

Local Resource Centre

**A Review of the Operational Space and Opportunities
for Civil Society Organizations in Myanmar**

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Executive Summary

Background

A large number of civil society organizations are providing community development and humanitarian assistance in Myanmar. Among them, some are officially registered and some are working officially in many different ways. Some are not officially registered yet but they are providing assistance effectively in negotiation with the local authorities and government institutions too.

To understand how all local organizations are working in Myanmar, Research and Advocacy team of Local Resource Center (LRC) conducted research on “**A Review of the Operational Space and Opportunities for Civil Society Organizations in Myanmar**” in November and December 2011. The objectives of the study are:

- To understand how local civil society organizations are working legally
- To understand current registration process, rules and regulations for registered organizations and difficulties encountered in registration process
- To explore the civil society organizations’ perspectives on registration and their recommendations to respective authorities and government ministries and
- To do advocacy work with respective authorities to improve registration process based on findings.

Scope of the Study and Research Methodology

The research design was prepared in consultation with experienced local NGOs leaders. Then key informant interviews were done with two key staff and one consultant who have been working with many local NGOs in Myanmar. Representatives from 11 NGOs joined focus group discussion and 31 organizations from Yangon and Mandalay participated in in-depth interview for this study. In addition, the LRC interviewed one official from Township General Administration Department to understand the procedure clearly.

Profiles of interviewed organizations

Among interviewed groups, five organizations are religious-based-Buddhist, Christian and Muslim social organizations while one is an interfaith organization. The rest are community based organizations formed with volunteers, humanitarian and community development organizations and network groups. Some of these organizations are formed to solve the social problems in with their own contributions-in cash or in kind-and some are implementing projects and programs recruiting both volunteers and project staff. Number of staff in these organizations varies ranging from five, ten to five hundred (500).

Activities of majority interviewed organizations include health, monastic education, free funeral services, provision of assistance to the victims of natural and man-made disasters, water and sanitation, plantation for environmental preservation, organic farming, organizational development services, community development, gender training, antinarcotics program, agriculture, services for the deaf and dumb, scholarship program, women and youth empowerment, income generation activities, establishment of library and support for mobile library setup. Majority of them are based in Yangon, Mandalay and other regional states and divisions and implementing activities not only in urban but also in rural areas of Yangon region, Mandalay region, Sagaing region, Southern and Northern Shan

State, Magway region, Rakhine State, Tanintharyi region, Ayeyarwaddy region, Kachin State as well as in border areas of Mon and Karen States.

Current working environment of local NGOs

Among forty (40) organizations participated in this study, twenty (20) are working legally in different ways. Three (3) out of twenty (20) are renewing their registration. Some got registration once but they could not renew it. Most of the organizations got registered under Ministry of Home Affairs. Some organizations are not registered as NGOs but as companies or associations. Some are working as development services limited under Ministry of National Planning and Economic Development and some, as management and consultancy firm under Ministry of Trade. Some are running as co-operatives under Ministry of Co-operatives and some registered as language schools under Yangon City Development Council.

Among ten organizations on registration process, two tried to register during previous government but did not get it. During registration process, LNGOs are working in partnership with local groups, local authorities and local and international NGOs. Even when the organizations are in registration process, authorities treat them well with respect. Before, they had a lot of disturbances.

Unregistered ten organizations have their own uniqueness. They are focusing on one or two activities or the organization is led by well-known people. Some are working under an umbrella of a big organization or they are just community based organizations. Most unregistered organizations are working in negotiation with local authorities.

Registered organizations working under Ministry of Home Affairs need to submit activity report, financial report, meeting minutes and progress report to Township General Administration Department every four months. Township General Administration Department organizes meetings with the organizations as instructed by district, regional and national levels. Registration fee is Myanmar Kyat (MMK) 100,000 (about USD 120) for two years.¹

Relationship between legal status and effective work of local NGOs

Both registered and unregistered organizations need to deal with General Administration Department when implementing activities. Major advantages of registered organization are easy access to respective authorities, keeping communication channel open to them and safe working environment for the staff. It is easy to communicate with NGO affairs committee and regional level governments.

The interviewed organizations mention that having registration is very important to receive funding directly from the donors especially from UN agencies and international donors. Unregistered organizations cannot open a foreign currency account at Myanma Foreign Trade Bank with their organization's name and so they cannot request funding from the donors directly. When they get money through international NGOs, they don't get the funding as needed. However, for the beneficiaries (the communities) do care much on effectiveness and efficiency of projects rather than being official or not.

¹ Since the beginning of 2012, registration fee is increased to MMK 500,000 for five years.

Registration process and situations

Depending on the purposes of the organizations, they need to get recommendations from counterpart ministries. The organization has to submit an application together with the recommendation from counterpart ministry, list of board members, budget together with assets list, balance sheet copy, personal commitment of board members and Article of Association (AOA) to the township administration office where the applicant's head office is located. Then the application is put forward to district, regional/state and national levels for screening. For renewing, it is necessary to fill Form – C which includes data such as head office address, objectives and activities of the organization if there are some changes. Budget and balance sheet will be verified carefully. In Form – B, the organization needs to fill office address, applicant's name, objectives and personal commitments of board members mentioning that they are free from political involvement, gambling and prostitution (human trafficking) and activities against the laws. Data included in Form – B will be checked carefully by Township Administrative Officer. Then s/he will give necessary recommendations and put forward the application to district level.

Although significant changes can be seen at Naypyitaw level, only a few changes can be seen at township level. They are still reluctant to give recommendation for the organizations. Depending on township administrative officer, registration process is different from township to township. According to a responsible person from township administration department, the process can take only seven (7) days to reach to Naypyitaw. However, registering organizations shared their experience that it took at least three to six months to reach to Naypyitaw and at least eight months to one year to get registration.

Perspectives of local organizations on registration

Community based organizations think that they should not get registered because they formed the groups together with likeminded people contributing their own money and labor to work for the needs of their own communities. However, the organizations that have been implementing project activities think that it is good to have registration both for the organization and the government. They can implement activities more effectively if they have registration. They can contribute to the country's development activities too. Social wings of faith-based organizations want to get registered too because they want to separate their social work from religious one. The organizations that need to work closely with the government ministries and want to do advocacy work also think that they should register officially to be able to work more effectively.

At the national level, there are many positive changes but middle and low level changes are still slow. If there has better mutual understanding between civil society organizations and the government, coordination and collaborative between them will be stronger. Some organizations have concerns over government's restrictions in project activities and project areas. In addition, some board members of the organizations are unhappy with the condition that needs board members to sign a note promising he/she will not be involved in politics.

