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Country cooperation frameworks and related matters**Future assistance to Myanmar****Note by the Administrator***Summary*

The current phase of UNDP assistance to Myanmar is expected to be concluded at the end of 2001 in line with Executive Board decision 98/14. The present report is submitted in pursuance of decision 2001/7, in which the Board requested the Administrator, taking into account the findings of the independent assessment mission to Myanmar, to submit at the earliest possible date, a proposal for continued UNDP assistance to Myanmar in accordance with the guidelines provided in Governing Council decision 93/21 and Executive Board decisions 96/1 and 98/14. The attention of the Board is drawn in particular to chapter IV, which provides an outline of proposals for Board action in relation to future assistance to Myanmar.



Introduction

1. UNDP assistance to Myanmar since 1993 has been provided in strict compliance with Governing Council decision 93/21 and Executive Board decisions 96/1 and 98/14. In accordance with the guidelines set out in those decisions, project activities have been focused directly at the grass-roots level on basic human needs areas, namely, primary health care, the environment, HIV/AIDs, training and education and food security within a framework entitled the Human Development Initiative (HDI). The first and second phases of the HDI were implemented during the period 1994 to mid-1999. The third and current phase of the HDI (HDI-III) was approved for the period mid-1999 to the end of 2001 in accordance with decision 98/14 for an amount of up to \$50 million, in the sectors previously outlined in decision 93/21.

2. In compliance with the decisions mentioned above, independent annual reviews and assessments of HDI activities have been carried out and reported to the Executive Board on an annual basis. These reviews focused on the extent to which UNDP assistance to Myanmar continued to comply with the provisions of the relevant decisions as well as the progress and challenges in the implementation of HDI project activities and have provided useful lessons and inputs for subsequent phases of the HDI. The last such review was carried out from 27 May to 15 July 2000 and the comprehensive report of the independent assessment mission was presented to the Board at its first regular session 2001. The review concluded, inter alia, that the objectives and content of all HDI projects are in full conformity with the relevant provisions of the Governing Council and Executive Board decisions.

3. In its decision 2001/7, the Executive Board took note of the report on assistance to Myanmar (DP/2001/5) and requested the Administrator to submit to the Board at the earliest possible date a proposal for continued UNDP assistance to Myanmar in accordance with the guidelines established in the Governing Council decision 93/21 and Executive Board decisions 96/1 and 98/14. On the basis of the findings and conclusions of the independent assessment mission held in 2000, the present report contains proposals for future UNDP assistance to Myanmar for the period January 2002 to December 2004 (see Chapter III).

I. Overview of HDI impact

4. The effectiveness of HDI activities since they were initiated in 1994 can be ascertained by their positive impact on the lives of the 2.25 million poor rural people in the 24 HDI focus townships.

5. Over 10,000 community groups in these townships have been successfully mobilized and organized through effective participatory strategies and a dynamic social mobilization effort. As a result, project beneficiaries are now empowered and capable of planning and prioritizing basic needs activities on their own. Communities voluntarily participate in the decision-making process concerning project activities in their communities and are becoming increasingly aware of and involved with issues such as equity and sustainability. This was recently validated during stakeholder consultations organized in HDI townships with beneficiary communities during March 2001.

6. In terms of meeting the basic needs of the rural population, the outreach of social services such as primary health, basic education, drinking water and sanitation have significantly improved through training, construction/renovation of rural health facilities, village schools, water-supply systems and sanitation facilities. Over 300,000 community women have been trained in health self-care and personal hygiene, and about 160,000 rural community members now have improved access to safe drinking water and proper sanitation facilities. As a result, the incidence of major diseases such as malaria and tuberculosis has been reduced. HDI projects have also made significant contributions to the universal use of iodized salt for the treatment of iodine-deficiency disorders. Progress in improving the quality and coverage of service provision of primary education in the target townships has also been significant, with 9,000 primary school teachers trained in teaching/learning methods and literacy

courses organized for over 2,300 adults. The capacity of parent/teacher associations for self-help improvement schemes have been enhanced, resulting in the renovation of 400 village schools and distribution of 10,000 textbooks to the poorest students.

