



Supporting Peace through Natural Resource Management in Burma's Ethnic Regions (P-NRM)

Cooperative Agreement No. AID-486-A-13-00003

Year 1 3rd Quarterly Report

Period covered: October-December 2013

Reporting date: January 31, 2014

Submitted by: Mercy Corps in partnership with Ar Yone Oo (AYO) and Karuna Myanmar Social Services (KMSS)

Mercy Corps Myanmar:

Jenny Vaughan, Program Director
No. 87-C Kan Street (U Kun Zaw Avenue)
10 Ward, Hlaing Township
Yangon, Myanmar
Tel: +95 (0)1 524419
Mobile: +95 (0) 95083126
Email: jvaughan@mm.mercycorps.org

Mercy Corps Headquarters

Tammy Teske, Senior Program Officer
45 SW Ankeny Street
Portland, OR 97204
Tel: 503 896 5000
Email: tteske@mercycorps.org

I. Introduction

Launched in May 2013, Mercy Corps' *Supporting Peace through Natural Resource Management in Burma's Ethnic Regions (PNRM)*¹ aims to strengthen the capacity of local community, civil society, and government leaders to prevent and resolve natural resource-based conflict. As much as it is a "conflict" program, *PNRM* is also a "governance" program. Focused at the subnational level, the program supports the broader transition and decentralization process by building the capacity of township level government actors to address community concerns related to development and natural resources, while also building the capacity of civil society to constructively engage with government. Key activities include interest-based negotiation training for local leaders, monitoring of alternative dispute resolution processes, and the implementation of civil society- and government-led projects that address resource-related tensions. Implemented in partnership with two local organizations, Ar Yone Oo (AYO) and Karuna Myanmar Social Services (KMSS), the program has a strong emphasis on building local peacebuilding capacity.

II. Highlights

- Completed baseline data collection.
- Launched interest-based negotiation training for civil society and government leaders.
- Established strong relationships with local government, leading to requests for support to address local resource-based conflicts.
- Revised program strategy based upon assessment and stakeholder consultation.

¹ Publicly known as the *Inclusive Natural Resource Management Program (INRM)*.

III. Activities

Activities implemented during the October-December 2013 period focused on baseline data collection, relationship-building with program stakeholders, and preparing for and launching the interest-based negotiation training program. Revising the program strategy in light of assessment findings and stakeholder input was also a priority (see IV. Challenges & Learning for more detail).

Baseline: Baseline data collection activities were launched in October and completed in December. The baseline included 69 key informant interviews with government representatives and civil society leaders and 24 focus group discussions with community leaders. We are currently analyzing the data and expect to release the baseline report in February.

Relationship-building with government: In order to build our relationship with government, secure permission for implementing program activities, and encourage active participation by the right government representatives, we conducted six inception workshops with government officials. In November, we conducted a national inception workshop in Naypyitaw attended by 20 Union- and state-level officials from the Forestry Department, the Settlement & Land Records Department, the Mining Department, the General Administration, the Pa-oh Self-Administration, and other relevant offices. In December and January, we conducted five township inception workshops for representatives of the General Administration, Forestry Department, Settlement & Land Records Department, and other relevant departments in each of our target townships. Thanks to the time we spent building relations with government, we now have a mandate from them to move forward, including requests for support for specific initiatives that address resource-based conflict. Workshop reports, including participant lists, are available upon request.

Inception Workshops

No.	Date	Location	No. of Participants	No. of Men	No. of Women
1	November 12, 2013	Naypyitaw	21	19	2
2	December 4, 2013	Taunggyi, Shan State	22	18	4
3	December 5, 2013	Hopone, Shan State	21	18	3
4	December 13, 2013	Tedim, Chin State	8	7	1
5	December 16, 2013	Tonzang, Chin State	14	14	0
6	January 13, 2014	Kalaw, Shan State	TBD	TBD	TBD

Interest-based negotiation training: We launched our interest-based negotiation training for civil society and local government leaders in December, conducting the first of four targeted trainings. Twenty-eight Civil Society Organization (CSO) leaders from Southern Shan State participated in the first training, held in Taunggyi. The three remaining trainings are planned for January, with expectations that we will exceed the target of 80 trained leaders by end January 2014. Training reports, including participant lists and evaluations, are available upon request.

Partner capacity building: Mercy Corps conducted three formal training activities for partner staff, including a three day TOT on interest-based negotiation for program staff, a one day financial management training for finance staff, and a two hour procurement training for operational staff. In addition, we conducted six program management meetings with field staff to plan activities, provide informal mentoring, and discuss emerging conclusions from our assessment.

