



House of Commons
International Development
Committee

**DFID Assistance to
Burmese Internally
Displaced People and
Refugees on the Thai–
Burma Border: Responses
to the Committee's Tenth
Report of Session 2006–07**

**Eleventh Special Report of Session
2006–07**

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International Development Committee

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Contacts

All correspondence should be addressed to the Clerk of the International Development Committee, House of Commons, 7 Millbank, London SW1P 3JA. The telephone number for general enquiries is 020 7219 1223; the Committee's email address is indcom@parliament.uk

Eleventh Special Report

On 25 July 2007 the International Development Committee published its Tenth Report of Session 2006-07, *DFID assistance to Burmese internally displaced people and refugees on the Thai-Burma border*, HC 645-I. On 15 October 2007 we received the Government's response to the Report. It is reproduced as Appendix 1 to this Special Report. In the Government Response, the Committee's conclusions and recommendations are in bold text. The Government's response is in plain text.

Responses to the Report were also received from the United Nations High Commissioner for Refugees (UNHCR) and Christian Aid. These are reproduced as Appendix 2 and Appendix 3 to this Special Report.

Appendix 1: Government response

This response addresses the Committee's recommendations thematically rather than in the order in which they appear in the report.

The scale of need — Overall levels of aid to Burma

[Recommendation 1; Paragraph 19] We recognise the huge challenges facing donors in assisting IDPs within Burma and commend DFID for being one of only four donors to run a staffed development programme within the country.

[Recommendation 6; Paragraph 32] Funding of aid work in Burma is not a case of 'business as usual'. The risk of funding reaching an illegal and repressive military junta must be absolutely minimised. Political and humanitarian 'space' to carry out the process of poverty reduction and humanitarian assistance is highly constrained. Capacity amongst partner organisations to spend aid money effectively is low. The co-ordination of aid efforts is difficult and is currently done poorly. Overall, operating conditions for aid agencies in Burma remain very challenging. We respect DFID's determination to minimise the risk of any of its funds finding their way into the exchequer of a brutal and illegitimate regime.

Burma's people have suffered from 60 years of civil war and 45 years of military rule. Poverty is widespread across the country, with at least a third of the Burmese population living below the poverty line—less than a third of a dollar a day (at the market exchange rate). Many people are highly vulnerable. This includes the internally displaced people on whom the IDC report focuses. It also includes: the country's 18 million children—of whom half do not complete primary school; the 340,000 people living with HIV and those at high risk of exposure to the virus (especially sex workers, the clients of sex-workers and their families, men who have sex with men, and injecting drug users); the approximately 5 million people living in remote and border regions and ceasefire areas where there are often few economic opportunities and limited access to health and education services; and

the 15 million landless rural-poor. The recent protests have graphically demonstrated the desperation that socio-economic decline has created in people across the country.

Reaching these people, in the complex operating environment of Burma is—as the Committee noted—difficult. But it is not impossible. All of DFID’s work is carried out within the parameters set by the European Common Position on Burma. DFID has developed an approach with robust mechanisms for regular monitoring. Over the last four years, DFID has shown that it can work with the UN, International NGOs, and Burmese local NGOs to help improve the lives of poor people. For example, our support for work on HIV and AIDS contributed to the distribution of 48 million condoms and 1.1 million clean needles in 2005—four times more condoms than in 2000, and four times more needles than in 2003. In 2005, we worked with local NGOs to reach a total population of 190,000 IDPs from inside the country. Our support for one international NGO has helped almost 100,000 poor farmers to buy low-cost high-quality foot pumps. These foot pumps have allowed them to increase their family incomes by an average of around \$190 a year—money that they spend on extra food (so their families can occasionally eat meat and fish), improvement to their farms, and keeping their children in school.

[Recommendation 5; Paragraph 30] It is our strong belief that overall aid levels to Burma need to be significantly boosted.

[Recommendation 7; Paragraph 32] Whilst there is a need to address the significant constraints, we believe more aid could and should be spent in Burma by DFID. The current UK contribution of £8.8 million represents significant under-spending compared to countries with similar poverty levels and human rights records. DFID has quadrupled its aid budget for Burma in the last six years and we recommend that this trajectory should continue, with a further quadrupling by 2013. We also believe that the UK Government should encourage other countries to provide greater support for work within Burma. This would give Burma the opportunity to make at least some progress towards the Millennium Development Goals by the 2015 deadline.

We agree that in view of humanitarian needs, overall aid levels to Burma need to rise and in that context, there is a case for continuing to increase DFID support to Burma. Following the increases in DFID’s aid budget mentioned by the Committee, DFID is currently the third largest OECD donor to Burma—after Japan and the European Commission. DFID has allocated an additional £1 million to meet the urgent new humanitarian needs in Burma and ensure that vulnerable people do not suffer because of the actions of the regime. Within limits dictated by the complex and risky operating environment and the limitations on the capacity of potential partners to absorb funds, we will be considering an increase in funding for our programme in Burma following the Comprehensive Spending Review settlement in October.

We also agree that it is important to encourage other donors to do more to help address Burma’s humanitarian situation. We are already doing so, particularly through our leadership of the development of well co-ordinated multi-donor mechanisms to provide support for work on health (the six-donor Three Diseases Fund) and education (UNICEF’s

five-donor primary education programme). We will continue to encourage others to do more.

At the same time, we will continue to press the Burmese authorities to respect the principles of humanitarian support and improve access for independent, neutral humanitarian agencies to vulnerable populations in Eastern Burma.

