

April 2012



Internal Developments in Myanmar: The Road Ahead

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*Transcript of the Special Address, delivered on IPCS
Ambassador Lecture Series, 19 April 2012.*

Southeast Asia Research Programme (SEARP)



Institute of Peace and Conflict Studies

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www.ipcs.org

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Ladies and Gentlemen,

I would like to say *Mingalabar* to you, Myanmar's traditional way of greeting friends, which means "you be blessed with auspiciousness".

It is an honour for me to be invited to the India International Centre by the Institute of Peace and Conflict Studies to deliver an address today on "Internal Developments in Myanmar: The Road Ahead".

You all are well aware that the elected government led by President U Thein Sein, in accordance with the State Constitution approved in a referendum held in May 2008, assumed its duties on 30 March 2011, a little over a year ago.

President U Thein Sein, in his inaugural speech pledged that his government would give priority to good governance, clean government, accountability, transparency, protection and promotion of fundamental rights of citizens, rule of law, fight against corruption, reduction of income disparity, poverty alleviation, harmonious society, socio-economic reforms and environmental conservation.

In order to build a modern, developed and democratic nation, the government since its



inception has been carrying out three major tasks – transition to democracy, building a new nation and improvement of the whole Myanmar society – and has taken numerous political, economic, social and legislative reform measures.

Ladies and Gentlemen,

The government fully realizes the ardent wish of the people to live in peace and stability and the need for the political process of the country to be all inclusive, a prerequisite for which is national reconsolidation.

The President and Daw Aung San Suu Kyi met in August 2011 in Nay Pyi Taw and had a friendly and candid discussion to find out potential common grounds for cooperation in the interest of the country and the people. As a result, Daw Aung San Suu Kyi's political party -- National League for Democracy (NLD) -- re-registered as a legal political party. NLD contested in the by-elections held very recently on 1 April this year. NLD candidates, including Daw Aung San Su Kyi, won 43 out of total 45 seats. NLD's participation in the political process clearly testifies to an inclusive political process in Myanmar's political arena.

As part of national reconsolidation efforts, the President granted amnesty to over 28,000 prisoners in one year ensuring all-inclusive opportunity in national reconsolidation and nation building tasks. It is a new record in terms of the number of amnesties granted in a year.

The participation of all ethnic groups of the country in the all inclusive political process is also one prerequisite for lasting peace and stability in the country. In this regard, the government has offered peace to all armed ethnic groups. The President has made a firm commitment to end all suspicions and anxieties and to heal the bitter wounds and sufferings among all ethnic groups, including the biggest national races of the country, such as Kachin, Kayah, Kayin, Chin, Mon, Rakhine and Shan. As a result, state level agreements have been reached with several groups and their respective areas are now peaceful. Latest development is that on 4 April in Pa-an, the representatives of Kayin State government and KNU armed group held state-level peace talks. And representatives of the Union Government and KNU met in Yangon on 5 April and reached agreement on some of the KNU's proposals, including long-term ceasefire and opening of liaison offices. The President personally met with the KNU representatives on 7 April and explained the government's goodwill towards KNU and advised KNU to come back into the legal fold and do political activities legally.

Our government, elected by the people, has been carrying out bounden duty of national reconsolidation aspired by all national people. It is not because of push and pressure from any person, country or any organization. The government will continue to do so.

The State Constitution provides for the protection and promotion of human rights. The Myanmar National Human Rights Commission comprising 15 members was formed in September 2011, and the

Commission office was opened in Yangon a month later. The Commission has been accepting complaints on alleged violations of the fundamental rights of citizens.

The Labour Organizations Law has been enacted. Labour organizations can now be formed. The Government has raised pension allowances for retired service personnel, commensurate with the changing economic and social conditions of the country. As a result, over 815,000 retired service personnel are now benefiting from this measure.

The Government also realizes the wish of the people to see our nation developed with a strong economy. The Government has taken various reform measures and laid down short- and long-term projects so that a market economic system suitable to the nation's prevailing conditions can emerge.

