

# Centre for Economic and Social Development

“Strategic Reform for Comprehensive and Inclusive Development in Myanmar” Annual  
Progress Report (April 2012 – June 2013)

April 2012 – June 2013

CENTRE FOR ECONOMIC AND SOCIAL DEVELOPMENT

27 Pyay Road, 6½ Mile  
Hlaing Township  
Yangon  
Myanmar

# Centre for Economic and Social Development

Annual Progress Report (June 2012 – June 2013)

## A. Summary of Achievements

In the years following the national elections of 2010, the Government of Myanmar (GoM) has made a number of sweeping reforms in the economic and social spheres. Since its entry into Myanmar, the Myanmar Development Resource Institute's Centre for Economic and Social Development (MDRI-CESD) has played a vital role in this reform process. CESD has undertaken a range of high-impact initiatives to support and promote economic and social reform in Myanmar. It has succeeded in influencing a number of key laws and policies. It has produced high-quality original research for use as critical policy inputs. Through consultations, policy discussions, and joint programming, CESD has been able to rapidly cement effective working relationships not only with the government actors, but also with a wide range of key stakeholders within the reform process. A summary of the key achievements of CESD within its first year of operation is given below:

### 1. Provision of Evidence-based Policy Inputs, through Original Research:

**CESD carried out several major pieces of original research, in collaboration with a variety of international partners.** Beginning in September 2012, CESD worked together with Michigan State University to carry out a comprehensive agricultural diagnostic survey across Myanmar. Starting in July 2012, CESD received support from Asia Foundation to support its governance research teams to work on producing a systematic assessment of the role and functions of sub-national government, as well as the capacity of the local government officials working in these institutions. From July to December 2012 CESD assisted the World Bank in conducting a public expenditure and financial accountability assessment across various departments of the national government, as well as a few select regional government. Starting in June 2013, CESD worked with GIZ on an assessment that looked at industrial zones in Myanmar.

### 2. Enhancing the Policy-making Capability of the Government:

Further to providing inputs to the government deriving from the original research listed above, CESD has contributed to the policy-making capability of the government in a number of other ways. CESD provided assistance in formulating a draft of the Foreign Investment Law, and provided further assistance in response to amendments made by the Parliament. CESD has also provided a number of policy briefs on tax reform to the government, as well as working closely with the Ministry of Finance on this topic.

- 3. Development of a National Plan for Economic and Social Reform through Participatory Consultations:** One of CESD's finest achievements in 2012 was producing the Framework for Economic and Social Reform (FESR). The FESR provides a strategic policy framework to guide economic and social reform in all main sectors over the period 2012-15. The draft was produced by the end of October 2012, and consultation with key stakeholders was carried out in December of that year. The FESR received input from the government, civil society, political parties, and the private sector, and has now been adopted by the GoM.
- 4. Coordinating Key Domestic and International Stakeholders to Promote Equitable and Sustainable Development:** In September 2012 CESD began assisting the GoM at Cabinet level in negotiating with the International Secretariat of the Extractive Industries Transparency Initiative (EITI). CESD then successfully worked with various relevant domestic and international agencies, and in December 2012 was appointed as coordinator to the EITI Leading Authority. This appointment means that CESD will be able to expand on their early groundwork, to coordinate an EITI program for Myanmar that can help the country derive optimal benefit from its numerous natural resources. Also, since August 2012 CESD has been the Myanmar focal point for the ASEAN migration study.
- 5. Strengthening Impact of Civil Society in the Reform Process:** In the period September-December 2012 CESD conducted four separate two-day training sessions for members of the media (including freelance journalists) covering important basic economic concepts, particularly those related to transition economies. From July-December 2012 CESD organised various training programs for NGOs related to basic economic policy issues such as local governance, research methodology, policy analysis, and local budgeting.
- 6. Utilizing Media for Advocacy on Economic and Social Development:** Throughout its first year in operation, CESD has made use of the media to disseminate key advocacy points on a number of laws and reform processes. CESD's presence on the pages of national and international publications and websites raised awareness of the key considerations in a number of new policies and laws being developed by the GoM. It also heightened CESD's own public profile, aiding the organization to emerge as a important player in national policy discourse.
- 7. Establishing Strong Organizational Development Policies and Processes:** Throughout its first year in operation, CESD has made use of the media to disseminate key advocacy points on a number of laws and reform processes. CESD's presence on the pages of national and international publications and websites raised awareness of the key considerations in a number of new policies and laws being developed by the GoM. It also heightened CESD's own public profile, aiding the organization to emerge as a important player in national policy discourse.