Relationship between the government and civil society to be improved

The government institutions always watch the activities of the organizations with suspicious eyes and the organizations are always worried that the government institutions will disturb and create problems to them. Both need to be farsighted. Instead of finding faults with each other, both sides need to build trust and mutual understanding. The organizations want to

implement their activities officially. If they can get support from respective ministries and the government, it can be helpful for national development.

The interviewed organizations also discussed about whether there should have a medium organization that can provide necessary assistance to civil society organizations and the government. Some think that there should have one medium organization for better coordination between the government and the civil society organizations and some are worried that one more layer between them and government can make their work more delayed. However, the ones who are worried about delayed process think that medium organization is necessary for better coordination between both sides.

Recommendations to respective ministries in the government

The government should set up rules and regulations as well as procedures related to NGOs in consultation with local organizations. Both sides should agree on these rules and regulations. Registration process should be consistent and the procedures should be transparent. Social organizations are implementing activities with donations or own contributions and as they all are non-profit organizations, the government should not charge registration fee to them.

Registration process should be set up in a timeframe. If the organization needs to give more information, they should be informed soon after application process. Renewal timeframe also should be fixed too. Local foundations and the government institutions should give funding support to local organizations. The organizations also advised that the government should focus more on supporting rather than competing between different ministries to show off the power in registration process and implementation.

Future Plans

Based on the findings from this study, the LRC took out rules and regulations for local organizations and community based organizations, things that the government should give support and policies and procedure that the government should revise to include in “draft Associational and Non-governmental Law”. These inputs will be put forward to NGO Affairs Committee, Legal Affairs committee and the government ministries through respective Hluttaw. In addition, the LRC is planning to make an advocacy trip to Naypyitaw together with civil society leaders to meet with the main responsible ministry, Ministry of Home Affairs sharing the findings from the study to revise some rules and regulations included in registration process.

Besides, the LRC is planning to give necessary assistance in registration process for local organizations such as explanation on NGO registration process, training on how to write AOA and financial policy, process to write AOA and financial policy etc. If possible, the LRC plans to give technical and financial assistance to the NGOs which want to get registered but have difficulties.

Chapter 1

Introduction

1. Background information

In Myanmar, a large number of civil society organizations are providing community development and humanitarian assistance in Myanmar. Among them, some are officially registered and some are working officially in many different ways. Some are not officially registered yet but they are providing assistance effectively in negotiation with the local authorities and government institutions too.

In this situation, civil society organizations need to have accurate and reliable information on how officially registered organizations, the ones with other forms of legal status and non-registered organizations are functioning; the registration procedure itself; the advantages and disadvantages of being registered; views on registration; difficulties encountered by organizations in registering; current government regulations for the registered organizations and the views on those regulations by various organizations; and support that the government is suggested to provide to those organizations.

Based on the findings, it is necessary for civil society organizations to negotiate with key counterpart ministries to set up transparent and organization-friendly registration procedures. When the civil society organizations can be registered officially, the government departments and civil society organizations can coordinate more effectively in order to realize the principal aims of the government: national development and poverty alleviation.

1.1 Purpose

The Research and Advocacy Team of the Local Resource Centre organized workshops to discuss and obtain information on the issues and topics that are of interest to the majority of organizations and may affect the operations of local social organizations.

From among those issues, research topics appropriate to the times and the situation were chosen that had an impact on the majority of organisations by facilitating policy changes. In other words, the most appropriate research topics were chosen to have the greatest relevance to the largest number of organisations. The Local Resource Centre makes it possible for volunteers from local social organisations who are interested in research methodology to receive training and work with specialist researchers engaged for the purpose. The research findings are presented to the local social organisations, followed by interaction and dialogue with key individuals to effect policy change in the organisations concerned and government departments. The Local Resource Centre conducted a research study titled "A Review of the Operational Space and Opportunities for Civil Society Organizations in Myanmar" in order to obtain information on the legal organisation and the registration procedure for civil society organisations currently operating in the country. The main objectives of the research study are:

- (a) To have a better understanding of the officially recognised modes of existence for local civil society organisations actively engaged in humanitarian and development activities;

- (b) To obtain information on the current registration procedures, rules and regulations for the registering organisations and the challenges they have encountered;
- (c) To collect the views and opinions of local civil society organisations and the recommendations and suggestions they have for the authorities concerned and the government ministries;
- (d) To engage in dialogue and submit proposals, where necessary, depending on the information collected, to the authorities concerned, together with those organisations, for the amendment of official registration procedures for the local civil society organisations.

1.2 Area of Study and Research Methodology

For this study, key informant interviews were conducted with consultants of NGOs, staff members and responsible persons from the local administrative bodies. In addition, focus group discussions were held with 11 groups. Interview questions were piloted, revised as necessary, and deployed for in-depth interviews with 31 organisations in Yangon and Mandalay.

Type of research	No. Of participants	Interviewees	Objective	Place
Consultation for the research programme	4	Leaders of local NGOs, and consultants mainly working with them	To identify an appropriate research programme	Yangon
Key informant interview	4	2 executive-level local staff members of NGOs engaged in funding and finances, 1 consultant, 1 official from the General Administration Department	To obtain the views, opinions and recommendations of key informants on the information provided by the groups and check for discrepancies	Yangon
Focus group discussion	11	Leaders and staff members of local NGOs	To obtain information on official incorporation and operations of organisations, opportunities and challenges, the registration procedure and the registration experiences of organisations	Yangon
In-depth interview	31 ²	Leaders and staff members of local NGOs	To identify the details that should be covered in the research study	Yangon Mandalay

² The total number of groups in the research study was 40, with 2 groups in the Focus Group Discussions participating in the in-depth interviews as well.

1.3 Research Topics

(a) Main topics in the focus group discussion

1. Brief background information of the organisation
2. How the organizations are implementing, Strengths, weaknesses, opportunities and limitations
3. Registration procedure for organisations
4. Effects of the NGO guidelines issued in 2006
5. Recommendations

(b) Main topics in the key informant interviews (KII)

1. Operational space for organizations
2. Relationships based on the official status of the organizations (registered and unregistered organizations)
 - Relationships with local authorities (at the ward, township, district, Region/State, and central levels)
 - Relationships with the local community (beneficiaries)
 - Relationships with CBOs, NGOs, INGOs and UN agencies
 - Relationships with funding agencies
3. Desirable changes to be effected by the government and recommendations

(c) Main topics in the in-depth interviews

1. General
 - Current projects and project locations
2. Current operational space
 - Operations of registered organizations, strengths, weaknesses, opportunities and constraints
 - Operations of organizations that are in the process of registration
 - Expected strengths, weaknesses, opportunities and constraints after registration (as a legally instituted organization)
 - Operations of unregistered organizations
 - Strengths, weaknesses, opportunities and constraints of unregistered organizations
 - Linkages and collaboration in projects
 - Registration procedure
3. Future programmes
 - Views of unregistered organizations on the registration process and their future plans
 - Appropriate rules and regulations that the relevant government organizations should put in place and issues where effective assistance should be given to applying organizations
 - Views and recommendations on whether there should be an intermediary organization between government organizations and civil society organizations to ensure operational effectiveness

Chapter 2

Background Information on the Participating Organizations

1. General

In order to carry out a review of the operational space and opportunities for civil society organizations in Myanmar, focus group discussions were conducted with 11 Yangon-based groups, and interview questions for each group were prepared and piloted with 2 groups. Then, in-depth interviews were carried out with a total of 31 groups: 8 Mandalay-based groups and 23 Yangon-based groups.