The government also attaches highest priority to improve the livelihood of the people in rural areas who represent over 70 percent of the entire population. To that end, the National Rural Development and Poverty Reduction Plan in eight priority areas is being implemented. After the implementation of this plan, the current poverty rate of 26 per cent is expected to drop to 16 per cent by the year 2014-15 in order to meet the Millennium Development Goals. The Government has also been providing loans down to the village level so as to expand comparable growth between the rural and urban areas under the micro-finance scheme. We are striving to remove our nation from the list of Least Developed Countries in accord with the MDGs of the UN with the help of local and international private organizations, NGOs and INGOs. The government has stepped up its efforts to improve the socio-economic status of peasants and agricultural sector of the State through "engaging in farming with education"

The government has been making efforts to make best use of the dams and river water pumping projects implemented by the former government, and for cent per cent completion of the irrigation systems which are under construction to boost agricultural products of the peasants and their income. For further improvement of the agriculture sector, emphasis is being placed on economically cost-effective measures, ensuring strong market, using quality strains to have reasonable price, using good agriculture pattern, organic and natural fertilizer as well as water at exact time and ratio.

In order to create jobs outside the agriculture sector, we are taking measures to develop more industries relying on regional conditions by including industrial planning in the national development projects. In those projects, we are trying to include the future development of our young national people who will be reunited according to our national reconsolidation process.

Industrial zones are being established across the nation to create more job opportunities. Moreover, our government is planning to make sure that local and foreign investments flow rapidly to the country and to firmly protect those investments.

We are also striving for harmonious development of human resources essential for the development of national economy. In reforming educational institutions like universities and schools, curriculums and syllabuses are being reviewed. Although every college and university will be under the control of the ministry concerned, plans will be made for them to operate under their self control in the future. Every basic education school must have its own library. Similarly, all colleges and universities need to have online libraries connected to accredited international universities in addition to their traditional libraries.



We are also setting up Internet networks and telecommunication networks so as to reduce our digital divide in this age of technology and knowledge.

We will increase spending for the education sector by two fold in this financial year. With subtle reformation process plus increased State fund, we will encourage more development of human resources.

We will increase spending for the health sector four fold. For the health care of those needy people, we are planning to adopt a universal health insurance system in collaboration with private organizations.

In the time of our government, new policies have been adopted to substitute natural resource extraction-based foreign investment with production based foreign investment and we are seeking assistance from local and foreign technicians and experts.

While trying to build strong macro-economy, we are laying down short- and long-term projects that are filled with basic infrastructures, human resources, skilled workforce, high technology, environmental conservation, legal organizational structure, competent economic area and improved private participation.

The Government has reviewed fiscal, trade and investment policies. The existing Foreign Investment Law is being reviewed in order to attract more FDIs into the country. We have relaxed export-related taxes. New exchange rates of foreign currencies have been set with the assistance of World Bank and IMF. We have

given permission to export rice freely. While encouraging the promotion of the private sector in economy, we are conducting institutional reforms for capacity-building of state-owned businesses. Changes and reforms are also taking place in collaboration with international organizations for the flourishing of capital market and financial market as well as for the emergence of business conglomerates. In addition, we are encouraging private banks to be economically strong, and light and medium industries to acquire capital and technologies. We will make our continued efforts to reduce the monopolization of public services and to make sure that every citizen has the right to enjoy those services.

We are taking measures with care and consideration to ensure that privatization is not in the hands of only a handful of people and that there are no inequality and no barrier to capacity-building. We are indeed promoting the role of private sector seeking valuable advice and suggestions from local and foreign experts in the economic field. The national development strategy of our government is not aimed at developing a class or a community but aimed at developing every aspect of all walks of life, all classes or all the people of Myanmar. While trying to increase the population of middle class that plays a key role in national development, we are creating a sound economic environment by inviting technical know-how, capital investment, expertise and management at home and abroad in order to improve per capita income of the grassroots, create more job opportunities and develop the whole national economic structure in various sectors such as agriculture, industry and service.