## Detailed Report on Activities and Results

### 1. Provision of Evidence-based Policy Inputs, through Original Research:

**1.1 Michigan State University-Centre for Economic and Social Development (MSU-CESD) Agricultural Diagnostic Assessment Project.** This project began in September 2012 and is continuing into 2013. The diagnostic survey was carried out across the country, including the Ayeyawaddy Delta, Dry Zone, Central Myanmar and the Shan Plateau. It combines secondary data on soil type, seed varieties, climate etc with primary research consisting of interviews and discussions with all of the main stakeholders engaged in Myanmar's agricultural sector (farmers, traders, junior and senior ministry officials, and NGO staff). It captures the situation of agricultural production and livelihoods over the last 5 years, and suggests reform strategies that can maximise the benefits of agricultural production for Myanmar. One key goal is not only to boost the output and income of the agricultural sector, but also to reduce the currently high volatility of the income of individuals, families and communities engaged in agriculture. Dissemination of the findings and suggestions will take place in 2013 in 3 main ways:

1. Early 2013: Policy brief based on research findings to be given to the Ministry of Agriculture.
2. Early 2013: Host workshops with Civil Society Organisations (CSOs) and private sector representatives, to present research findings.
3. Early-mid 2013: Completion of the diagnostic report, which will then be distributed to relevant actors

CESD's collaboration with MSU on this project led them to receive a notable mention as a demonstration of the potential for research collaboration between institutions from United States of America and Myanmar in the White House's press releases during President Obama's visit to Myanmar in November 2012.

**1.2 CESD State Governance Capacity Project.** In July 2012, CESD began working on a state governance capacity project. Effective sub-national government is vital not only for economic progress in Myanmar, but also for democratisation and peace-building. Recognising the important role for sub-national government, alongside the fact that subnational governments are entirely new entities in Myanmar, CESD made a step-by-step systematic assessment of the role and functions of these entities, as well as the capacity of the government officials appointed to these institutions. The focus of this project is on administrative, fiscal and political decentralisation. In July 2012 CESD visited Kayin and Mon State to meet with the respective State Chief Ministers; Social Affairs Ministers; Finance and Revenue Ministers; and Planning and Economic Development Ministers, to assess their needs, capabilities, and desires. On these trips CESD also met with members of the State Parliaments, Civil Society Organisations, members of various political parties and representatives from the private sector. A rapid appraisal document was produced immediately following the visit to Kayin and Mon States,

which highlights constraints and imbalances in the decentralisation process underway in Myanmar, and provides its recommendations for how the decentralisation process could be strengthened and broadened.

Later in 2012, in partnership with the Asia Foundation, CESD visited Shan State to carry out the same type of assessment that had already been performed in Kayin and Mon States, as well as revisiting Kayin and Mon States to deepen our understanding of the issues pertaining to decentralisation. In 2013 CESD will revisit Shan State to conduct further research, and also visit Chin State and Taninthayi Region for the same purpose. In June/July 2013 CESD will publish an assessment of decentralisation in Myanmar, with particular reference to the administrative, fiscal and political aspects, accompanied by policy recommendations. This will then be followed up with more detailed research on issues related to decentralization. Ethnic grievances have been a common issue raised in the assessment so far, as was the lack of benefit that local people felt they received from the exploitation of natural resources in the area. The strength of feeling regarding these issues has naturally led CESD to place considerable emphasis on working to resolve these issues as part of creating effective sub-national governance.