The groups that participated in the study consisted of 5 faith-based organisations belonging to Buddhist, Christian and Muslim religions and one interfaith group. The rest were well-wisher organisations formed with the intention of providing support to fulfill local needs, humanitarian organisations, local development organisations, and networks for stronger coordination. Some organisations are formed solely with volunteers who help to address social issues in various areas using their own funds with their own initiative, while other organizations are implementing projects with both volunteers and salaried staff. The number of salaried staff members range from 5 to 10 to 550.

Of the 31 groups who participated in in-depth interviews, 31 faith-based organizations engaged in humanitarian work are among the oldest in Myanmar. One of them was founded in 1913 and another in 1952. Four of them were set up between 1993 and 1998; 13 between 2000 and May 2008 before Cyclone Nargis; and 12 in the post-Nargis period.

2. Current projects of the organisation and project sites

The organisations that took part in the survey were mainly engaged in areas such as health, monastic education, funeral assistance, relief and support for victims of natural disasters and victims of armed conflict, access to clean water, environmental conservation, measures to counter high temperatures and tree-planting campaigns for environmental protection, organic farming, consultancy services and assistance for organisational development, capacity building trading or community development, gender training, anti-narcotics campaign, agriculture, support for the hearing-impaired and the speech-impaired, scholarships for the continued education of outstanding students, capacity building for women and youth, income generation activities, setting up libraries and providing assistance to set up mobile libraries. The majority of the organisations are based in Yangon, Mandalay and major cities and towns in other Regions. The project sites are located in the urban and rural areas of Yangon Region, Mandalay Region, Sagaing Region, Shan State South and North, Magway Region, Rakhine State, Tanintharyi Region, Ayeyarwady Region, Kachin State, Mon State, Kayin State, including border areas.

Chapter 3

The Official Status of the Organisations and Their Operations

1. Current Operational Space

1.1 Operations of registered (legally instituted) organisations

Out of the 40 groups that took part in the study, 20 are officially registered in one way or another. Three of them were in the process of renewing their registration. The majority are registered at the Ministry of Home Affairs. Some are not registered as NGOs, but as companies and associations for official existence. Some are incorporated as a service company for development work under the Ministry of National Planning and Economic Development while some others are registered as management and consultancy companies under the Ministry of Trade. Still others are registered as language training schools at the Yangon City Development Committee, while some are cooperatives under the Ministry of Cooperatives.

Of the 10 organisations that are in the process of registration, 2 were previously registered since the time of the previous government. While their registration applications were being processed, the organisations worked with community groups, authorities for the areas concerned, and local and international NGOs. Even before they were officially registered, local authorities recognised and respected their work. But before they applied for registration, they had encountered questioning by local authorities and some obstacles.

A common feature shared by 10 unregistered groups is that they focus on one type of work or two, and are led by well-known figures, or are affiliated to a major registered organisation, or are based in their community and social environment. The unregistered organisations negotiate with the local authorities to ensure smooth operations.

One of the regulations that the registered organisations have to comply with is the need to submit four-monthly reports, progress reports, balance sheets, meeting minutes and narrative reports (on operations) to the Township General Administration Office, using the prescribed formats. The Township General Administration Office calls a meeting with the organisations every month or every 2 months depending on the nature of the projects in accordance with the directives from the higher authorities. The registered organisations pay a registration fee of Kyat 100,000 (one hundred thousand) and the registration period is for 2 years³.

³ However in early 2012, a new directive was issued granting the registration period of 5 years to newly registered organisations and organisations with renewed registration. The registration fee became Kyat 500,000.

We have to apply to the cooperatives department, and open an account at CB bank. When we accept funds from abroad through the bank, we need to deposit (MMK) 10,000,000. There have to be 22 members. We have to have capital, open a bank account, and if we are a cooperative we can take money. We can declare the income and they take only about 2 percent. Then the organisation can work openly. Mostly we can submit the training that they find acceptable such as social related ones. We have such an arrangement with the cooperatives. We can give training without disturbance, do income generation activities, do everything: accept foreign exchange and donations. We can say these are the contributions. The Board of Directors, if there is one, need not show their income. We can do it that way. If we registered as a company, there is a tax of 10 percent. (We can) work with social welfare dept., with the Cooperatives, or Forestry, or Agriculture and Irrigation. We would rather do our work in the space we have rather than try to get registered. We can't be sure yet if this thing about registration is a trap of not because that may reduce our space.

Leader of a local NGO in one of the Focus Group Discussions

There are also some organisations that have registered as cooperatives under the Ministry of Cooperatives. Registration as a cooperative requires 22 members, and entitles the officially registered organisation to conduct training freely. An alternative would be to sign an MoU with the Ministry of Forestry, or the Ministry of Agriculture and Irrigation. Some are incorporated as a service company for development work under the Ministry of National Planning and Economic Development while some others are registered as management and consultancy companies under the Ministry of Trade. Still others are registered as language training schools at the Yangon City Development Committee, while some have signed MoUs with some line ministries for permission to work jointly across the country. Some organisations that applied for registration many years ago were permitted to register only recently, after the new government came to power.

In 1989, the Ministry of Home and Religious Affairs issued a directive exempting religious organisations from registration requirements. In accordance with this directive, some organisations have continued to operate with their previous registration, and the government bodies have also continued to permit those "legal" organisations to carry out social work together with religious activities.

1.2 Operations of organizations in the process of registration

Our registration application is being processed. It is now at the Nay Pyi Taw level. They are probably waiting for a Cabinet meeting. We always do follow-up work and what we have heard is we will get our registration within one year by the end of December this year. The intelligence people have screened us and our backgrounds so they now have reasonably complete information.