If Burma displayed a strong commitment to democracy and poverty reduction, an economic package involving the UN, International Financial Institutions and bilateral donors could be offered. This could include the establishment of a multi-donor Trust Fund to support health, education and other key sectors; support for debt relief; financial and technical support for democratic elections; an investment conference to attract foreign direct investment; trade measures to facilitate Burma's entry into the global trading system, support for civil society including the development of a free media as well as continued humanitarian relief.

Co-ordination and communication

[Recommendation 10; Paragraph 42] Ideally, a situation would exist where two complementary approaches, in-country and cross-border, ensured even coverage in assistance to IDPs across Burma. But unfortunately this complementarity remains elusive at present. A key reason for this is the difficulty experienced by organisations in communicating and hence co-ordinating their work.

We agree that improved co-ordination of assistance to Burma is essential and needs to involve both in-country and cross-border groups. Donors need to work together to develop shared analysis and approaches and ensure that the risks and opportunities to effectively allocate and use aid in response to overall needs are fully understood.

Co-ordination of support to IDPs is particularly difficult. Because of the continuing conflict, both community-based organisations working within Burma and cross-border groups have to maintain the security of their operations to protect their staff and their access to target populations, and to minimise the risk of attacks on recipients of aid. Building trust between organisations working from inside Burma and those working cross-border is therefore a slow and difficult process. However there has been gradual progress over the last year. DFID has funded a forum for a range of community-based organisations working with IDPs from inside the country. Over the last six months, the UN has facilitated three focused sectoral discussions between NGOs and agencies working from inside the country and cross-border, and in January 2007 the "Responding to Infectious Diseases in the Border Regions of South & Southeast Asia" conference provided a useful forum for discussion.

Co-ordination

[Recommendation 12; Paragraph 45] We agree that the UN Office for the Co-ordination of Humanitarian Affairs (UN OCHA), rather than any of the main bilateral donors, should take the principal role in co-ordinating aid assistance but believe that DFID should engage more wholeheartedly in helping to co-ordinate assistance to IDPs. We welcome the appointment of a UN OCHA Co-ordinator for Burma and believe that

international NGOs should support his work. We recommend that DFID support UN OCHA to carry out an urgent mapping exercise of which IDPs are receiving assistance and where gaps exist between in-country and cross-border assistance.

We agree that UN OCHA and the UN Humanitarian Co-ordinator should lead efforts to improve co-ordination of aid assistance to IDPs. We strongly advocated the decision to appoint a Humanitarian Co-ordinator for Burma and have warmly welcomed OCHA's expanded engagement in Burma, including the visit that OCHA's Deputy Emergency Relief Co-ordinator Margareta Wahlstrom made to Burma in April 2007. We welcome the current OCHA mapping exercise of IDPs, their needs and the responses. OCHA is currently working to establish an Information Management Unit for Burma which will act as a central collection point for information on needs, responses and gaps across Burma. DFID is intending to support this initiative.

DFID has taken a lead role in seeking to improve overall donor co-ordination on Burma, helping to bring together donors with a focus on support inside the country and those with a focus on support to and across the Thai border. For example, DFID has been providing funding for a staff member working in the office of the UN Resident Humanitarian and Co-ordinator. This support has contributed to the establishment of an informal monthly donor co-ordination meeting in Bangkok (which we will continue to attend monthly from Rangoon once programme management responsibility has moved). DFID has also given strong support to a study being led by the European Commission to collect information on the current interventions and systems and procedures of the donor community in Burma. This work will lead to specific recommendations to the donor community on how to improve co-ordination. We have emphasised that improving the coordination of assistance to conflict affected people should be included as an issue for discussion by the donors.

[Recommendation 25; Paragraph 85] We reiterate that we welcome the appointment of a UN Office for the Co-ordination of Humanitarian Affairs (UN OCHA) Co-ordinator for Burma. We anticipate that this step will help strengthen co-ordination of international humanitarian assistance to refugees at the Thai-Burma border.

We note that neither UN OCHA nor the Humanitarian Co-ordinator for Burma will have formal responsibility for the co-ordination of aid to refugees in Thailand. UNHCR hold responsibility for the co-ordination of assistance to refugees in Thailand.

Communication

[Recommendation 13; Paragraph 48] We believe that DFID should do more to share information about its assistance to IDPs, and more to encourage other organisations to do the same. We accept the importance of maintaining the security of the work being done, but believe it would be possible for DFID to enhance communication by organising more 'closed door' meetings with trusted partners.

We agree that improving communications about assistance to IDPs is important. As a result of the ongoing conflict, improving communications is sensitive and potentially dangerous and has to be based on building mutual understanding and trust. As much of our work with IDPs is through local community-based organisations, it is essential that

DFID respects their concerns about security. We have encouraged them to discuss the details of their work directly with other key interlocutors and helped them to produce better communications tools, for example maps of their work. We believe that the ongoing UN OCHA study will provide a valuable starting point for further strengthening communications. We have also supported broader fora—including a Wilton Park seminar on humanitarian assistance in Burma in autumn 2006, which included a session on support to displaced people and brought together representatives from organisations working from Thailand with those from organisations based inside Burma. And we have had regular bilateral meetings with a range of NGOs, community-based organisations and lobby groups to explain our general approach to providing support to reduce poverty in Burma. Over the next year, we will do more to meet a broader range of organisations on a regular basis.

A comparative advantage?

[Recommendation 17; Paragraph 67] DFID’s view that its funds “will add little extra value” to cross-border assistance is divergent from what some other witnesses told us.