### **1.3 World Bank-CESD Public Expenditure and Financial Accountability (PEFA) assessment.**

From July-December 2012 CESD collaborated with the World Bank to conduct a Public Expenditure and Financial Accountability (PEFA) across various departments of the national government, as well as certain regional governments. PEFA is an analytical tool used to assess the institutional strength of the government's financial management capabilities before the disbursement of major grants and aid from IFIs. Given Myanmar's need for international assistance following her opening up to the international community, and the previous lack of clarity and transparency regarding government finances, PEFA was evidently a vital assessment for the country. CESD assisted the Ministry of Finance in preparing the 'Development Letter', a major policy document that needed to be submitted to the World Bank as part of the arrears clearance process. As part of the PEFA process CESD researchers were able to learn a variety of sophisticated technical and analytical tools used by IFIs in the area of financial management and budgetary preparation. The World Bank issued an interim assessment and made an internal report on PEFA ratings for various government ministries. CESD provided advice to ministries on how to follow the recommendations in this report, and the Ministry of Finance and Ministry of Planning have subsequently implemented a number of significant reform initiatives that should significantly increase their accountability and productivity.

### **1.4 Pilot Assessment of Industrial Zones with GIZ.**

Starting in June 2013, CESD and the Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) conducted a preliminary study on industrial zone development in Myanmar. The study, implemented at five sites, aimed to provide information on the current situation of enterprises in these zones as well as to uncover possible approaches to promote sustainable development in industrial zones. More specifically, the inquiry calculated the industrial zone density ratio (efficient utilisation of land); examined the environmental management of the zones such as waste management and energy supply; investigated the infrastructure development in and around the zones and its impact on nearby communities; and studied the structure of both domestic direct investment (DDI) and foreign direct investment (FDI) in the industrial zones.

The findings then became valuable input for discussions on the regulatory reform framework of SMEs and broader economic development issues.

## **2. Enhancing the Policy-making Capability of the Government:**

CESD provided valuable and timely policy advice to a wide range of government members in 2012, providing them with both theoretical and practical knowledge related to various significant reforms. This has been done in a number of ways, including policy briefs, PowerPoint presentations, formal and informal meetings, study visits abroad, and participation in seminars and workshops.

**2.1 Tax Policy Reform.** Since July 2012, CESD has provided timely and concise policy briefs and analyses to the Internal Revenue Department of the Ministry of Finance on both tax policy reform and tax administration reform. In November 2012 CESD made a major presentation at a policy conference on tax reforms. CESD has provided inputs on a wide range of tax related issues, including value-added tax, excise tax and property tax in Myanmar, while suggesting tentative roadmaps for revenue targeting and tax-inclusive budgetary planning. CESD's staff have built a strong professional working relationship with technicians from the Ministry of Finance. The building of this relationship has enabled CESD to maximise the policy-making impact of the close analytical and policy-formulation work they have done with IMF, ADB and other specialised international taxation institutions. The inputs provided by CESD have convinced the Ministry of Finance of the need for comprehensive reform of the tax policy regime, and this ministry is now openly advocating for comprehensive reform of the tax policy regime. CESD will build on their achievements in this sphere in 2012, and continue working with the relevant institutions into 2013.

**2.2 Small and Medium-sized Enterprises.** As Myanmar recently promoted SME development strategy as a key platform to achieve both employment generation and manufacturing sector development objectives, CESD has been engaging with the Ministry of Industry in developing policy and legal documents. Since creating a level-playing field in the overall business environment is very fundamental to the development of SMEs, CESD proposed to the Government in designing a comprehensive strategy in dealing with state owned enterprises. Furthermore, it proposed to the government that the SME framework should also identify key trends of production networks emerging in the region and suggest a number of strategies that can take advantage of such networks. In similar vein, the policy should also look carefully into possible linkages between SMEs to transnational corporations that are investing in Myanmar. In achieving these objectives, CESD has organized several workshops in collaboration with MoI to explain the role of SMEs in developing countries as well as government strategies suitable for SME promotion. It also engages with the private sector through UMFCCI in formulating draft SME law; CESD team provides technical assistance to the private sector team. CESD has also become members of the government-led SME Law and Policy Drafting Committees, which also interacted with development partners such as GIZ, UNDP, and JICA in formulating legal and policy documents.

