a certain period of time for the PAPs to understand a new job market other than farming, become willing to have a stable job and restore their livelihood. The Myanmar government, with support from JICA, has been making efforts to help them restore their livelihood by, for instance, putting the IRP<sup>3</sup> into practice. The Examiners do sincerely hope that these efforts will bear fruit at the earliest possible time. . . . JICA dispatched the experts and collected information on the consultations between the Myanmar government and the PAPs and participated in the tripartite meetings through the experts," the Report stated, "Nevertheless, in order to reduce the PAPs' anxiety and solve remaining issues, particularly livelihood restoration, it is suggested that JICA pay attention to the followings:"

- (1) JICA will clarify its position that it will assist in resolving disputes between the Myanmar government and the PAPs and encourage communications between various stakeholders, including the PAPs, and the Myanmar government. While the tripartite meetings seem to be serving as opportunities where the PAPs voice their opinions and requests, meetings should provide the opportunities to discuss realistic ways to meet their needs and solve issues. For such purpose, it is recommended to set a meeting, such as the one between the Myanmar government and the PAPs. In addition, JICA will act as the arranger/operator of such meeting and prepare fair and reliable facilitators who can take the interests of both the PAPs and the Myanmar government into account and develop a workable and mutually acceptable agreement.
- (2) In addition, local and international NGOs' participation is also required to support the PAPs who are in a weaker position than the government. A hybrid model meeting, where the experts who have knowledge including IRP participate in the meeting together with the various stakeholders, is recommended. It is recommended that JICA will actively provide support to arrange and operate such meetings by, for instance, proposing a dispatch of personnel who understand the situations in Myanmar and/or have expert knowledge of the advanced precedents in other countries.

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<sup>2</sup> Referred to in the Investigation Report as "Project Affected Persons" (p. vii of the Investigation Report)

<sup>3</sup> Referred to in the Investigation Report as "Income Restoration Program" (p. vii of the Investigation Report)

(3) The meetings should, in principle, be made public and we would like to suggest that JICA should help the Myanmar government so that the information is adequately disclosed and transparency of information to the stakeholders is maintained. It is desirable that a meeting notice specifying the date, time and location would be sent to the PAPs concerned at least 1 week prior to the scheduled meeting date, with agenda and as much information as possible. In addition, the procedures for preparing the minutes of a meeting and approving it at the following meeting should be set in place.

(4) To restore livelihood, changing the PAPs' ways of thinking is also imperative. For those who are expecting additional compensation payments and have lost their willingness to look for a sustainable livelihood, measures should be taken to enhance their willingness to restore their livelihood by, for instance, showing them other cases of resettlement and successful experience in as much detail as possible.

(ii) Policies of the Operational Department

- The following efforts will be made reflecting the proposal from the Examiners under (1) above, while respecting ownership on the part of both parties of PAPs and the Myanmar government:
- Sincere support and other efforts will be provided to ensure that consultation between PAPs and the Myanmar government provides opportunities to discuss realistic ways to meet their needs and solve issues.
- With regard to proposal (2) above, the participation of local and international NGOs has been permitted in consultations and other meetings taking place through now and we have not identified any particular impediments to such participation. We will closely monitor the situation to ensure that such interaction continues in the future as well. With regard to the participation of experts and facilitators possessing knowledge of related subjects including IRP, we will make every effort to realize this goal, while listening to the views of various experts and others.
- With regard to proposal (3) above, we will provide support to ensure transparency in consultation between PAPs and the Myanmar government. We will make efforts to sure that, to the extent possible (for example, when both the PAPs and the Myanmar government, or either of these parties, have made clear the agenda in advance), a meeting notice, the meeting agenda, and other information are provided at least one week prior to the meeting, and to provide support so that the form of meeting minutes is appropriately considered and consulted on between related parties from standpoints such as those of transparency, efficacy, and efficiency.
- Regarding proposal (4) above, paying attention to the proposals from the Examiners we will continue to provide assistance to the efforts of the Myanmar government, including holding participatory workshops for PAPs, to increase PAPs' motivation to recover their own livelihoods. We also will share the Examiners' proposal in this regard with stakeholders and others interested in this relocation of PAPs and request their cooperation to enable support intended to increase PAPs' motivation to recover their own livelihoods.