[Recommendation 18; Paragraph 70] We believe that DFID’s policy change to allow its funds to be spent cross-border, but with no extra funds currently committed, has exacerbated the existing problems in engaging productively with agencies carrying out cross-border work and has unsurprisingly been perceived by them as an empty gesture. As we have stated previously, there is an urgent need for DFID, working closely with the UN Office for the Co-ordination of Humanitarian Affairs (OCHA), to establish comprehensively the needs of IDPs who can only be reached by cross-border work, particularly in relation to the control of infectious diseases. DFID must not hide behind its argument that it has a ‘comparative advantage’ in working in-country. At the same time UN OCHA must also address the failure of a significant number of bilateral donors to properly fund in-country work, which has hindered an effective, comprehensive approach. Cross-border assistance to Burmese IDPs could be extended if more financial resources were available. We recommend that DFID contribute to providing effective relief to IDPs in eastern Burma and that it should commit funds for cross-border assistance as part of an overall rise in aid to Burma. We believe that, as a high priority, DFID should maximise relief to IDPs in eastern Burma.

We agree it is essential that sufficient humanitarian assistance reaches internally displaced people and other conflict affected people living in Eastern Burma. Currently about 20% of DFID’s support is provided to that 5% of the Burmese population living as refugees in Thailand, or living in or near conflict/cease-fire areas along Burma’s borders.

We recognise the importance of both cross-border and in-country mechanisms for support to IDPs. The two mechanisms should not be seen as being in competition; rather they are complementary ways of reaching slightly different groups of very vulnerable people. There should not be seen as being competition between the two mechanisms; and implementers should do more to share information and coordinate. Donors’ responses should be guided by an objective assessment of the situation on the ground. According to available estimates around 100,000 IDPs are living in areas of current conflict where only cross-border aid can reach them. Around 200,000–250,000 IDPs are estimated to be living in areas where they can only be reached by groups providing assistance from inside the country; and a further

100,000–150,000 people live in areas where it may be possible for both cross-border groups and in-country groups to reach them.

At the moment, more donors are providing support through cross-border mechanisms than are funding in-country work to reach IDPs: it is estimated that around US\$7 million will be provided cross border in 2007 compared to around US\$1 million through community based organisations working from inside the country. We believe that, because of the knowledge and relationships we have developed, we are currently better placed than other donors to manage the risks associated with support to the in-country groups, who represent at least 50% of total IDPs.

We believe that UN OCHA's on-going assessment of humanitarian needs in Eastern Burma is crucial. It will provide an independent analysis of the needs of IDPs and of the delivery mechanisms available to address these needs. We will use OCHA's assessment to inform future spending decisions on support to IDPs—including consideration of additional support both from inside the country and cross-border to address unmet needs. We will also encourage other donors to do the same.

Mechanisms for support

[Recommendation 2; Paragraphs 22-23] Providing funding to community-based organisations (CBOs), who often manage their own clinics, schools and projects, is a way for donors to assist IDPs without channelling funds through the military regime. Such groups can go beyond emergency assistance to carry out crucial sustainable development work at grassroots level. We recommend that DFID increase substantially the funding it gives to CBOs within Burma. Capacity-building and training of such groups is a crucial complementary strategy if funding is to be used effectively. Funding CBOs provides donors with the means to support human rights and democracy work within Burma.

We agree with the Committee's recommendations. We have gradually increased our support to community based organisations working with IDPs. In addition to providing aid that directly benefits displaced communities our support has also included a strong component of training and capacity building. Community based organisations working from inside the country are able to work through their networks (often faith based) in areas close to ongoing conflict that the UN and INGOs cannot access. We have allocated £400,000 for support to IDPs through religious organisations (Christian and Buddhist) within Eastern Burma in 2007.

We are also funding broader efforts to support sustainable development and capacity building at the grassroots level. For example we are providing £500,000 over three years for a project to build the capacity of civil society organisations particularly in ethnic areas. And we are currently establishing a new fund (£3 million over three years) to help strengthen the capacity of communities to address key development issues and build the foundations needed for a functioning democracy.

[Recommendation 3; Paragraph 26] We recommend that DFID begin appropriate funding of exile groups who carry out crucial work both inside and outside Burma to

support IDPs and other vulnerable groups. Support to such groups would have the simultaneous benefit of supporting and raising awareness about the plight of IDPs, and of building capacity for a future democratic transition. We believe that the exiled trade union movement and women's groups are particularly worthy of support.

The UK government will consider applications for funding by groups inside and outside Burma working on sustainable development and democratisation in Burma. Any decision to fund projects will depend on available resources, the impact of the proposed projects, consistency with government strategy and what other sources of funding are available to the applicants. DFID funding for groups outside the country would need to meet strict criteria concerning accountability and transparency, and be used for clear purposes aimed at poverty reduction.

[Recommendation 20; Paragraph 74] Rape is used as a weapon of war by the Burmese Army and we call on the UK Government to make high-level representations about this atrocity to the Burmese regime. We reiterate our recommendation above (see Paragraph 26) that DFID should fund women's groups working on and across the border who document rape and other human rights abuses, and provide women's health and education services. The Shan Women's Action Network (SWAN) is one group particularly worthy of support.

We share the Committee's deep concern about cases of rape as a weapon of war by some in the Burmese military. We have helped to ensure that resolutions at the UN General Assembly have called for an end to rape and sexual violence by armed forces in Burma. Former FCO Minister Ian McCartney raised the issue with the Burmese Ambassador on 15 June 2006 and in a letter to the Burmese Foreign Minister on 5 July 2006. In the last 18 months Ministers including then Foreign Secretary Jack Straw have met representatives of Women's Groups including the Shan Women's Action Network and the Women's League of Chinland. The government will consider applications to fund projects focussed on the development of women. As with the reply to Recommendation 3 any decision to fund projects will depend on available resources, the impact of the proposed projects, consistency with government strategy and what other sources of funding are available to the applicants. DFID funding for groups outside the country would need to meet strict criteria concerning accountability and transparency, and be used for clear purposes aimed at poverty reduction.