**2.3. Labor Market Development.** CESD has been helping the Ministry of Labor in terms of formulating policy and legal frameworks governing the emerging labor market in the country while facilitating a number of strategic thrusts where the private sector can enhance skills development and other labor productivity enhancement schemes. Myanmar's labor productivity is significantly lower than other Asian countries. Together with abundant labor, low labor cost offers a comparative advantage for Myanmar in production of goods and services. Myanmar labor costs are among the lowest in Asia. CESD has been helping the MoL in five key areas: reintroducing vocational technological skills development, social security measures including minimum wage policy, corporate social responsibility of private firms, public education on labor laws, standards and industrial relations and migration and remittance policies.

**2.4. Foreign Direct Investment (FDI).** Myanmar was still using a Foreign Investment Law adopted in 1989, which was long outdated and clearly no longer fit for purpose. CESD assisted the government in formulating a badly needed replacement for the old law. When the draft of the new law was being composed CESD successfully advocated for several means to remove legal restrictions on foreign investment, including the eventual merger between the citizens' investment law and the foreign investment law into a single investment law. As is almost invariably the case with laws pertaining to issues such as foreign investment, the draft law was hotly debated in parliament, with parliament pushing for distortionary protective measures for domestic entrepreneurs. CESD utilised their analytical and theoretical skills on this issue, together with their working relationship with the government, to help minimise the negative economic distortions and costs that would result from the protective measures inserted by the Parliament. CESD's involvement with this topic did not end with the foreign investment law, and the organisation has recently contributed to the formulation of more transparent procedures and rules governing the foreign investment regime. CESD now enjoys a particularly close working relationship with the Ministry of Planning and has continued to provide advice to them on policy for FDI and a range of other issues. CESD has also given advice to three of the Ministers for the President's Office on FDI.

**2.5 Other Inputs on Policy Reform.** In December 2012 CESD organised and participated in a five-day fact-finding trip to China to learn about the Chinese experience with SEZs. Participants included representatives from the Ministry of Planning and the Ministry of Labour, international environmental NGOs, local NGOs, and the private sector. The economic success China has derived from the use of SEZs, combined with the mistakes they have made environmentally, ensured that this trip was a useful learning experience for all of those involved, and should contribute to better policy-making on this issue in the future.

In 2012 CESD interacted with senior politicians from India and New Zealand. CESD organised a talk in Yangon by the Indian Prime Minister regarding Indian policy towards Myanmar. This talk was attended by members of the Myanmar Parliament, various government officials, academics, and representatives from civil society organisations and the private sector. The talk out the attendees understand the attitude of India towards Myanmar, and therefore will enable them to contribute more knowledgeably to future debates on how Myanmar should interact with this key regional player. Members of CESD met with the Prime Minister and Foreign Minister of New Zealand to outline the

progress of reform in Myanmar 2010-12, and therefore help inform them how they can interact positively with the reform process.

CESD organised a workshop attended by various key stakeholders focused on people-centred development. This workshop featured presentations from a number of excellent speakers, most notably Profs Robert Conrad and Paul Collier. The improved knowledge on this topic that participants gained is particularly important in a country such as Myanmar, which is trying to move away from an economic, social and political system that paid so little attention to inequality and the broader needs of ordinary people.

The impact of remittances on the Myanmar economy has frequently been ignored or misunderstood, and so CESD has been working to provide better information to the government on this issue. CESD gave a presentation and follow-up discussion on the nature of remittances to Myanmar, and the likely economic effects that they have, to the Labour Minister, Deputy Labour Minister, as well as a number of other officials from their ministry. In September 2013 three members of staff from CESD attended Growth Week 2012, a high-profile international forum for economic development organised by the International Growth Centre, and held at the London School of Economics. Remittances was one of the issues presented from CESD focused on, and this forum was a great opportunity to explain the Myanmar situation and get feedback from a number of international experts, further enhancing CESD's ability to give expert advice on this issue.