Leader of an organisation that has applied for registration

Interviews on their current operations were also carried out with the 10 organisations that had applied for registration. Some of them applied for registration during the time of the previous government without success, and were asked to re-submit their applications as the new government now has different procedures. There were 2 organisations that had re-applied, but the majority applied for the first time in 2011. A number of organisations shared their experiences such as receiving requests for resubmission with more complete information and remarks on the political involvement of some executive members, calling for their replacement.

While their registration applications are being processed, the organisations were able to work with community groups, local authorities, officially recognised local and international NGOs, international organisations, and UN agencies. When they had separate projects of their own that were not joint projects with other organisations, they met with Township level authorities, heads of departments and village/Ward authorities and explained their projects and their status as unregistered organisations. They also needed to submit the project reports. The authorities usually examined those records together with endorsements from other organisations before giving approval. After gaining approval from one township, it was usually not difficult to obtain the same from other townships. Two of the groups split from bigger organisations to work independently. One group was operating without any difficulties during the registration process as a project of the mother organisation. For Mandalay-based organisations, the staff members mostly knew one another and had little difficulty in working with the authorities and obtaining assistance from them even though the organisations themselves might be unregistered.

Before an organisation submitted an application for registration, local authorities might question staff members or try and stop project activities. But once the registration application was submitted, the local authorities recognised the groups and treated them with respect.

1.3 Operations of Unregistered Organisations

Our approach is to have linkages and work with local church-based organisations and local partner community-based organisations. We'll need to obtain permission from the authorities to conduct training with church-based organisations. We don't need to pay anything to authorities. The Church from Southern Shan State contacted us and provided area security for our trainers. The local church-based organisations ensure that we can do our work in safety.

Response of a female leader from an organisation providing gender training during focus group discussions

There were 10 unregistered organisations among the 40 that were interviewed. A common feature shared by 10 unregistered groups is that they focus on a single type of work, and are led by well-known figures, or are affiliated to a major registered organisation, or are based in their community and social environment. One of those 10 organisations started as a faith-based group and provided health care and funeral assistance to the poor for many years. Later, the group expanded to cover areas affected by natural disasters. Other groups were engaged in capacity building for young women, environmental protection, natural disasters, humanitarian assistance to victims of conflict, and community affairs.

Some organisations are unregistered but work in the name of the funding agencies, when they happen to be registered. The unregistered organisations coordinate with the local authorities in their operations. If approval is obtained for livelihood project, extensive work can be carried out in agriculture, fisheries and other areas. The work can be more effective and successful through coordination with the Township fisheries Department and agriculture Department. It wasn't necessary to sign MoUs, or obtain approval at different levels, to work in coordination with local authorities. As they enjoy convenience and a reasonable level of operational freedom, they have little interest in official registration under the current circumstances. These groups are engaged in community work in their local areas and already enjoyed recognition from the local authorities. With little hindrance or obstacles in their operations, they have little incentive to apply for registration.

2. Rules and regulations for registered organisations

They issue registration card to us, which is renewable every 2 years. After registration, an organisation should submit for monthly reports to the Township office, and the reports are forwarded to the district and divisional levels. That is regular reporting required for registered organisations.

Explanation of the head of a registered organisation

An interview was carried out with a Township General Administration Official in charge of the registration of organisations. In accordance with the rules and regulations for the registered organisations, the government (Township General Administration Office) examines the four-monthly reports, progress reports, balance sheets, meeting minutes, and narrative reports (on operations). The organisations are also called to meeting every month or every two months depending on the nature of the projects in accordance with the directives from the higher authorities.

The registered organisations are required to submit progress reports to the relevant Township General Administration office, and give notice of office relocation to other townships. The reports are submitted to the previous Township office until the approval for relocation is granted. Meeting minutes also need to be submitted, and some organisations prepare separate meeting minutes for submission to authorities³.

3. Relationship between official registration and operational effectiveness

About advantages and disadvantages of registration, there are more areas for work, and INGOs are withdrawing gradually. There is a greater reliance on the local (NGOs). And funds are easily available. the greatest difficulty that the local groups face is that of funding, because we had to work using our own funding, which could create problems sometimes. right now there are many advantages and opportunities.

A head of an organisation in focus group discussions

3.1 Authorities

Both registered and unregistered organisations engaged in community work have to work mainly with the Township General Administration office. With the permission of the Township General Administration office, it is easy to work in coordination with the departments, hundred household and then household in-charges. One organisation shared its experience of initial questioning by officials, fearing involvement in political activities. But with the understanding that the organisation limits its activities do community work, operations became quite convenient. Another organization was able to conduct its operations smoothly and conveniently at the beginning, but with the changes in the government leadership, the township level authorities began to impede its operations.

A key advantage of registered organisations is the ease with which coordination with the authorities concerned can be carried out and the safety in operations. For issues that require liaison with region/state government departments, it is also easier and more convenient for registered organisations. Where there are NGO coordinating committees, it is easy to coordinate with the government. And unregistered organisation may find it very difficult to obtain permission to its expand its activities to a new geographical region.

Registration is especially important for those organisations working in areas affected by armed conflict. And unregistered organisation may find its operations under continuous close scrutiny. The government departments used to have grave suspicions concerning NGOs working in project areas affected by armed insurgencies. According to an organisation working in border areas, after the new government came to power, the government itself began to talk about rural development and poverty elimination, with the departmental officials themselves expressing a desire and confidence for more open relations and more active involvement and assistance.

3.2 Access to donors and funding

One thing is unregistered local NGOs cannot open a bank account. Donors cannot transfer funds directly even if they want to. The funds have to come through another organisation. ... So you have less funds. Maybe some other organisations have also had this kind of experience.

Discussion by a head of an organisation concerning unregistered organisations

Registration can be a vital issue to arrange direct transfer of funds from donors, especially UN agencies and international donors. Even those organisations that are in the process of renewing their registrations that have expired face difficulties in this area. Unregistered organisations face constraints such as inability to open a bank account at the Myanmar Foreign Trade Bank or to open a bank account in the name of the organisation. As a result, the funding has to come through other international NGOs, resulting in financial constraints for project activities and reduced operational effectiveness. Some registered organisations shared their experience of successfully applying for exemption from income tax at the central bank.

3.3 Image of the organisations in the community

The image of a particular organisation in the community depends more on the effectiveness and success of the projects than on the registration or lack of it on the part of the organisations that carry out projects. But some organisations responded that they received greater respect in some communities when it became known that they were officially registered at the Ministry of Home Affairs.

Generally, community acceptance in project areas is due more to the success of project activities, awareness of the project among the village population, and the organisational ability of the village-level leaders. Where village-level leaders have good organising skills, the projects can be implemented more effectively, leading to a greater sense of ownership in the community and increased involvement in the project activities. In such community project areas, the activities are more sustainable and successful. In the aftermath of Cyclone Nargis, aid organisations worked with the local population and formed community-based organisations. When the projects came to an end, those organisations continued the activities, with the mother organisation providing support and supervision.