7. The economic prospects in these communities have been ameliorated through a wide range of income-generating activities for small-scale farmers, the landless, and, in particular, the female population. Over 17,000 community members, including 8,000 women, have been trained in various income-generating activities. Environmental conservation measures for these communities have been effectively organized through participatory approaches at the community level, and over 303,000 community members, the majority of whom were women, have been trained and organized to utilize these natural resources in a sustainable manner. Soil-conservation measures have been implemented in over 119,000 acres of endangered land. The provision of micro-loans has also been extremely successful with coverage progressively expanding in response to increasing demand. Under HDI-III, approximately \$736,000 in small loans were distributed through some 950 village revolving-fund schemes for agriculture and environmental regeneration, with a total membership of over 110,000 households. In addition, the HDI micro-finance project has distributed a total of \$1.88 million to 74,000 households since its inception in October 1997. A recent mission confirmed that UNDP micro-finance activities in Myanmar compare very favourably with highly regarded micro-finance institutions in the region in terms of performance and outreach at the grass-roots level.

8. HDI has also been very active in addressing the HIV/AIDS issue at the community level. It has focused on behaviour change and strengthening local-level capacities and in the private sector. The HIV/AIDS project has been instrumental in bringing in six well-known international non-governmental organizations (NGOs) to work with UNDP in Myanmar, as well as building up the capacities of nascent local NGOs with much success.

9. Similarly, community development activities in the remote border areas in the Northern and Eastern Rakhine States have been very effective, providing much needed assistance to ethnic minorities in these very remote areas through a highly participatory approach that has enabled these groups to prioritize and implement interventions in various fields of social services and income generation. Over 1,000 self help groups have been successfully organized to undertake development activities. About 4,300 households have received training in productive skills in order to improve their incomes. Access to basic social services for these communities has also improved and expanded: about 40 communities have had new village schools built or renovated, and literacy courses were organized for nearly 1,000 adult community members. About 3,200 households have benefited from improved home-based health care through training in self-care.

II. HDI Assessment 2000: Findings and lessons learned

10. As previously mentioned, an independent assessment and review of the ongoing 11 HDI-III projects were carried out during the period 27 May to 15 July 2000 in Myanmar. The assessment mission also comprised independent technical consultants who undertook thorough evaluations of each of the HDI projects under the supervision of the team leader. In addition to the extensive documentation that was reviewed by the mission on each of the 11 HDI projects, members also visited selected project villages and village tracts in 14 of the 24 project townships, where they had the opportunity to consult first hand with beneficiaries at the grass-roots level. The mission also consulted with representatives of the international community based in Yangon and with civil society organizations and NGOs. The following paragraphs highlight the major findings and lessons learned from HDI projects and provide some perspective for the proposals presented for future UNDP assistance to Myanmar in chapter III.

11. The mission concluded that UNDP has continued to comply strictly with the mandate provided in Governing Council and Executive Board decisions in designing and implementing the various phases of HDI since 1994.