[Recommendation 9; Paragraph 41] It is clear to us that NGOs working from inside Burma can reach IDPs who would not otherwise receive assistance. Their work is crucial to providing basic social services such as education and health to vulnerable populations, and we believe that they deserve increased support from donors.

We agree. International NGOs and UN agencies working inside Burma are able to provide crucial assistance to a wide range of vulnerable groups inside Burma, including gaining access to some IDPs.

[Recommendation 16; Paragraph 62] Cross-border aid may not be considered to be a neutral form of assistance and it is highly dangerous. However it is the only way to reach IDPs in several of Burma's conflict-affected states and we believe that it can provide a cost-efficient and flexible way of delivering emergency relief where no other options exist, but it must be continually and robustly reviewed. Such funding must not detract from the key humanitarian objective of ending conflict.

We agree. Cross border teams, travelling with soldiers from the ethnic armed groups, are the only groups able to work in conflict areas. Cross border assistance is therefore the only way of reaching the roughly 100,000 IDPs living in these areas (about 20% of all IDPs). In addition cross-border assistance may be able to reach an additional 100,000–150,000 displaced people living near conflict areas. However, cross-border aid is certainly not an easy option. It is dangerous, it is not neutral and it is extremely difficult to monitor. But where no other options exist, these risks have to be balanced against the needs of IDPs.

[Recommendation 19; Paragraph 73] We believe that, in addition to funding cross-border work, DFID should help to ensure that assistance is focused on the most vulnerable IDPs, including Shan populations and women. Women's sexual and reproductive health needs to be prioritised. Cross-border health assistance and clinics in IDP areas both require extra financial resources. We recommend that education, especially for girls, should be another priority for DFID and that it should fund cross-border assistance to teachers and schools in IDP areas.

As noted above, we believe that UN OCHA's on-going assessment of humanitarian needs in Eastern Burma is crucial. It will provide an independent analysis of the needs of IDPs and of the delivery mechanisms available to address these needs. We will use OCHA's assessment to inform future spending decisions on support to IDPs—including consideration of additional support both from inside the country and cross-border to address unmet needs in areas such as health and education.

[Recommendation 21; Paragraph 76] We recommend that DFID scale up its funding of cross-border assistance over the Chinese border. The Department should also look at the options for starting to fund assistance over the Indian border. Support to the Chin backpack health worker programme, operating over the Indian border, would be one step towards assisting the many IDPs facing dire poverty in Chin state.

We have supported cross-border primary health care assistance from China to ceasefire areas in the Shan and Kachin States of Burma for several years (current funding of £1.35 million over 4 years). Over the last three years we have also started to support work on health and education in these areas through International and National NGOs—including with funding from the Three Diseases Fund. In Chin State we are providing livelihoods assistance through UNDP—which is able to work in all townships in Chin state and through Three Diseases Fund support. DFID staff have travelled to these areas from inside the country to monitor both cross border and in-country work. We are not convinced that there is a strong case for a large-scale increase in cross-border work in these areas because support from inside the country is able to achieve greater coverage and is likely to be more

sustainable. But we do believe that additional support on some specific technical issues may best be provided cross border. We will continue to look carefully at the range of options for scaling up our support.

[Recommendation 14; Paragraph 52] Whilst we welcome the Three Diseases Fund, and believe that DFID deserves credit for helping to develop it, in its current form it will not reach sufficient numbers of IDPs or other vulnerable groups living in border and conflict areas. We recommend that DFID build on its leadership role in helping to develop the Fund by supporting the creation of a complementary mechanism that makes funding available to organisations providing healthcare in the border areas.

We welcome the Committee's support for the Three Diseases Fund, which we believe is a positive example of close donor co-operation and coordination. It is not true to say that funding from the 3D Fund is unlikely to reach the border areas. The great majority of the people living in these areas can in fact be reached by support from international NGOs or local NGOs. The extensive work on mapping of services carried out by UNAIDS shows a gradual increase in the area covered by HIV services—including in the border areas and in ceasefire areas. Furthermore, allocations of recently approved Three Diseases Fund support provide significant amounts to Burma's border areas.

Our primary focus will be to increase the reach of the 3D Fund's support from inside the country in order to maximise the overall public health impact of international support. But as a small proportion of the Burmese population (around 0.2%) can probably only be reached cross border, we will also work with our donor partners to identify creative ways of providing support to these people. For example we recently helped to bring together Norway and USAID to support a border based malaria project. Given the scale of the operation, we do not consider that a specific funding mechanism would be appropriate.

Dialogue with the regime

[Recommendation 15; Paragraph 55] The UK Government needs to tread very carefully before beginning any kind of dialogue with the State Peace and Development Council (SPDC). However, we believe limited engagement on specific poverty and humanitarian issues should begin and that the most sensible approach would be for DFID to do this as part of a group of international actors, under the banner of the UN.