Beneficiaries see those organisations providing health care support and funeral assistance as friends in need. Organisations that provided scholarships did not collect feedback and opinions from the beneficiaries, but the scholarship recipients have contacted those organisations. Groups that provide assistance to disaster victims have received the sincere appreciation of the local community and there are support.

Some of the organisations that are engaged in the capacity building for local civil society, information dissemination, and networking have received acceptance and satisfaction on the part of the beneficiary organisations, while others have received calls for greater services and feedback that more should be provided.

4. Current registration procedures

4.1 Steps in applying for registration

The procedure for registration application is described based on the experiences of some registered organizations and some organizations whose applications are being processed. The responses of a township administration officer are also taken into account. There are some discrepancies in the responses of different organizations and various townships have their own practices.

A responsible person from the Township General Administration Office responded that everyone has the constitutional right to set up or participate in organizations. The organization concerned should submit its operational aims and the Ministry of Planning and National Development will comment on them. Then the file should be forwarded from the township to the district, Region and Nay Pyi Taw levels together with the list of executives, cash accounts book, a copy of the balance sheet, a personal pledge by the executives and the constitution of the organization. Those organizations applying for renewal of registration should provide updated information on the location of the organization, aims and programmes, as required on Form C. They should also have a proper audit carried out and the information provided on Form B regarding the name of the person submitting the application, whether the aims and goals of the organization are compatible with the national interest, whether the executives of the organization are free from involvement in politics, financial irregularities, gambling, prostitution, human trafficking, activities prohibited by the State will be scrutinized by the Township Administration Officer, who will forward the forms with his or her own comments. The civil society organizations are not allowed to engage in politics. With all the required information submitted with the application, the registration is forwarded from the Township to District to Region and finally to Nay Pyi Taw in one week, according to the responsible person.

The experience of the registered and unregistered organizations is that the Ministry of Social Welfare, Relief and Resettlement issues a recommendation letter for the registration of organizations. The application folder containing the endorsement, application forms for registration, supporting documents, articles of association, and other required information should be submitted to the Township General Administration Department for the area where the organization has its offices. The application is forwarded with comments from the Township to District to Region and finally to Nay Pyi Taw.

According to the information shared by the organizations that have applied for registration, the process involves filling in 3 forms: one for information on the organization itself, another to be filled in with the list of 11 members of the Board of Directors, and the other for financial details. The articles of association approved by the executives should also be included. The application form asks for information on the current operations and expenditures of the organization, together with the aims and objectives, mission statements and progress reports. The properly filled out application form should be submitted to the Township General Administration Office together with the recommendations from the Ward

Administration Officer and the Police Station. The Township General Administration Officer adds his or her own comments to the file and forwards it to the District General Administration Office. Before the District Office forwards the application to the Region Office, it is scrutinized by the Ministry of Home Affairs, Revenue Department and Religious Affairs Department and interviews are conducted. If the application is found to be in order, the deputy director endorses it and submits to the Region Chairman. The Region Chairman scrutinises the implication and centre back to the Township Administrator's Office together with the requirements, if any. The Township Administrator's Office provides the required supporting documents and information and submits again to the District Administrator's Office. Then with the approval of the Region Administrator's Office, the application is sent to the Department of Home Affairs in Nay Pyi Taw. At the Nay Pyi Taw level, the endorsement of the Ministry that will work with the organisation is required. Generally, the Ministry of Social Welfare, Relief and Resettlement provides endorsements to organisations. An organisation that is working with more than one ministry needs not obtain endorsements from all ministries. After scrutiny at the Nay Pyi Taw level is completed, the ministries that have provided endorsements are notified through the Region Administrator's Office. The ministries that have provided endorsements meet the different organisations. Then the brief biographical data of the executives of the organisations endorsed by the line ministries is screened and investigations are carried out to ensure they are free from party politics. At the Township level, 4 sets of applications are required. One set is submitted to the Township Administrator, who issues a signed receipt for it, and the other 3 are submitted to the District Administrator's Office. The District Administrator's Office keeps one set and forwards the rest to the Region level. The Region level keeps one set and submits the other to Nay Pyi Taw.

After the new government came to power, policy changes that apparently taken place in the Nay Pyi Taw government, but the reluctance to provide endorsements still exists at the ward level. The treatment at the Township level varies from one Township to another, depending on the accountability of the Township administrators. There are also variations and discrepancies in the registration procedures, as explained by a number of organisations.

4.2 Difficulties encountered in registration

Our organisation hasn't been registered, so we applied probably in 2000. Then we waited but didn't receive the registration, so we decided to revoke it, and not register at all. We told them we are revoking our application, and then they said, "Please don't revoke. Your registration is ready."

Response of the leader of an organisation that applied for registration (before 2010)

For registration with the Ministry of Home Affairs, an organisation needs to have 5 to 9 executive members, who are free from political involvement. However, some organisations have had the experience of being instructed to have at least 11 executive members. Some have been asked to replace a number of executive members, who are reportedly not free from political involvement. There are also delays in the process. While the Township General Administration Department claims and application reaches the Nay Pyi Taw level in 7 days, the average length of time required for an application to move from the township to district to region and finally to Nay Pyi Taw level is between 3 and 6 months. The entire registration in project often takes 8 months to a year. Some organisations have had their applications stuck at the Township level. They haven't been able to find out the reason for the delay. A large number of organisations have faced rejection of their applications for renewal of their registration.

Chapter 4

Official Registration of Organisations and Recommended Changes for the Government

1. Views of civil society organisations on the application for registration

If you ask us if we have any intention to register as an organisation, we have to say we don't. That's because we are doing it as volunteers. And I pay for all the expenses on my own. For me it's 100 percent donation. I do need all the funds that come in. No funds are ever diverted to any other purpose. The travel expenses are also paid by me alone. I'm not going to register because the organisation is run by me alone. My stand is if I can do it this year I will do it. If I can no longer do it next year, my cash accounts will be closed. My bank accounts will be closed. If I want to restart in 2012, I start from zero balance. Every month, I only have in my hands what I do need for the month. So I have no cash in hand. All the capital funds go to the bank. If I am going to donate, let's say Kyat 700,000 to a department, I would draw the amount from the bank. After withdrawal, no funds are put back. There are no complications. I'm running it alone, but it doesn't mean I donate arbitrarily. I try to donate depending on the needs at different places and departments. It's not about what I want. But I do check whether the donation is in line with our principles. The donations go to where the neediest. We only donate once to a place or a department. In the coming years, we never go back and donate to places we have donated to before.