Strategic review: Throughout the quarter, the program team met regularly to actively reflect on assessment findings, stakeholder feedback, and emerging conclusions about the most effective way

to build the capacity of both local government and CSOs to prevent and resolve natural resource-based conflict. Priority was placed on identifying activities that government and CSOs leaders themselves identified as useful. Based upon this, we conducted a strategic review and revision in late December. The refinement of our program strategy has had two key impacts:

1. *Reformulation of Objective 3 to focus on increasing government engagement and strengthening government capacity to address natural resource-related tensions.* Activities implemented under this objective will include:
 - Conflict analysis training for township level committees in each state;
 - Pilot land utilization surveying in Tedim township;
 - Community forestry initiatives in Chin State; and
 - Nurseries establishment in Chin State.

2. *More precise identification of the types of “natural resource projects” that the program will support.* Priority will be placed on projects that are led by local government or CSOs and that explicitly contribute to a reduction in natural resource tensions. The program team will seek to facilitate joint planning and implementation between civil society and government actors, so that these projects serve a relationship-building function. Anticipated activities include:
 - Conflict analysis training to 50 civil society leaders (25 per state);
 - Small grants to 8 CSOs (4 per state) for the implementation of projects that address natural resource tensions;
 - Land Law Education TOT and farmer training in each state, implemented in cooperation with the Land Core Group;
 - Farmer Forum in Chin state;
 - Land use policy campaign event in Southern Shan State, implemented in cooperation with Loka Ahlinn; and
 - Supporting the participation of local actors in events related to peace, environmental rights, and natural resource management.

We expect to submit a revised workplan for approval in February.

IV. Challenges & Learning

The program team dealt with several key challenges over the October-December 2013 period, including:

Inappropriate program design led to delays as we invested time in assessment and stakeholder consultation. The program design initially assumed significant conflict between communities over scarce natural resources. Assessment activities conducted in June-September 2013 demonstrated that the most significant tensions exist between community and government, rather than between communities. This rendered Objective 3, which aims to build mutually beneficial economic relationships between communities in conflict as a means of promoting cooperation, obsolete. Deeper assessment and analysis – conducted through key informant interviews, focus group discussions, inception workshops, and consultative meetings with government and civil society actors – enabled us to identify activities in collaboration with local stakeholders that these actors themselves feel would increase their ability to prevent and resolve resource-related conflicts. Based upon this, we have reformulated Objective 3 to focus on increasing government engagement and strengthening government capacity to implement initiatives that address natural resource-related tensions, while Objective 2 remains focused on strengthening civil

society capacity to implement similar initiatives. We expect to submit a revised workplan for approval in February.

Hierarchical government structure necessitated additional time to build relationships with different levels of government and win government buy-in. While we initially planned to conduct the negotiation training in November, we quickly realized that securing active government participation in this activity required more time to build their trust in us, explain how the training was intended to support their current and emerging responsibilities, and gain their buy-in. This was achieved through a Naypyitaw level inception workshop in November, township level inception workshops in December and January, and close collaboration with township administration to identify participants for the government interest-based negotiation training.

Partner staff have limited peacebuilding experience. We have continued to address this through formal training as well as monthly field visits to both Chin and Southern Shan.

Annex A
Outputs Achieved through December 2013

Indicator No.	Indicator	Target	2013								Cumulative LOP	
			May	June	July	Aug	Sept	Oct	Nov	Dec		
Objective 1: Strengthen the ability of key leaders in Chin and Southern Shan to work across lines of division to resolve natural resource disputes that are fueling tensions.												
3	# of leaders selected to participate on Natural Resource Leadership Councils. Disaggregate by state, township, type of stakeholder, age, gender, religion, and ethnicity.	100	0	0	0	0	0	0	0	28	37	65
4	# of USG-assisted facilitated events geared toward strengthening understanding and mitigating conflict between groups. Disaggregate by state, township, and type of event. "Events" include dispute resolution/interest-based negotiation training, inter-group dialogues, and Natural Resource Leadership Council quarterly meetings.	n/a	0	0	0	0	0	0	0	1	5	6
5	# of people attending USG-assisted facilitated events that are geared toward strengthening understanding and mitigating conflict between groups. Disaggregate by state, township, type of stakeholder, age, gender, religion, ethnicity, and type of event. "Events" include dispute resolution training, inter-group dialogues, and quarterly meetings.	200	0	0	0	0	0	0	0	21	93	114
7	# of community natural resource councils formed or strengthened. Disaggregate by state and township.	8	0	0	0	0	0	0	0	0	0	0
8	# of members of community natural resource councils. Disaggregate by state, township, type of stakeholder, age, gender, religion, and ethnicity.	80	0	0	0	0	0	0	0	0	0	0