CESD members have given advice to Ministers for the President's Office on liberalising the exchange rate. CESD has made contact with prominent officials from the Ministry of Industry and Ministry for Communication and Information Technology. CESD has also met with the Minister for Finance and Revenue; Minister for Planning; Minister for Energy; Minister for Mining; Minister for Industry; and Chief Ministers for Shan, Kayin, and Mon States, and Taninthayi Division, to provide policy advice on issues of concern to them. CESD organised a responsible investment workshop with the Ministry of Industry, which was attended by more than forty officials from the ministry. In 2013 CESD envisages building strongly on the relationships they have built with various ministries during 2012, and so having an even greater role in enhancing the policy-making capability of government.

### **3. Development of a National Plan for Economic and Social Reform through Participatory Consultations:**

In 2012 CESD was responsible for writing the Framework for Economic and Social Reforms (FESR), a document that was endorsed in December 2012 by the President and the Ministry for Planning as a framework to guide economic and social reforms in the period 2012-15. This followed a public consultation process organised by CESD on the draft form of the FESR, also in December 2012. This was a large project that incorporated the inputs of some two hundred government officials from various ministries and regional governments, as well as other key stakeholders. Due to the differing interests and perspectives of the various people providing input it required considerable negotiating skill on the part of CESD to produce a document acceptable to all, and doing so represents a fine achievement.

The FESR lays out ‘quick wins’ that can be achieved to garner broad support for the reform process, as well as indicating longer term processes and reform that will be required in the following ten areas:

- i. Fiscal and Tax Reforms
- ii. Monetary and Financial Sector Reforms
- iii. Liberalisation of Trade and Investment
- iv. Private Sector Development
- v. Health and Education
- vi. Food Security and Agricultural Growth
- vii. Governance and Transparency
- viii. Mobile Phones and Internet
- ix. Infrastructure
- x. Effective and Efficient Government

The wide scope of the document is intended to give coherence to reform processes in a country where traditionally government departments have been highly segmented and frequently rivalrous.. The FESR was conceived to provide a smooth and coherent transition from the government's existing 5-year plan to the long-term comprehensive national development plan. The document succeeds in its aims, and as well as the inputs from a wide range of Myanmar actors mentioned above, it benefited from the input of international expertise on taxation (Robert Conrad); trade liberalisation (Woo); and FDI and industrial policy (Open Society Fund).

Particularly notable recommendations in the FESR include:

- Liberalisation of the types of collateral required to borrow from commercial banks, and to allow commercial banks to lend for terms of longer than one year.
- A simplified tax system, to include a general sales tax at a single rate, and a raised exemption threshold for income tax.
- The removal of all exchange and other nontariff restrictions on imports.
- A reduction in constraints on the tourism industry, such as the current visa requirements for foreign visitors
- Increased resources to be made available for rural primary health care, infectious disease control and maternal and child health.
- Increasing the size of school grants, and considering introducing student stipends/conditional cash transfers to parents to encourage school attendance.
- Promoting the diversification of agriculture into high-value horticulture, fresh fruits, poultry and small livestock.
- So as to increase transparency in and improve governance, the government should make available to the public fiscal documents the pre-budget statement, executive's budget proposal, enacted budget, guide to the budget for citizens, in-year reports, mid-year review, end-of-year report, and audit report.
- Liberalise the market for the provision of mobile phone services, and ensure an effective regulatory system is put in place.

- Improve the internet infrastructure, and improve teaching of ICT skills.
- Put in place a clear legal framework for public-private partnerships.

FESR contains many important ideas and recommendations for how reform should proceed over the next three years. It also represents a major shift in the way government formulates planning frameworks, since it accommodates the interests of various competing ministries, and reflects the input from key non-governmental stakeholders. As such CESD is extremely satisfied to have been able to successfully produce this document in 2012.