View of the leader of an organisation who carries out humanitarian support on a self-funded basis

There are comments that registration is not necessary for the majority of community-based humanitarian organisations formed with like-minded well-wishers who use their own funds to help alleviate the social issues and difficulties facing people in their communities. Most of the members of such organisations work as volunteers choosing to provide the amount of their time and effort and finance that they can afford for the community social activities of their choice. It is understood that for such work, informing the community authorities and the implicit approval of the government organisations is sufficient. They may be considered community-based organisations, and by nature they prefer freedom in their operations and organisation. Such humanitarian organisations are operating widely in many towns and villages across Myanmar.

In my view, everything requires rules and regulations. It is better for an organisation to register and implement its projects rather than forgoing registration altogether. For some people, not registering may be keeping a low profile. But I see it as stealthy, which is not very good. In the previous years, registration used to be difficult, so under the circumstances, many organisations have to keep a low profile. An organisation should register to operate properly. The government too shouldn't place unnecessary hurdles in the registration process.

Response of a religious leader who is actively involved in humanitarian work

Most organisations implementing projects and plans are of the opinion that organisations should register because of the benefits it brings both to the organisations concerned and to the government. Registration can contribute effectively to the national development work. Many organisations feel that gaps remain to be breached in terms of mutual understanding and attitude towards each other between the government organisations and local NGOs. NGOs that grew out of faith-based organisations wish to register in order to carry out community work in a proper manner as NGOs. In their view, official registration can facilitate their activities that require linkages with the government and advocacy for change in the government policies.

Everyone can accept that there have been changes, but we dare not have too much confidence in them yet. We do have indicators. Our registration can have an effect on the organisations that are linked to us, so it is important.

View of the leader of an organisation engaged in social work

At the upper levels of the government, changes are apparent, together with more openness. However at the grassroots level and the middle levels, changes have been slow. With greater understanding, coordination can be improved. Some organisations have concerns that registration might bring a number of limitations, which might be a burden to the organisation. And they are not very enthusiastic about being questioned on political involvement, as the executives of registering organisations are required to be free of political involvement.

Some are of the opinion that choosing not to register also obviates the need for reporting, lightening the work and bringing more freedom. Some consider registration to be unnecessary because they are only engaged in activities that are actually needed in their communities such as healthcare provision, funeral assistance, tree planting, and non-formal education for out-of-school children, with the tacit approval of the government organisations. With their unofficial status, they need to inform the Township General Administration Department in advance before carrying out any activities. But they have fewer restraints, and feel that they can work freely and independently. They have little difficulty in coordinating with the authorities as the village committees, supporting groups, and community-based organisations receive the help and support of the local people.

There are many limitations in dealing with donors and local authorities before registration, but organisation can carry out activities widely and freely in any area they wish to. However, after registration, their operations become restricted to permitted areas, and action can be taken against them if they operate outside those areas.

2. Relationship that should develop between the government and the civil society organisations

During the time of the previous government, the NGOs are viewed primarily as an intelligence issue. The current government, however, has issued instructions to co-operate with the NGOs. In the registration, procedures should be simplified, and the people should not evade taxes. The civil service personnel are paid with the taxes paid by the people. If the civil service personnel on enough for their livelihoods, they will be above corruption. Most of them don't want to take bribes. Our department should also change heavy-handed treatments. We need to provide practice in following the etiquette. National development and poverty elimination can only be achieved through cooperation between civil society organisations and government departments.

View of a Township General Administration Officer from the General Administration Department

The responsible person from the Township General Administration Office said that the Government issued instructions to work with non-government organizations. Cooperation between the government and NGOs is necessary to achieve national development and poverty elimination. Previously, government organisations used to have a suspicious view of organisations, and the organisations had concerns that government organisations might impose obstacles, constraints and restrictions. It is necessary that both sides build

confidence for greater understanding to work for national development with a broad view rather than finding fault with each other. The people should pay taxes in full that are due to the government. When the civil service personnel aren't enough for their livelihood, they would be able to avoid corruption.

It would be very helpful if social activities can be carried out in an official manner with the support of the government and ministries. On the side of the government, strict rules and regulations should be relaxed. The government should simplify the registration process and reduce the steps involved. The 2006 guidelines for NGOs even require organisations to have an accompanying government official on every trip they make.

It is also important to coordinate with the line departments. In many instances, it can be said that government departments do not have a proper understanding of the nature of NGO work. Some government departments do not appreciate the differences in the operational modalities of international NGOs and local NGOs. The staff of NGOs also need to have an understanding of the government department staff. In the same way, the government department staff also need to have a better understanding of the NGO work. The successful operations of the organisations depend to a large extent on the attitude of the Township General Administration officers toward NGOs.

3. A coordinating body between the government and the civil society organisations

While there are those who believe a coordinating body is necessary between the government and civil society organisations to facilitate the relationship between them, there are others who do not see a need for such a mechanism. Some point out that with NGOs having a wide range of competencies and operational conditions, a coordinating body can help meet the needs of the organisations, while being useful to the government departments. Others are concerned that an extra layer of organisation may slow down the operations. Some believe that despite of the concerns, a coordinating body be help of sides to work more effectively.

Some organisations wish to work directly with the government. International organisations have have to pay USD 300 as per diem for the accompanying government official on their trips, as part of the requirements. But local organisations do not need to make such payments. In their experience, they have even received the necessary assistance.

In some areas of slow development, local needs remain unknown not only to government organisations but also to NGOs, even though those are not in the border areas. Cooperation between the responsible government officials and the NGOs will likely bring greater success and effectiveness to the operations.

Compared to the previous periods, what nation has become easier, and more flexibility is apparent. Many believe that with the increase in the number of NGOs, greater effectiveness can be achieved through coordinators or coordinating bodies.

4. Appropriate system and process of coordination between the government and the organisations

In my view, the NGOs are actually doing the community work. It is better to have consultations with those really involved in the work on the ground. Needs can be specified only through detailed work. Attempts to fulfill the needs on the basis of a one-sided view are likely to result in gaps and flaws. I believe it is appropriate for NGOs and the government to have consultations openly and frankly on the needs and work out how to address them.

Leader of a local NGO

As rules and regulations for NGOs should be acceptable to both the government and the NGOs, they should be laid down only after consultations. Having rules, regulations and bylaws of the government related to the NGOs that are based on an understanding of the organisations needs and coordinating with each other can facilitate operations. Each step in the registration procedure should be open and transparent. There should be a uniform registration procedure in every area, and the civil service personnel at the Township, District, Region/State and Nay Pyi Taw levels should be familiar with it. Moreover, there should be no more than 2 levels in the process, instead of the current multilevel process involving Township, District, and Region/State levels. Without openness and transparency, NGOs have to operate like smugglers.