Our government is striving for national development bearing in mind that national development must be environmentally, socially and economically sustainable.

Rule of law is at the core for emergence of a democratic society. Our Parliament has prescribed laws, our government rules the country in accord with these laws and judicial pillar is to stick to these laws. Rule of law is a must for our administrative mechanism,



businesses, social welfare, political processes, international relations and judicial system. If rule of law prevails in our society, human rights, liberty and democracy would flourish automatically. Consolidation of every step of national building endeavors depends on the rule of law.

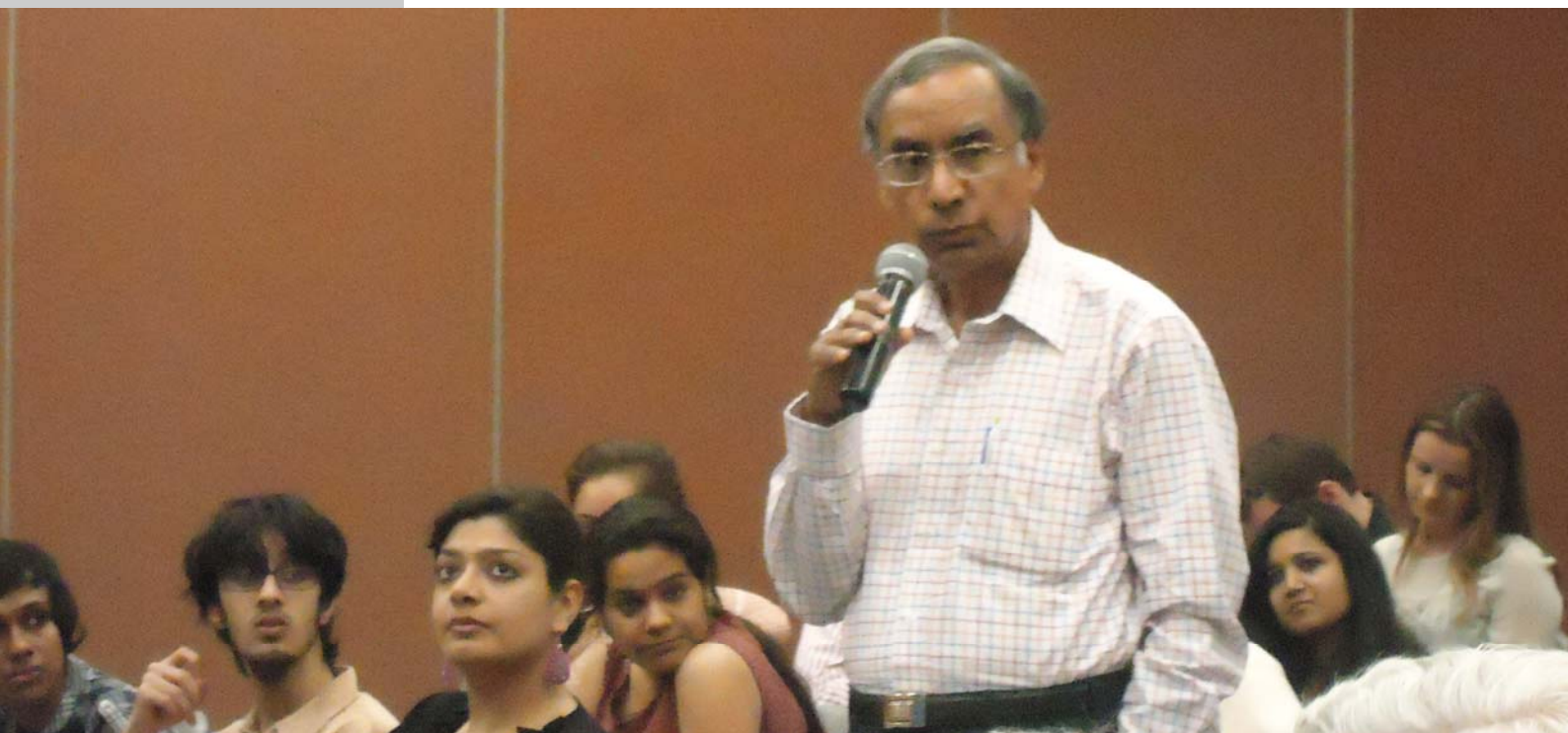
In order to serve and promote the national interests of our country and people, we will continue to practice the independent and active foreign policy that has been exercised throughout successive eras. In making our continued effort for the political, economic and social reforms with added momentum, we will maintain amity regardless of East or West as well as extending a warm welcome to international support, cooperation, investment and aids. At the same time, we will constantly safeguard the national interests of our country and people and the country's sovereignty.