#### **4. Coordinating Key Domestic and International Stakeholders to Promote Equitable and Sustainable Development:**

**4.1 Transparency in the Extractive Industries.** In December 2012 President Thein Sein issued a presidential decree that Myanmar must apply for candidacy for the Extractive Industries Transparency Initiative (EITI). Prior to the issuing of the decree, CESD had played a significant role in raising awareness amongst the government about what EITI is, the benefits of the initiative, and what will be required of Myanmar to eventually become EITI compliant. It met with, and advocated to, senior officials from all of the relevant ministries for the implementation of this initiative, most notably the Minister for Finance, Minister for Energy, Minister for Environment & Forestry, and the Minister for Mining. CESD assisted the Government of Myanmar (GoM) in negotiating with the International Secretariat on EITI at the cabinet level, while providing all the necessary information relating to the EITI application and accreditation process to the relevant authorities. CESD carried out a preliminary scoping analysis, and presented findings relevant to the EITI processing Myanmar to the EITI Secretariat, World Bank, Revenue Watch and DFID. CESD also carried out sustained advocacy work to promote enthusiasm for EITI amongst civil society organizations. In December 2012 the GoM appointed CESD as coordinator to the EITI Leading Authority, reflecting CESD's key role in the initial stages of promoting EITI amongst members of the government and the wider public.

EITI is a global standard that promotes revenue transparency for extractive industries, thus trying to ensure that natural resources are a blessing for the country which holds them, rather than the curse that they so often are. A successful EITI application should result in GoM benefiting from international recognition that they are serious about challenging corruption and achieving meaningful reform, greater tax revenues, and enhanced trust and stability in an inherently volatile sector. Responsible investors from both Myanmar and abroad will benefit from a level playing field in which all companies are required to disclose the same information, and a better relationship with citizens and civil society. Citizens and civil society stand to benefit from increased transparency of the sector, giving them greater information about what is happening with their country's resources, and by having representatives involved in a multi-stakeholder platform where they can hold the government and companies to account.

Given Myanmar's abundant natural resources, and long history of corruption and lack of transparency, the country stands to benefit greatly from a successful application to EITI. As a result,

CESD looks forward to building on the good work they have already done on developing this initiative in Myanmar with even greater involvement in the process in 2013.

**4.2 ASEAN Migration** As well as coordinating domestic and international stakeholders for EITI, since August 2012 CESD has been the Myanmar focal point for the ASEAN Migration Study. This region-wide initiative aims to maximise the benefits of migration, whilst mitigating the economic and social costs. In the last few years the GoM has abandoned its stance of opposing migration, and now wishes to know how best to manage it. Involvement in the ASEAN Migration Study has helped to answer some of these questions, and push for regional cooperation on migration issues.

## **5. Strengthening Impact of Civil Society in the Reform Process:**

In 2012 CESD strove to ensure that as many organisations and individuals as possible to have the opportunity in capability to critically engage with the economic and social transformation occurring in Myanmar. As well as the various engagements with civil society and the private sector mentioned earlier in this report, CESD organised training sessions for journalists and NGO workers, and spoke to the media on a number of occasions.

CESD organised training sessions in Yangon for NGO workers who wished to know more about basic economic policy issues such as local governance and budgeting, research methodology, and poverty analysis. They were also given training on economic transition, industrialisation, and the Extractive Industries Transparency Initiative (EITI).

From September-December 2012 CESD organised four training and awareness programs in Yangon, Mandalay, and Naypyidaw for nearly 100 Myanmar journalists. Participants included journalists from well-known journals such as Myanmar Times and 7 Day News Journal, new lesser-known titles, and freelancers. The main topics covered in each of the training sessions were fiscal policy, monetary policy, the political economy of reform, and lessons from the international experience of economic transition. The participants were given plenty of time to ask questions and they relished the opportunity to ask not only about the main topics, but a wide range of other economic issues in Myanmar. Since very few journalists in Myanmar have ever studied economics, the training CESD was able to give in these sessions had a big impact on the ability of journalists to report on economic matters.

## **6. Utilizing Media for Advocacy on Economic and Social Development:**

In its first year of operation, CESD has received widespread media coverage for their advocacy on the reform agenda in both the international and national press. CESD's increasing media presence is critical to ensuring that the organization's analysis of the economic and social reform process is made accessible to a mass audience. It also fosters public awareness of the policy discourse being discussed within the government, a win for transparency efforts. Mentions in the media include the following:

February 2012: A senior member of the CESD staff spoke with a journalist from *The Irrawaddy* at the time of the Naypyidaw Development Conference, his comments on the importance of focusing on improving health and education for the future development of Myanmar were then published in the article by *The Irrawaddy* on this conference, alongside comments by Prof Joseph Stiglitz.