Actually, the government department personnel are not very familiar with the NGO affairs. They kept distant with the NGOs. Only recently they have policies to work with NGOs at the minister level and in the Hluttaw. At the same time, they are not very familiar with this aspect of the work. They are the government departments, so they go according to the departmental principles, which mean NGOs have to give explanations and negotiate. That is only natural. For example, an MoU is required for an international NGO to work in a particular area in a particular country. We are national NGOs, but in their minds, it is one-size-fits-all. I mean at the Nay Pyi Taw level. They telephone us and asked to see us. They say, "There is a meeting tomorrow. Give us your MoU." We tell them, "Local NGOs don't have MoUs. We only have registration."

Leader of an officially registered NGO working in environmental conservation

While the registration application is submitted to the Ministry of Home Affairs, the actual implementation is carried out mainly with the Ministry of National Planning and Economic Development. As the Minister for National Planning and Economic Development is a member of the Central Committee of the Government's Rural Areas Development and Poverty Alleviation Programme, working with the government organisations concerned becomes easy with the letter from the Ministry to the Chief Ministers of Regions/States. Other organisations too have suggested working with the Ministry of National Planning and Economic Development.

The NGO guidelines issued by the Ministry of National Planning and Economic Development in 2006 have not had much impact on local NGOs, which didn't require permission from the government as they don't have foreigners among their staff. It is not very difficult for organisations that have only local staff to work with local authorities. The government should provide the necessary assistance and support as well as extend recognition to the local NGOs.

Local NGOs are making use of their own efforts and funds together with the conditions they receive to carry out social development activities for their communities. As non-profit organisations, they wish to request exemption from registration fees.

Some groups that are operating like NGOs in social affairs, development and relief have plans and projects in their work and receive funds and other assistance from local or foreign organisations. In the use of donated funds, there should be transparency in financial accounts, the purpose of expenditure should match the main objectives of the donor, and the handling of the funds should be systematic, with proper accounts that can be audited. The operations should match international standards. The local NGOs should carry out their work effectively and successfully.

The support and assistance provided by the government departments should be effective. For the social welfare of the staff, priority should be given to providing life insurance, health care services, and other entitlements for the staff in accordance with the national labour laws. In every organisation, the staff should have access to labour benefits and staff benefits, while the government enacts an appropriate labour law and entitlements to be in line with changing economic situation of the country and enforces compliance with it.

The registration process should be expedited for organisations that meet the requirements and have passed through all the steps, so that registration can be completed in a specified timeframe. If the application requires changes and additions, this should be communicated in a timely manner. Renewals should also have a timeframe. The government organisations do not have sufficient staff for timely completion of those operations. They need a separate section to deal with NGOs. Delay in the completion of official work is due to weaknesses in the system as well as in support and assistance. Registration should be inclusive. Otherwise, registered organisations have more work in terms of reporting requirements and having to request permission for their activities, while unregistered organisation can operate relatively freely. Operations can also become more effective if local foundations can provide support to local NGOs. There are also recommendations that with less rivalry among government ministries, there will be less delay in their operations.

Chapter 5

Conclusion and Future Plans

A country consists of the government, private entrepreneurs and civil society. The civil society organisations grow out of society itself, and as social organisations, have the greatest contact with the communities. They represent the people and form a vital part of the country.

1. Views of local civil society organisations on their current relationship with the government and recommendations

Accepting and respecting the right of every citizen to form organisations in accordance with the provision in the Constitution, citizens should be allowed to form organisations on a voluntary basis, and those organisations should be recognised as such.

As for the relationship with government departments, the necessary assistance is forthcoming if the organisations work with them and treat them with respect. Organisations have no issues with the requirement to seek permission while preparing to operate in an area and to submit reports afterwards. It has also been recommended to organisations that they should not have undue concerns and anxiety in their relationships with government organisations.

In our advocacy, we need to think whether it is right or wrong, even before whether it can be done or not. This is the first point. I think there will be restrictions and specifications on what areas they can operate in, when the government issues new rules and regulations. There can be a loss of operational space that organisations already have. This should be considered in giving policy recommendations. Another thing is local NGOs and international NGOs are engaged in capacity building, such as workshops and trainings. This is a cause for concern for the government. What is the content of the training? This has always happened. We now have more space. And the tactics that has been considered lately is maybe the local NGOs and international NGOs should give capacity building to staff at government institutions probably at the township level, and mention this in policy recommendations. This will make sure the government staff has the knowledge in this area. For example, what is HR? I think they are not so familiar with Rules and regulations and systems. So if we do advocacy first before giving training, they will have more knowledge.

Recommendation from an organisation providing training to the community

The responsible persons in the government should create conditions and provide opportunities for organisations engaged in social development activities to operate freely, while the organisations carry out their work with discipline and high quality standards with supervision and assistance from the State. When organisations provide training, the community level government organisations have concerns about it. More mutual understanding can be achieved if the civil service personnel can observe or join training provided by the NGOs. Only with a proper understanding of what is happening and what is needed at the community or grassroots levels, can effective support being provided and policies laid down to ensure basic human rights. The government should not view local NGOs as troublemakers and dangerous elements, but accept them as partners. The development of local NGOs should be promoted through opportunities for participation in issues and policies that have an impact on them.

If they want us to register, that they should notify this nationwide at the same time. The government departments too should be notified on how to handle the process, from Region/State down to township levels, because they should have a clear idea. There should not be differences in practice between Yangon and in rural areas. If there can be such uniformity, we will urge organisations to register.

From an interview with the leader of an NGO

There should be clear and precise instructions for each step of the registration process, which should be uniform all over Myanmar from Region/State, to District, and to Township levels. There should be consultations between the government and civil society organisations. It is also necessary to strengthen local civil society organisations with technical assistance and support.

2. Future Plan

On the basis of the findings of this study, the Local Resource Centre together with leaders from the local civil society organisations will have a discussion and presentation in Nay Pyi Taw for submission through the Hluttaw to the legislation committee and the relevant Hluttaw and government organisations that the *draft legislation relating to associations and non-government organisations* should include the rules and regulations that the local NGOs and community-based organisations should comply with, the support that the government should provide, and the rules, regulations and policies that should be revised in order to facilitate the social and development activities of the local organisations, to create conditions that contribute to the poverty elimination and national development plans of the State, and to promote open and transparent cooperation between the State and the local NGOs and CBOs, and also that some of the rules and regulations at the General Administration Department under the Ministry of Home Affairs that is primarily responsible for registration of local organisations should be revised.