At the 19th ASEAN Summit held in Bali, Indonesia on 17 November 2011, the Heads of State/Government of the ASEAN Member States decided to accord Myanmar the Chairmanship of ASEAN in 2014. At the 20th ASEAN Summit held from 3 to 4 April this year in Phnom Penh, the Alternate ASEAN Chairman issued a statement, which:-

- *welcomed the significant positive developments in Myanmar throughout 2011 and underscored the importance of maintaining a strong momentum in this regard, particularly on the bold steps undertaken by the Government of Myanmar to enhance socio-economic development, improve the livelihoods of the people, promote good governance and democratic practices, strengthen promotion and protection of human rights, and achieve peace, and national reconsolidation and reconciliation;*
- *welcomed the successful holding of the by-elections in Myanmar on 1st April 2012, in a free and fair manner;*
- *expressed appreciation to the Government of Myanmar for inviting a large number of election observers from ASEAN and its Dialogue Partners as well as from regional and international organizations;*
- *recognized that the holding of the by-elections was a significant step towards further democratization in Myanmar and reaffirmed ASEAN's full support for the Myanmar Government's on-going efforts in democratization, national reconsolidation and reconciliation and reiterated the ASEAN's call for the international community to support and encourage the democratic developments in Myanmar; and*
- *called for the lifting of all sanctions on Myanmar immediately in order to contribute positively to the democratic process and economic development in the country.*

Soon after the by-elections, the United States has lifted some of its sanctions against Myanmar. French Foreign Minister has asked EU to lift its sanctions against Myanmar. Chinese Foreign Ministry spokesman has also asked all countries which have placed sanctions on Myanmar to lift them as best as they can.

Ladies and Gentlemen, Myanmar is making a smooth and peaceful transition to democracy. The steps taken by Myanmar government are concrete, visible and irreversible. The reform process is incremental, systematic and dynamic as well.



The process of transition to democracy in our country, being implemented by the government with the understanding and cooperation of the entire people, is systematic, smooth and peaceful and is welcomed and supported by the international community. Its uniqueness has earned international recognition. Some international media have even named our process 'Burma Spring' or 'Myanmar Spring'.

Who deserves credit? The entire people -- the government, all the stakeholders, including political parties, civil societies, members of the Parliament, national races and respective leaders, and the Armed Forces have been harmoniously taking part in the respective sectors to reach today. Our democratization process is a successful transition which can be taken as a model. This accomplishment will go down into the annals of our chronicles as a new page of history. Our country has paved the way for a new democratic Myanmar amidst international observers. We must continue to walk on this path in harmony and unison. Our democracy will become firmer and firmer if we continue on this path with the resolve that there is no turning back while setting aside differences and working together on common ground.

We realize that the extent of success, stability and durability of the transition process of the present government will become the legacy for the future successive governments. When it comes to nation-building, peace and stability, unity, order and steadfastness are of vital importance in changing from one era to another and from one system to another.

Our government will continue to try harder till a Myanmar society where the rule of law is firm and people living with peace of mind and dignity is emerged in our democratic country enjoying increased per capita income and well-rounded development in addition to economic growth, which are the wants and wishes of the people. The government has pledged to continue its endeavour without fail.

Thank you for kind attention.