February 2012: A senior member of the CESD staff spoke with a reporter from *AFP* about the changes in Myanmar which meant he was now able to visit there for the first time in nearly a quarter of a century. The interview he gave talked about the benefits the return of Myanmar's diaspora could give to the reform process and economic and social development in Myanmar, and the various challenges they would face on returning.

March 2012: A senior member of the CESD staff spoke with a journalist from the *Myanmar Times* regarding the forthcoming return to Myanmar of International Financial Institutions such as the World Bank and the IMF. The CESD staff member's comments about the importance of Myanmar engaging

positively but not uncritically with the IFIs, as well as the role for government in ensuring fair and just economic behavior, were included in the journalist's article.



May 24, 2012: CESD associates facilitated meeting between Paul Collier, Robert Conrad and the Union Minister for National Planning and Economic Development (See photo).

August 2012: A senior member of the CESD staff spoke with a journalist from *The Star* to discuss the government's decision to abolish direct media censorship. His comments welcoming this move, but also stressing that questions regarding press freedom will remain were included in the journal's article on this change of the law.

September 2012: Two senior members of CESD staff spoke with a journalist from the *Myanmar Times* regarding Myanmar's new foreign investment law. Their comments on the need to have a lower minimum capital investment requirement for foreign investors were included in the journal's article on the subject.

September 2012: A CESD Senior Associate presented during a press release event for the Foreign Direct Investment Law. The event was jointly implemented with UMFCCI and photos were published on Mizzima News. (See photo).



December 2012: A CESD Senior Associate discussed the government's announcement to prepare an application for the Extractive Industries Transparency Initiative.

CESD leaders continue to be a reliable source for balanced commentary on the changing tides in Myanmar's development. In 2012, CESD leaders have added key insights to the media discourse through quotes in *AFP*, The Associated Press, Reuters, The New York Times, The Christian Science Monitor, Time Magazine, Aljazeera News, BBC, and CNN among others. There commentary this year has been

focused on a range of topics including media reform, sanctions, economic reform, foreign direct investment, the Myitsone Dam project, government re-shuffling, the official exchange rate, and the stock exchange.

## **8. Establishing Strong Organizational Development Policies and Processes:**

Under the leadership of prominent Myanmar leaders, CESD has recruited a strong team of department heads, researchers and administrative support. CESD specifically recruited a diverse group of research associates, allowing the team to address a broad range of policy issues. Currently the research team holds specialists on macro-economics, SMEs, migration, remittances, political science, international relations, business, gender, labour markets, micro-credit, governance, law, community development, public administration and statistical analysis. Beginning with a small team of 15 people, the Centre has more than doubled in terms of staffing over the past year, better enabling the organization to meet the demands of a fast paced and dynamic portfolio of projects.

CESD has established a number of strategic partnerships with international organizations in order to make use of technical inputs on a number of projects. Since July 2012, CESD has been working in partnership with the International Growth Centre (IGC), and in December 2012 a member of IGC's staff began working permanently at the CESD office, further enhancing the research and inter-organisational capabilities of the CESD office. Starting in June 2013, four masters students from the School for International and Public Affairs of Columbia University

CESD has paid close attention to building the research and analytical capacities of its staff. A key aspect of this has been to send members of staff to short training courses and workshops at the following institutions:

- Harvard University (Executive Program)
- United States Institute of Peace
- London School of Economics
- Hague Academy of Local Governments
- East-West Centre
- Australia National University
- United Nations headquarters (Geneva)

From the time of its establishment, CESD has prioritized the set up international-standard processes and policies within the organisation. Manuals for both finance and human resource policy have been developed and administrative processes designed. Through the past year, the rigorousness of these processes have been illustrated through CESD's passing through due diligence process of a number of international organizations such as DFID and the Asia Foundation.