12. The mission noted that the HDI grass-roots activities in the 24 project townships have enabled UNDP and United Nations specialized agencies funds and programmes to understand more broadly the situation of rural households in the country. UNDP has gained valuable knowledge on social and economic issues that is grounded in the field and a basis for deeper understanding of the needs of the rural population, particularly disadvantaged and vulnerable groups.
13. The mission also noted that while HDI has improved the well-being of an estimated 3.6 per cent of the country's population, focusing on some of the poorest rural townships, through the delivery of a range of essential social and basic human development initiatives, the majority of the rural population lives outside HDI targeted villages and continues to face very difficult living conditions. There is thus an urgent need to acquire a better understanding of the different dimensions of the socio-economic well-being of rural households, primary food-production and food-distribution systems and the degree to which the nutritional needs and food-security needs of rural families are being met. Associated with this is the urgent need to obtain a much clearer picture of the deteriorating state of the natural environmental resources in critical areas of Myanmar in order to assess properly its effects on the livelihoods and food security of rural communities. The mission recommended that, given the limited coverage of HDI projects, comprehensive surveys and analyses be urgently conducted so as to get a better perspective of the overall situation.
14. It is anticipated that the assessment will highlight the characteristics of poverty and its main causal factors in different agro-ecological zones and among the diverse population groups. The immediate outputs would include (a) a database on household well-being in Myanmar that should be updated regularly in order to assess current trends and (b) an in-depth analysis on the different dimensions of household socio-economic development and poverty that would guide UNDP future work in this area. This would enable new strategies to be formulated and adopted to ensure that UNDP activities are well targeted to the most vulnerable groups and the most pressing needs. This information would also be a valuable source for addressing the basic needs of the Myanmar population countrywide.
15. The mission further recommended that a comprehensive review of the agriculture sector should be carried out at the earliest possible date, with special focus on cereal crops. This would provide reliable and up-to-date data on the state of the sector on which the rural poor depend for their livelihoods and consumption. The review would lead to the identification of opportunities for improved analysis and action-planning.
16. Another major area highlighted by the mission was protection of the natural environment, seen as essential for the future security of the agriculture, forestry, water supply, fisheries and wildlife sectors, on which 70 per cent of the total population depend for their survival. A comprehensive review of the environment sector is required to determine the stresses on natural resources and the environment, with special attention to the relationship between soil erosion and forest and vegetative cover, so as to identify ways and means of arresting further degradation.
17. Also highlighted was the critical HIV/AIDS situation in Myanmar, which continues to be a serious threat to the well-being of the population. Noting the impact of UNDP HIV/AIDS activities in the past, the mission strongly advised that UNDP should take the lead in pro-actively informing the international donor community of the HIV/AIDS situation in Myanmar, with the purpose of obtaining more extensive donor support to control the otherwise inevitable, rapid growth of HIV infections. It suggested that one of the first steps in this direction should be to gather sufficient broader-based information and knowledge that would in turn enable UNDP to be in a position to have an impact on the design of appropriate interventions that could improve prospects for the rural poor.
18. The mission also recommended that more flexibility be adopted in developing local-level linkages in order to enhance the benefits derived from HDI projects and to strengthen the linkages between the HDI projects, communities, and local township-level services. This would have a direct bearing on improving the cost-

effectiveness and sustainability of the HDI projects while keeping within the framework of the Executive Board mandate.

19. In the interest of the sustainability of HDI activities, the mission recommended that future phases of HDI should be extended beyond the current 30-month duration of each phase, established in accordance with the relevant Governing Council and Executive Board decisions. It also noted that such short phases are not the most appropriate time-frame for rural participatory development and community-based projects which, by their very nature, are long-term. The gestation period for processing new project phases and meeting target dates, etc., is unrealistically short and impacts on the efficient utilization of funds, especially when continuity may be disrupted between each 30-month phase.

III. Proposals for future assistance to Myanmar

A. Consultations with stakeholders

20. Following the first regular session 2001 Executive Board meeting, a process of consultations with key stakeholders in the HDI was initiated. An extensive series of discussions with community-based organizations and vulnerable groups was held during February and March 2001 in the 24 townships where HDI projects are operating. Consultations were also undertaken with international and national NGOs and with civil society. These discussions provided valuable inputs in formulating the following proposals submitted for consideration by the Executive Board.

B. Key considerations

21. Several key factors, including the consultative process with stakeholders, the impact of past HDI activities, the findings, conclusions and lessons learned from the HDI assessment carried out in 2000 have provided the basis for the proposals for continued HDI activities for the planned period 2002-2004 and strongly influenced their nature and content.

22. The proposed activities will continue to be carried out within the framework of Governing Council decision 93/21 and Executive Board decisions 96/1 and 98/14 and will build on the impact of past HDI interventions at the grass-roots level in critical basic-needs areas, i.e., food security, primary health care, the environment, HIV/AIDS, and training and education.

23. Participatory community decision-making processes will continue to be one of the key ingredients throughout the implementation of the next HDI phase. As observed by the assessment mission, HDI beneficiary communities that had benefited from a combination of long-term project assistance with good leadership and community support had made the most progress towards self-reliance and sustainability in implementing their own humanitarian and development initiatives. This finding was supported by an informal comparative experiment conducted by one of the food-security projects. Thus, the promotion and expansion of participatory community decision-making and transparency through social mobilization concepts and practices will continue to be a central feature of HDI activities.