We agree. The recent protests have emphasised the need for a process that will work towards genuine reconciliation with all political and ethnic parties in Burma—and allows all people to peacefully express their views. In dialogue with the regime the UK Government strongly emphasises the importance of bringing about positive political change, an improvement in human rights, and an operating environment in which the international community, including international humanitarian agencies, can have confidence. However, working with the UN and other donors we have initiated dialogues with the Burmese authorities around the areas of health and primary education. We feel that these dialogues have been productive in creating greater shared understanding of challenges and areas of concern and contributing to some small improvements in the technical policy framework (particularly in the context of the national strategies for HIV,

TB and malaria). We are also interested in determining whether there may be an opportunity to develop a UN led donor dialogue with the authorities on the broader humanitarian situation.

[Recommendation 4; Paragraph 29] We are deeply concerned by the closure of two ICRC [International Committee of the Red Cross] field offices in Burma in March 2007 and the damaging effect this will have on the international community's ability to document abuses perpetrated against IDPs and other vulnerable groups in Burma. We call on the UK Government to continue to make representations to the Burmese authorities on this issue at the highest level.

We share the deep concerns of the ICRC over the large-scale violations of international humanitarian law committed by the Burmese government against civilians. The UK Government released a statement on 29 June condemning the Burmese government's failure to cooperate with the ICRC in its efforts to alleviate the suffering of the ordinary people of Burma and to assist mine victims and prisoners. We are continuing to press for access for ICRC to those monks and civilians detained during the recent protests.

DFID office relocation

[Recommendation 8; Paragraph 36] Whilst we welcome the increase in staff capacity within Burma from three to 10 officials, we are concerned that if DFID fully relocates management of its Burma programme from Bangkok to Rangoon, it will impair DFID's ability to engage with activities on the Thai-Burma border and fulfil its proper part in a co-ordination role. We emphasise the importance of DFID working independently and we therefore recommend that DFID retain at least two senior, full-time members of staff within the British Embassy in Bangkok. This will help in providing an external perspective on displacement issues within Burma and in supporting refugees, cross-border assistance and non-governmental organisations based in Thailand.

[Recommendation 11; Paragraph 43] It is clear to us that DFID's office relocation from Bangkok to Rangoon is likely to impair its ability to fulfil its proper part in a co-ordination role, as we stated above (see paragraphs 35-36). We also believe that DFID is not currently fulfilling its responsibility as a lead donor to tackle the problems of co-ordination.

[Recommendation 24; Paragraph 84] Our concern about DFID's lack of engagement with the camps on the Thai-Burma border is heightened by the decision to relocate the management of DFID's Burma programme from Bangkok to Rangoon. We reiterate the concern we expressed earlier about DFID's office relocation from Bangkok to Rangoon and repeat our recommendation that at least two senior, full-time members of DFID staff should be retained within the British Embassy in Bangkok (see paragraph 36). This staff presence will be crucial to enhancing DFID engagement with the camps, carrying out a developmental analysis of the camps' administration, co-ordinating assistance to refugees with the FCO and supporting NGOs based in Thailand.

[Recommendation 32; Paragraph 95] We are concerned that the relocation of DFID staff from Bangkok to Rangoon will risk DFID being isolated from negotiations concerning refugees in Thailand. This adds further weight to the case we have made for retaining at least two senior, full time DFID staff members within the Bangkok Embassy to provide support to refugee issues and NGOs based in Thailand.

In May 2004 DFID decided to close its office in Bangkok to enable DFID to focus human and financial resources away from middle-income countries (like Thailand) towards fragile states and other low-income countries. This will involve an increase from three staff to ten staff. We believe that this change will help to drive forward DFID's White Paper commitments to do more in fragile states—DFID is one of the few donors to have a presence in Burma and having more staff will strengthen our capacity to understand what works in-country. It will allow us to maximise co-ordination between the FCO and DFID effort in Burma. At the same time senior civil servant oversight of the Burma programme has been moved to London, closer to Ministers and parliamentarians and closer to the debate, which takes place in London, about our aid programme in Burma. The senior official will visit Thailand regularly to meet with exile groups and cross-border groups.

We will put in place various arrangements to ensure that the transfer of programme management to Rangoon will not impair our ability to work independently, prevent us from working to strengthen co-ordination, or have a negative impact on our engagement with refugee issues in Thailand. First, we have made a strong commitment to hold regular meetings with both democracy campaigners and cross-border groups in Thailand. We will arrange meetings at least every 3 months with those groups who provide cross-border support, and with those who lobby for political change from outside Burma. This will ensure a regular flow of information and ideas.

Second, we will continue to engage with all donor co-ordination initiatives both in Bangkok and Rangoon. The flight from Rangoon to Bangkok only takes one hour. It is much easier to reach Bangkok than many places inside Burma regularly visited by DFID staff for project monitoring.

Third, the political section of the Embassy in Bangkok will continue to work on Burmese refugee and IDP issues. We will make more explicit DFID and the British Embassy's responsibilities to ensure we coordinate closely on these issues.

Thailand-Burma Border Consortium: DFID funding and engagement

[Recommendation 22; Paragraph 82] We were astonished to hear that DFID has visited the refugee camps it funds so infrequently. We believe that funding TBBC directly might improve communication and encourage stronger engagement on DFID's behalf. We therefore recommend that DFID reassess the continued value of funding TBBC indirectly via Christian Aid.

Since 2003 seven visits have been made by DFID, fulfilling all our standard monitoring and supervision requirements, and including a ministerial visit. We would be content to fund TBBC directly, but have not done so because TBBC have told us that they prefer to be funded indirectly through NGOs because they take on much of the administrative burden.

We will raise this again in early 2008 as part of the preparation of a new funding package for TBBC.