While doing research on the registration of local organisations and the operational status of the unregistered organisations, the Local Resource Centre conducted workshops in Yangon and Mandalay in November and December 2011, on the topics of "The Views of Civil Society Organisations on the Current Political Situation" and "A Comparative Study of NGO Legislation in Neighbouring Countries". The civil society organisations in other Regions/States were also contacted for their views and their responses were incorporated into the discussion results. For this research study, the stated needs of the local civil society organisations and NGOs are taken into account, and recommendations for inclusion in the draft NGO legislation are circulated to civil society organisations in the country and their feedback was obtained, to ensure that the recommendations reflect the desires of the organisations and are able to facilitate registration, operation and communicating with various levels of civil service personnel. With input from 46 civil society organisations in the country, draft legislation on the formation of associations and non-government organisations will be submitted to relevant legislative bodies through the Yangon Region Hluttaw.

Generally in Myanmar, the groups and associations engaged in social and humanitarian assistance activities have no objection to working within a regulatory framework laid down by the State that also gives them operational space. The organisations hope that the establishment of such an operational framework by the State will bring about openness and transparency on both sides and help build greater understanding.

The priority for inclusion in the draft legislation relating to associations and non-government organisations is given to the responses from local civil society organisations and their views. Based on a study of various organisations in Myanmar, the following draft legislation relating to associations and non-government organisations is proposed.

Chapter 1 - Title and Definitions are defined as follows:

- (a) A **domestic association or organisation** refers to an association or organisation, *Asi Ayone*, committee or similar group formed by Myanmar citizens or holders of Myanmar citizenship for a purpose or a programme related to the interests of the members. It means a non-profit association or organisation that does not operate with the intention of dividing profits among the members. A local association or organisation has the right to carry out activities for the public interests in accordance with the desires of the members.
- (b) A **domestic non-government organisation** refers to a non-profit organisation formed by Myanmar citizens or holders of Myanmar citizenship that operates for the public interests, and not with the intention of dividing profits among the members.
- (c) A **foreign association or organisation** refers to a non-profit association or organisation, committee or similar group formed under certain legislation of some other country that operates for a purpose or a programme, but not with the intention of dividing profits among the members.
- (d) An **international non-government organisation** refers to a non-profit organisation formed under certain legislation of some other country that operates for the public interests, and not with the intention of dividing profits among the members.
- (e) The **community-based organisation** refers to a group of Myanmar citizens who voluntarily agree to establish, manage and conduct its activities to protect and serve the interests of members within its local community.

Under the **Chapter 2 – Applying for permission to form organizations**, *the following is suggested for inclusion in associational and Non-Governmental Organization based on the nature of the local organisations and their needs, with a view to convenient operations.*

“An association or organisation may be formed voluntarily without obtaining approval. However, before official registration is completed, the association/organisation will not be able to operate as a registered association/organisation under existing legislation. As a community-based organisation, operations may begin after prior notification to the village tract or township authorities concerned.”

Associations or organisations that were formed before this legislation is enacted should apply to register within 90 days (3 months) of the enactment of this legislation. The requirements for domestic associations/organisations or non-government organisations in applying for registration at the Ministry of Home Affairs are as follows:

- The membership should consist of no fewer than three (3) Myanmar citizens above 18 years of age.
- An address within the Republic of the Union of Myanmar should be submitted.
- The establishment should comply with the Constitution and other existing legislation.
- The rules of the association/organisation should be attached.

The application should be made by the chairperson of the organisation, a closing supporting documents: 2 copies of the application for registration, a letter from the Township Administration Officer indicating the address of the association/organisation's

office, a photocopy of the letter, the rules of the association/organisation signed by the chairperson of the in-country association/organisation on a government organisation, biographical information on all executive members and 2 sets of photocopies.

The Ministry of Home Affairs shall examine the application for compliance with legislation, and for accuracy and completeness of supporting documents, and determine whether the registration is permitted or not within 45 days. Those organisations that are refused registration shall be notified in writing and given 45 days to make the necessary changes or revisions. If the changes and revisions are acceptable in terms of accuracy and completeness, the registration will be permitted within 15 days. Those organisations that are refused registration may apply for reconsideration.

An organisation may operate as an official organisation beginning with the date of registration. The Ministry of Home Affairs should be informed of revisions in the rules of the association or organisation, changes in the office address or changes in the chairperson or executive positions within one month together with supporting documents.

Chapter 3 - Resources and Assets of Associations/Organisations and Non-Government Organisations *should specify the range of funding and resources that associations/organizations and non-government organisations may receive.)*

Under **Chapter 4 - Rights, Benefits and Obligations of Associations/Organisations and Non-Government Organisations**, all the organisations shall have the right to import the materials and supplies needed for the projects, and the State shall consider granting exemption from import tariffs. Under existing legislation, agreements may be entered into and cooperation carried out with other organisations for project activities. Local staff and labour should be hired in accordance with the existing legislation of the Republic of the Union of Myanmar, with the majority of the staff and labour being Myanmar nationals.

All registered organisations shall submit an annual programme report and financial report describing the budget situation every year to the Ministry of Home Affairs and counterpart ministry or ministries. The annual reports shall be maintained for no less than five (5) years at the office of the organisation.

In **Chapter 5 - Management of Funding, Resources and Assets and the Suspension or Termination and Revocation of the Memorandum of Understanding**, if the organisation wishes to suspend, terminate or revoke its MoU(s), it should communicate in writing its intention to do so to the Ministry of Home Affairs. Upon dissolution of the association/organisation, it may carry out the management of its assets in accordance with the rules of the association/organisation.

Upon dissolution of the association/organisation under court orders, its funds and resources shall be managed in accordance with the court ruling.

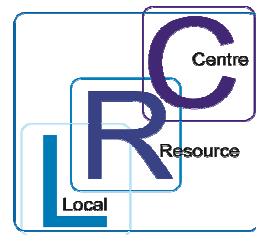
Under the **Chapter 6 - Management and Administration**, failure to comply with the enacted legislation will result in a warning or warnings to do so. Continued failure to comply may result in the revocation of the registration by the Ministry of Home Affairs.

Chapter 7 – General Provisions includes that operations that deviate from the stated aims and programmes that have been submitted in applying for registration may result in the revocation of the registration by the Ministry of Home Affairs, if the Ministry is not informed of such deviations.

In addition, the Local Resource Centre will make available to the local civil society organisations the necessary operational and procedural support and assistance for registration. Plans are being made to provide assistance and support in the form of briefings on the registration procedure, training on the preparation of articles of association (AoA), assistance with the actual drafting of the AoA, and practical assistance for organisations that have difficulties to register.



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Local Resource Centre