9	# of natural resource disputes identified. Disaggregate by state, township, type of conflict, and scale.	n/a	0	0	0	0	0	0	0	0	0
12	# of people trained in conflict mitigation/resolution skills with USG assistance. Disaggregate by state, township, type of stakeholder, age, gender, religion, and ethnicity.	80	0	0	0	0	0	0	0	28	28
Objective 2: Strengthen the capacity of local organizations to implement natural resource projects that support negotiated agreements.											
16	# of capacity building trainings delivered to program partners. Disaggregate by partner, location, and type of training.	8	0	0	0	0	2	2	1	0	5
18	# of natural resource projects implemented. Disaggregate by state, township, type of project, and number, age, gender, religion, and ethnicity of project beneficiaries.	32	0	0	0	0	0	0	0	0	0
19	# of people benefitting from natural resource projects. Disaggregate by state, township, type of project, and number, age, gender, religion, and ethnicity of project beneficiaries.	800	0	0	0	0	0	0	0	0	0
20	# of USG-assisted public information campaigns to support peaceful resolution of conflicts. Disaggregate by state, township, type of public information campaign, and number, age, gender, religion, and ethnicity of project beneficiaries. Public information campaigns include outreach and awareness-raising activities focused on natural resource issues, government policies, best practices, etc.	15	0	0	0	0	0	0	0	0	0

23	# of higher-level decision-making and dialogue forums related to peace, natural resources, and development attended by local actors. Disaggregate by state, township, and type of forum.	5	0	0	0	0	0	0	0	1	1
24	# of local actors who participate in higher-level decision-making and dialogue forums related to peace, natural resources, and development. Disaggregate by state, township, type of stakeholder, age, gender, religion, and ethnicity.	20	0	0	0	0	0	0	0	1	1

Annex B
Milestones Achieved through December 2013

Activities	Anticipated Results & Milestones (Outputs)	Status – Qtr 2
Program startup		
Develop messaging strategy	Draft talking points developed by June 2013	Achieved
Kick-off workshop & workplanning with partners	Workshop held with partners by June 2013	Achieved
Finalize subgrant agreement with local partners	Subgrant agreements signed with partners by July 2013	Achieved
Recruit staff	Staff hired by July 2013	Achieved
Open field offices	Field offices opened by August 2013	Achieved
Objective 1: Strengthen the ability of key leaders in Chin and Southern Shan to work across lines of division to resolve natural resource disputes that are fueling tensions.		
1.1 Establish natural resource leadership councils in Chin and Southern Shan/Selection of participants for dispute resolution training	Conflict assessment report drafted & key issues identified by July 2013	Achieved
	Target townships selected by July 2013	Achieved
	100 participating leaders selected by Sept 2013	Achieved
1.2 Create natural resource user groups at the community level	8 community natural resource councils selected by Sept 2013	In process
1.3 Conduct natural resource conflict assessments in priority areas	2 maps produced by Dec 2013	In process
1.4 Conduct dispute resolution training for leadership council members	100 leaders trained in dispute resolution/negotiation by Nov 2013	In process
1.5 Host quarterly information exchanges	4 intergroup meetings held by Apr 2014	-
Objective 2: Strengthen the capacity of local organizations to implement natural resource projects that support negotiated agreements.		
2.1 Conduct capacity building for local partners	2 partner OCAs conducted by July 2013	Achieved
	2 partner capacity building plans by July 2013	Achieved
2.2 Implement natural resource/economic projects that support negotiated agreements	Grant system & guidelines developed by Oct 2013	-
	First call for projects released by Oct 2013	-
2.3 Build a coalition of natural resource partners at the national level	National engagement strategy developed by Oct 2013	In process
Objective 3: Foster a constituency for peace by building mutually beneficial economic relationships across lines of division.		
3.1 Conduct conflict-market assessments	60 economic actors trained by Nov 2013	-
	Assessment report drafted by April 2014	-
3.2 Support economic initiatives that build bridges across lines of division	Subsidy/voucher system & guidelines developed by Dec 2013	-
3.3 Strengthen economic associations that cross ethnic and regional lines of division	2 economic associations selected by Nov 2013	-
	2 economic association strategic plans developed by April 2014	-