## 2. Continuous support (pp. 26-27 of the Investigation Report)

### (i) Proposals of the Examiners

The Examiners note, "The findings of the investigation and lessons learnt have identified possible solutions to the remaining issues of the Class A Area and a set of points to consider for subsequent phase of the project (2,000 ha). . . . The Examiners would like to offer the following proposals."

- (1) It is suggested that JICA guide the Myanmar government to take enough time to prepare the RWP and the IRP. One of the lessons learnt from the Class A Area is that the PAPs tend to focus on the amount of compensation and ask for early payment. However, taking a certain period of time to help the PAPs take a realistic view of their new circumstances and also to convince them of the importance of livelihood restoration through consultations may eventually lead to enhanced willingness to work among the PAPs, thus preventing problems from occurring. It is also suggested that, by showing cases of resettlement and livelihood restoration in other countries, including Japan, JICA explain that taking sufficient time to consult with the PAPs is efficient as a means to an end, although it may seem like a tedious task at first.
- (2) Dialogues between the parties concerned should be prioritized first in reconciling different stakeholder opinions. It is desirable that JICA respond to questions from the stakeholders in the form requested, in order to obtain the trust of the stakeholders.
- (3) It is desirable that JICA assist the Project Proponents in ensuring that a notice of the consultations should be sent to the PAPs concerned at least 1 week prior to the scheduled meeting date, since being polite and allowing enough time for the expected participants to prepare are required to build and maintain good relations between the Project Proponents and the communities.

### (ii) Policies of the Operational Department

With regard to proposal 2. (i) (1) above, we will keep in mind the need to help the PAPs take a realistic view of their new circumstances and also to convince them of the importance of livelihood restoration through consultations between PAPs and the Myanmar government in accordance with the spirit and the intent of the Examiners' proposals, and with regard to proposals 2.(i)(2) and 2.(i)(3) above we will pay attention to the content of the Examiners' proposals in future assistance and other efforts.

## 3. Specific points found by the investigation (p. 27 of the Investigation Report)

### (i) Proposals of the Examiners

The Examiners state, "Based on the specific points found by the investigation, the Examiners would like to suggest the following:"

- (1) It is desirable that JICA assist the Myanmar government in implementing measures to address the issue on flooding that happens on the areas lower than nearby roads, including dialogues between the Myanmar government and the PAPs to establish a framework in which the PAPs can participate in flood prevention work.
- (2) The wells need to be further improved for user convenience, including the locations. In doing so, it is desirable for JICA to assist the Myanmar government in listening to the PAPs' views and opinions to repair them and/or construct new ones.
- (3) The measures to mitigate a change in living environment for the PAPs, in addition to vocational training should be provided, as they will need time to get adjusted to their new environment and restore their livelihoods. It is desirable that, for instance, JICA assist the Myanmar government in responding appropriately to the PAPs' requests and taking action, including the provision of a kitchen garden for those who have requested one, and plans to plant street trees.
- (4) At the Field Visit, an issue on toilet drainage was raised by the PAPs. Although vault toilet facilities were made available for the PAPs after the resettlement (which were not available for them before), they appeared to be feeling burdened by tank emptying and pumping cost. The Examiners have been told that although the Myanmar government presented a measure to address the issue, the PAPs are planning to make a counter proposal and the government is currently waiting for it to be submitted. It is desirable that JICA assist the Myanmar government in implementing a measure to address the issue at the earliest possible time.
- (5) Where the PAPs strongly hope to continue farming, It is desirable that JICA assist the Myanmar government in giving advice to them at the earliest possible time, for instance, presenting them with some successful cases, e.g., 1) a family used compensation and/or assistance to purchase new farmland and 2) a household rented some farmland from the others to continue farming.

(ii) Policies of the Operational Department

- In the event of any matters requiring resolution between the parties, including the specific points identified under 3.(i) above, sincere support and other efforts will be provided to create opportunities to discuss realistic ways to meet their needs and solve issues as described under 1. (ii) above, to ensure that realistic solutions are formulated between the parties.
- JICA will continue to provide the Myanmar government with the assistance needed to implement these solutions.

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