[Recommendation 23; Paragraph 83] Although we accept that the FCO has played a valuable role in visiting refugees, allowing DFID and the FCO to have an interchangeable presence at the camps is not the most effective way of overseeing the delivery of aid. We were struck by the lack of developmental analysis of the Ban Mai Nai Soi Camp and believe strong DFID engagement is needed to rectify this. We recommend that DFID carries out a developmental analysis of the camps; this is essential both to meet refugees' needs appropriately and to provide value for donors' funds.

[Recommendation 27; Paragraph 89] We were disappointed to witness the total gender imbalance in the various refugee vocational and training schemes, with women confined to crafts which are likely to have much less income earning potential. This is unacceptable. DFID should engage proactively with all organisations involved in training to ensure that this disparity is robustly addressed.

We agree that it would be useful for DFID to carry out an independent development assessment of the camps including a thorough assessment of gender and equality issues. We will do this, ideally with other donors, in the fourth quarter of 2007, as part of our preparations for the development of a new funding package in support of Burmese refugees in Thailand in early 2008.

[Recommendation 26; Paragraph 88] We believe that opening up official employment opportunities for refugees in Thailand would be mutually beneficial to refugees and the Thai economy. We recommend that DFID and the FCO increase their engagement with the UN Refugee Agency (UNHCR) and NGOs in negotiations with the Royal Thai Government on expanding employment opportunities.

[Recommendation 28; Paragraph 90] We recommend that DFID and the FCO seek the agreement of the Royal Thai Government (RTG) to increase formal education opportunities, especially at tertiary level. Restrictions on refugees' freedom to leave the camps, and for teachers and educators to enter the camps, are a key factor in limiting educational opportunities. DFID and the FCO should negotiate with the RTG for more flexibility in entering and leaving the camps, so that refugees' education and employment opportunities can be improved.

Through the Embassy in Bangkok, and alongside other donors, we shall continue to raise our concerns over the status of Burmese refugees and their access to education and employment opportunities. We shall continue to co-operate closely with the UNHCR to encourage the Thai authorities to take all practical steps, consistent with their resources and interests, to offer the refugees as full a life as is practicable. Donors, including UK, are working with TBBC, UNHCR and the Royal Thai Government to develop a medium term strategy that will address the sustainability of support to the refugee camps.

[Recommendation 29; Paragraph 92] We recommend that the UK Government take steps to ensure that resettlement of refugees through the Home Office's Gateway Protection Programme does not create a sudden diminution in capacity amongst the camp populations and leave camps with gaps in their skilled workforce. The UK Government must also advocate on this issue in co-ordination with other governments, particularly the USA. DFID should actively engage with the Royal Thai Government in the policy debate on resettlement issues to contribute to a developmental analysis of refugees' needs.

The British Government considers for resettlement up to 150 Burmese refugees from Thailand each year under the Gateway Protection Programme. The UK's criteria for considering cases are based on protection need rather than skill sets. We consider that all refugees with a need for protection should have equal access to the ability to apply for resettlement and are committed to providing protection to those who need it as identified by UNHCR. We will continue to work with other donors and resettlement countries to minimise the impact of the resettlement programme on the skills sets in the refugee camps.

[Recommendation 30; Paragraph 93] What started as a temporary refugee influx on the Thai-Burma border has become a long-term humanitarian problem. The Thailand-Burma Border Consortium and the NGOs working under the Committee for the Co-ordination of Services to Displaced Persons in Thailand umbrella deserve credit for the food, shelter and health services they provide within the camps. But we believe they cannot be—and cannot reasonably be expected to be—responsible for or involved in all refugee needs, especially training, employment, policy development and resettlement strategies.

[Recommendation 31; Paragraph 94] We believe a strategic reassessment is required of the appropriate mechanism for dealing with the long-term interests of refugees. A clear delineation is needed between TBBC and other NGOs' work in providing food and basic services to refugees on the one hand, and the UN Refugee Agency (UNHCR), Royal Thai Government and third country governments' sustainable solutions for the refugee crisis, including employment and resettlement, on the other.

We agree. As described above, donors, including DFID, are working with TBBC and the Royal Thai Government to develop a medium term strategy that will address the sustainability of support to the refugee camps.

Refugees on other borders

[Recommendation 33; Paragraph 97] We recommend that the UK Government begin a dialogue with the Government of India about the status of and the assistance given to Burmese refugees in India and we reiterate our recommendation that DFID look at the options for starting to fund assistance to Burmese refugees over the border with India.

The British Embassy in Delhi will look for opportunities to raise the situation of Burmese refugees in India with the state and central governments, both during visits to Mizoram

and other North Eastern states, and as part of the UK's dialogue with the Government of India on Burma. DFID officials will look further at the options for assistance to those refugees.

Other states' engagement with Burma

[Recommendation 34; Paragraph 99] We recommend that the UK Government, at the highest levels, regularly raise the subject of India's engagement in Burma with the Government of India. India's uncritical relationship with the regime, and its appetite for arming and investing in the country, risks perpetuating Burma's illegal and brutal regime.

The Foreign Secretary raised the crisis in Burma with the Indian Foreign Minister, during their meeting in London on 3 October. Other approaches have been made to the Indian Government, including at senior official level subsequent to the Foreign Secretary's meeting. In all exchanges, the Indian Government has been encouraged to lend its efforts to help promote a process of genuine reconciliation in Burma. The Prime Minister has also undertaken to continue using his contacts with leaders in the region to encourage them to play their part with the Burmese leadership.

The EU Troika has also raised its concerns in New Delhi about the human rights situation in Burma with the Indian Government in response to a report suggesting that India was planning to sell Advanced Light Helicopters to the Burmese regime. These representations will have reinforced with the Indian Government the seriousness with which the EU, including the UK, views the situation in Burma. We continue to encourage India to use their contacts with the regime to deliver strong messages on the need to restore democracy and respect human rights.

