

HUMAN RIGHTS WATCH

350 Fifth Avenue, 34th Floor
New York, NY 10118-3299
Tel: 212-290-4700
Fax: 212-736-1300
Fax: 917-591-3452

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February 8, 2012

Mr. Robert Zoellick
President
The World Bank
1818 H Street, NW
Washington, DC 20433 USA
Via fax: (202) 477-6391

Re: The World Bank and Burma

Dear President Zoellick,

It is our understanding that on February 16, 2012, the World Bank Board of Directors will discuss Burma. Human Rights Watch encourages the World Bank to consider the matters outlined below in its future plans relating to Burma. Please note that these are preliminary submissions and are limited to the World Bank's consideration of undertaking needs assessments and potentially providing technical assistance in the future.

Human Rights Watch is an independent, nongovernmental organization that monitors human rights developments in more than 90 countries around the world. For more than 30 years Human Rights Watch has investigated and reported on human rights abuses by governments and non-state actors such as businesses and opposition armed groups. We have advocated for enhanced protection of economic, social and cultural rights, as well as civil and political rights.

The World Bank has increasingly emphasized the importance of transparency in government, accountability, social inclusion, and democratizing development economics so that all can play a part in designing, executing, and continually improving development solutions. It has recognized the general population as a key stakeholder in the Bank's work, necessitating increased interaction with civil society. These themes should be central as the World Bank explores reengagement with Burma.

1. The World Bank should effectively engage with the Burmese people and civil society and be transparent in developing proposals for working in Burma.

The World Bank should actively and effectively engage with a broad range of civil society organizations in developing its proposals for working in Burma.

In addition to civil society organizations in Rangoon and the capital, Naypyidaw, the World Bank should engage with groups working in remote and conflict areas and with those working on Burma from Thailand and other neighboring countries. Except for government officials, few residents in remote and conflict areas in Burma travel to Rangoon and Naypyidaw. People in these areas often face acute humanitarian needs and receive little support from local officials. The World Bank

should ensure that the Burmese government grants assessment teams access to remote and conflict areas.

In the past, some activists have been imprisoned as a result of meeting or working with foreign officials, for instance in the wake of Cyclone Nargis. The World Bank should obtain assurances from the Burmese government that no one who engages with the Bank shall face reprisals.

To ensure active engagement with the Burmese populace, the World Bank should be transparent in developing its proposals for engagement. The Bank should make public and consult upon draft proposals, take into account feedback before proposals are considered by the board, and make public staff final proposals in advance of board consideration. The fact that Burma has been a closed country for so long makes it all the more necessary that the World Bank is transparent and is viewed to be as such.

2. The World Bank should give priority to addressing urgent social needs and emphasize revenue and budget transparency together with anti-corruption measures with the Burmese government.

The World Bank should make a priority of addressing urgent social needs, with a particular focus on health and education.

As a component of its assessments and technical assistance, the World Bank should emphasize revenue and budget transparency, and ensure that Burma's own considerable resources are directed to poverty alleviation programs. For years the government of Burma's revenues from natural gas sales have been largely hidden from the budget—and reportedly kept in overseas accounts—and not used to fulfill basic economic and social rights of the population. Plans to unify the country's exchange rate system should help to correct some budgetary anomalies but much work will be needed to ensure that all proceeds of natural resource extraction are fully on-budget. In addition, it will be necessary to trace and recover funds earned previously in order for those to be available to meet current and future needs.

Addressing corruption and unequal economic opportunities presents a particular challenge in Burma. The World Bank should take special care to avoid further bolstering the economic elite who cultivated close ties to military authorities and gained privileged access to state resources. The World Bank should urge the government to dismantle the military's vast network of businesses that it owns or controls and to fundamentally reevaluate the military's outsized share of the national budget.

In promoting better financial management, the World Bank should encourage the Burmese government to create independent oversight bodies, audit all government departments and government spending and make public these audits, make bidding and tendering for government procurement processes open and publish results, and make public contracts for natural resource extraction and sales.

3. The World Bank should press the authorities to implement systemic reforms necessary for development.

Human Rights Watch urges the World Bank to actively encourage the Burmese government to institute the systemic reforms necessary for open public debate, enabling citizens to hold the government accountable, as we believe that development assistance will not have the broad-based impact desired unless these reforms are undertaken. This includes releasing all political prisoners, repealing overbroad and vague laws used to repress the peaceful exercise of rights to expression, association and assembly, and ending abuses against ethnic minority groups.

The World Bank should emphasize in its meetings government ministries and agencies the importance of broad civil society engagement and its centrality to any programming. It should encourage the government to enhance access to information and subject decision-making processes to public discussion and input at all levels. Examples include community budgeting initiatives, public consultations about proposed legal reforms and the creation of independent oversight bodies.

There are severe labor rights problems in Burma, including abusive forced labor in combat zones. We urge the World Bank to ensure that it does not directly or indirectly support such abuses and to pressure the Burmese authorities to repeal laws that allow for unlawful forced labor and eliminate those practices.

There are growing problems in Burma with land confiscation and inadequate compensation, particularly for farmers. Burma should enact new land laws that provide security of land tenure for people, particularly small-scale farmers, and meet international human rights standards. Currently farmers cannot use land as collateral since they do not have legal land titles, creating economic hardship and rendering them vulnerable to forced eviction. Two land reform bills are currently before parliament, the Farmland Bill and the Vacant, Fallow and Virgin Lands Management Bill. However, there has not been adequate consultation on the draft bills and there are concerns that the proposed laws will not provide security of tenure or adequate appeal mechanisms. Too much authority appears to rest with farmland management bodies controlled by the state, including powers to order what can be cultivated on particular land. We urge the World Bank to encourage the Burmese government to seek assistance from international experts in developing new land laws to ensure that they meet international human rights standards, and to consult broadly with agricultural and legal experts, farmers' groups, and other affected elements of civil society. Land reform should be undertaken together with other legal reforms to ensure access to justice when rights are violated.

Thank you for your consideration of these important issues. Please do not hesitate to contact me or my colleague, Jessica Evans, senior advocate/researcher on international financial institutions, at (202) 612 4361 or evansj@hrw.org should you wish to discuss these matters further. We would be delighted to meet with you or your staff to take this conversation forward.

Sincerely,

A handwritten signature in black ink, appearing to read 'Arvind Ganesan', with a stylized flourish at the end.

Arvind Ganesan
Director, Business and Human Rights Division