[Recommendation 35; Paragraph 100] We were extremely alarmed to hear that Russia has agreed to build a nuclear research reactor for Burma. We call on the UK Government, together with the international community, to bring pressure to bear on the Russian Government not to proceed with the reactor and to acknowledge the hardships the initiative would impose on the Burmese people.

We share the Committee's concern. Following the announcement of Russia's agreement with Burma to design and build a nuclear reactor, officials at our Embassy in Moscow raised our concerns with the Russian Ministry for Foreign Affairs. They have assured us that any export of materials to Burma will be subject to IAEA monitoring and safeguards agreements.

Department for International Development
16 October 2007

Appendix 2: Response from UN High Commissioner for Refugees (UNHCR)

Letter to the Chairman of the Committee from the UNHCR Representative to the UK, 28 August 2007

UNHCR welcomes the International Development Committee's Report on DFID Assistance to Burmese Internally Displaced People and Refugees on the Thai-Burma Border and the opportunity it provides the UK Government to re-examine the provision of support and care for displaced Myanmar nationals.

Whilst noting that the United Kingdom does not specifically target funds towards UNHCR's work in Thailand or Myanmar, we are grateful for the UK's continued support for this highly vulnerable group.

Further to UNHCR briefings provided during the Committee's visit to Thailand, my colleagues in the region and I wish to take this opportunity to continue our assistance to the ongoing review due to its potential impact upon populations of concern and the benefit we and our NGO partners would derive from DFID's increased engagement with agencies in the region.

Addressing first the Committee's recommendations regarding Myanmar refugees in Thailand (due to the specific references to UNHCR therein), we particularly welcome the Report's over-riding emphasis on the need for developmental analysis of the refugee camps, together with the recommendation that DFID demonstrate greater support to this work. This work would build upon UNHCR/CCSDPT's 2005 gap analysis of protection and assistance needs of refugees along the Thailand-Myanmar border and its resultant Comprehensive Plan that addresses camp infrastructure, management, protection, education, community services and both food and non-food relief items.

UNHCR also welcomes the Committee's recommendation for increased UK Government support to UNHCR and NGOs in their negotiations with the Royal Thai Government (RTG) over official employment opportunities for refugees. Indeed, the opening up of hitherto closed camps and permitting access to legal employment remain needs upon which all other aspects of protection hinge.

We would suggest that the recommendation be re-focused toward having DFID engage with the Thai authorities (as in the recommendation for greater advocacy in regard to formal education). Such demarches would be in co-ordination with, and in support of, ongoing UNHCR and NGO efforts. Without a strong appeal and engagement by the international community to resolve these issues, donors may risk funding the status quo in a protracted refugee situation.

We also welcome the call for DFID to actively engage with the RTG in regard to resettlement issues. In reference to concerns over 'a sudden diminution of capacity amongst the camp populations' and 'gaps in their skilled workforce', UNHCR would like to stress that all recognised refugees should have equal and fair access to resettlement irrespective of their level of education or skills. We support the statement by the former

FCO Minister of State, Rt Hon Ian McCartney MP, that resettlement must be based on the vulnerability of the refugee concerned. Further, specific protection needs of individual refugees would be a key resettlement factor.

UNHCR stands ready to assist and work together with NGOs in a smooth transition to mitigate the impact of resettlement on camps. This should not lead to the exclusion of skilled or educated refugees from resettlement programmes. There is, however, a need for the humanitarian community to develop coping and alternative strategies. Indeed, there are some examples of NGOs which have undertaken this challenge and such initiatives should be supported. A more helpful recommendation, therefore, may be for DFID to work closely with the NGOs in the development and implementation of capacity building strategies.

Furthermore, in reference to the related call for a 'strategic reassessment of the appropriate mechanism for dealing with the long-term interests of refugees', we query the proposed 'delineation' between NGOs providing basic assistance, whilst UNHCR and Governments address sustainable solutions. Again, there are NGOs that have made laudable efforts to engage in vocational training and income-generation activities, thus the recommendation is not in line with trends that can be observed in the field. In UNHCR's view and long field experience, separate programme sectors (care and maintenance vs durable solutions) lacking joint prioritisation risk generating unnecessary friction and resource competition. An integrated approach offers a much better outcome, of which the 2006 UNHCR/CCSDPT Comprehensive Plan is a good example.

Turning to the situation of displaced persons inside Myanmar, UNHCR shares the Committee's view of the importance of locally 'owned' responses to displacement. A core part of UNHCR's programme in south-eastern Myanmar includes establishing a roving presence to collect and analyse data in order to plan community-based responses and the expansion of micro projects, with an emphasis on community mobilisation. UNHCR is committed to developing relationships with both local and international partners operational in the Southeast with a view to building trust and forging partnerships to collectively address the plight of communities affected by displacement.

In agreement with the Committee recommendation that the UN, rather than any particular donor, should take the principal role in coordinating aid, UNHCR also supports the call for DFID to encourage greater donor coherence and participate actively in efforts to co-ordinate assistance to internally displaced persons. Indeed, UNHCR has welcomed previous opportunities to co-ordinate with DFID in-country, for example on the mapping of activities, and stands ready to support further efforts of this nature.

To conclude, we trust our comments are of use to the Committee, and DFID. In taking forward this Report. We note the ongoing nature of the matter, and offer our assistance both to the Committee's planned review in 12 months' time and to the UK Government more generally in advising on and supporting the measures it can undertake to improve the prospects for Myanmar's displaced persons and refugees.

Appendix 3: Response from Christian Aid

Letter to the Chairman of the Committee from the Head of Programme Policy and Strategy, Christian Aid, 25 July 2007

I am writing to you in response to the findings of the International Development Select Committee inquiry into DFID Assistance to Burmese Internally Displaced People and Refugees on the Thai-Burma Border. This is an important report and makes many strong recommendations that we fully endorse. We believe that this is a well balanced report that should help to further enhance DFID's work in supporting the needs and rights of the displaced people of Burma.

However, we were disappointed to read the serious criticisms of Christian Aid's role in working with the Thailand Burma Border Consortium (TBBC).

Christian Aid has been a part of the consortium for over 20 years, officially becoming a member of its governing body in 2004. It is this Members' body (made up of ten international agencies from eight countries) that is responsible for ensuring that robust strategies are in place to maximise the impact of TBBC's work. Christian Aid has been an extremely active member of this body.

You are right to suggest that TBBC has been faced with a challenging financial situation. This has not just been due to the complexity of meeting the needs of refugees but has also been influenced by increasing food, oil and shelter prices and the unprecedented strength of the Thai Baht against key currencies. This has had a significant impact on TBBC's budget as much of the funding increase has simply allowed them to stand still. Using the exchange rates for October 2005 TBBC would have an additional 114 million Thai Baht (over £1.8 million) available.

You are also correct to note the challenges faced by TBBC to maintain liquidity. Cash flow problems have often been related to late payments and rigid bureaucracy in processing grants by some major donors. However, to conclude that Christian Aid has not sufficiently engaged in finding a solution to this problem is simply wrong.

Christian Aid was active in the development of a funding strategy that was drawn up at the Extraordinary General Meeting in 2005 by TBBC members and management to address these specific concerns. This recommended a commitment to the Good Humanitarian Donorship Initiative with each Member responsible for engaging their government donor. Christian Aid held active discussions with DFID which led to a three year commitment with more flexibility in the release of funds. More broadly this strategy had a significant impact in reducing cash flow difficulties as some donors committed funds earlier in the year. This was shared during Christian Aid's submission.

To maintain an annual commitment to finance such a large programme is of course a challenge, but to suggest that there is no strategy and Christian Aid has not responded robustly enough to this challenge is not based on evidence. Looking through the transcript of the oral submissions I find it difficult to see how the committee was able to come to this conclusion.

A fundraising strategy has been developed and agreed by the Members, with clear roles and responsibilities allocated. Due to this work, the commitment of donors and the acknowledgement of the impact of TBBC's work we were successful in bringing in additional support. This should be seen as a success of the strategy rather than a criticism. In addition, Christian Aid has actively engaged DFID throughout this process but was informed that due to their limited budget there would be no additional funds available.

Another part of this strategy has been to try and diversify donors whilst at the same time developing strategies aimed at reducing aid dependency in the long term.

Christian Aid has worked closely with Trocaire in Ireland to lobby for an increase in Irish funding; with some success. In addition, we have held discussions with a number of agencies in Germany to investigate opportunities to open up funding from the German government.

The Committee for the Coordination of Services to Displaced Persons in Thailand (CCSDPT) and UNHCR has developed a comprehensive strategy which includes increased engagement with the Royal Thai Government (RTG) to gain access for refugees to the labour market in Thailand.

It is the governance structure of TBBC that makes the Members responsible for ensuring that sufficient funding is raised. Within this context Christian Aid has played a positive role in supporting the resolution of both cash flow and financial shortfalls within TBBC. It is also important to note that Christian Aid provides £160,000 of its own resources to fund the particularly sensitive area of cross border work, one of our largest grants.

The report is not clear in identifying the specific capacity shortfalls of TBBC. I would again like to refer you to the coordinating role that CCSDPT plays. It is within CCSDPT that the broader challenges of livelihood development, advocacy with the RTG etc. are developed and is done in close partnership with UNHCR; TBBC plays a very positive role within this context. To suggest that TBBC needs the capacity to deal directly with all of the needs of refugees misses the point of CCSDPT. I would like to refer you to the CCSDPT UNHCR Comprehensive Plan 2007-08 that we shared with the committee.

I would also like to address the point made regarding Christian Aid's lack of presence along the border. It is correct that we have made a decision not to establish a physical presence. This is for a number of reasons, including ensuring the most prudent use of our limited resources. We believe that this has not significantly constrained our ability to engage pro-actively both along the border and inside the country as we work through partners on the ground. We do have designated staff in London and the region and have developed a relationship with another international organisation to share staff capacity to monitor our programme inside the country. I am sure many of you are aware that Christian Aid strongly believes that we are most effective in working through local organisations wherever possible.

In addition, five of the ten TBBC Members are based in the region with two operational in the camps. Given this structure Christian Aid's presence on the border would not significantly strengthen our ability to address the strategic changes you allude to in your report. As an active part of the consortium we are closely linked to other Member

organisations and share policy insights and work closely together in challenge existing policies and strategies, always with the aim of strengthening impact.

We have always encouraged DFID to engage in these processes and have notified DFID staff that we are willing to represent their concerns or raise specific issues through our position as part of TBBC's governing body. DFID has yet to take us actively up on this invitation, although I also believe that this is as much to do with the recognised professionalism of TBBC and their effectiveness in supporting the basic needs and rights of the displaced.

We are concerned and disappointed that the committee came to this conclusion. It would seem that you have not fully understood Christian Aid's way of working or the role we play as a Member of TBBC in supporting the development of robust long term management, financial and capacity strategies.