24. HDI projects have successfully laid the groundwork to enable communities to undertake activities to meet their basic human needs. To date, the projects have operated along sectoral lines with each project responsible for interventions in a specific sector, thus enabling the projects to focus mainly on their areas of specialization. At the same time, the intertwined nature of the multiple causes and effects of poverty at the village level has challenged the coordination aspects as different projects attempt to address root causes of poverty from their respective sectoral vantage points. In continuing HDI activities, these concerns will therefore be addressed by redesigning the sectoral interventions so that a more coordinated, integrated approach is ensured. The new design also takes into account the current core resources situation of UNDP.

25. In addition to village-based activities, interventions to address cross-cutting issues beyond the village environs are needed, especially in the areas of micro-finance and HIV/AIDS. Micro-credit for community-based activities will continue to be an important component of HDI activities in the next phase. While the three micro-finance institutions and many community-owned and community-managed revolving funds initially established with project assistance in earlier HDI phases are functioning well, further assistance is still needed to achieve financial sustainability and to expand these activities to meet the needs of new communities. Additional funds will serve as vehicles to expand community participation, equity and self-development. Advocacy for a favourable environment for community-based organizations, including micro-finance groups, is also needed.

26. The rapid spread of HIV/AIDS among high-risk population groups and the rapid emergence of infections in the general population underline the need for continued efforts to address the epidemic. Given the HDI focus on poor grass-roots communities, the close linkage between HIV/AIDS and poverty, both as cause and consequence, is of particular concern. There is a need for more wide-spread measures to help communities to address issues of prevention of the disease and of care for those affected by HIV/AIDS. There is also an urgent need for advocacy interventions for greater national awareness on how to address these issues.

27. The HDI experience has revealed that beyond its strictly human development capacity-building focus, village-based activities must have linkages with the wider socio-economic context beyond the village environs to ensure longer-term sustainability of those activities. Technical backstopping by the projects has been successful in helping communities to start up small enterprises and income-generating activities. It has also gone a long way in meeting the HDI objective of building local capacities that can be replicated within and among communities. Eventually, however, a transition to independent interaction with local service providers and markets will be necessary for long-term sustainability. Facilitation of such linkages with local service providers and markets is thus needed in addition to village-centred technical support and will be addressed in the next HDI phase.

28. Many of the problems and constraints faced by poor communities have their roots in a complex and wider web of circumstances that extend beyond the vicinity of neighbouring townships, and often reflect trends and issues in other regions of the country. There is a strong need for collection and analysis of data and information relating to household socio-economic well-being on a wider basis in order to identify more effectively trends relating to poor communities and to allow the formulation of appropriate poverty-reduction strategies and interventions.

C. Proposals for the next HDI phase

29. The following proposals for the next phase of the HDI have been formulated within the framework of relevant Governing Council and Executive Board decisions for the period 2002-2004.

30. In line with the key considerations outlined above, proposed activities of the next phase of the HDI comprise (a) community-based interventions, with integrated thematic and sectoral interventions and (b) data and information collection and analysis. Throughout the implementation of activities envisaged under the next phase of HDI, specific actions will be taken to implement the key findings and recommendations of the HDI assessment mission across all sectors, particularly with respect to the results from the integrated household survey and other assessments. As in previous phases, HDI activities will continue to be implemented in accordance with the guidelines set forth in the relevant Governing Council and Executive Board decisions. HDI activities will also continue to be implemented through the United Nations specialized agencies, funds and programmes.

Community-based interventions: integrated community development component

31. The integrated community-development component will build on the grass-roots, community-based approach of previous HDI phases. Project staff will work with communities to facilitate village development activities across a range of sectors in a holistic manner, rather than on a sector-by-sector approach, as was the case with previous HDI projects. Activities will be managed and coordinated under a unified area-management

structure with project staff mainly devoted to assisting community members to identify their own priorities and facilitating capacity-building activities and community access to some modest financial seed capital for funding community activities. Technical support in key areas specified by the Executive Board will be factored into project design. Technical and backstopping services will be sought from United Nations specialized agencies, funds and programmes as required, to support individual project components within an integrated whole, and thus complement other components within the project in a more horizontal manner, rather than the current vertical, stand-alone way.

32. The emphasis will be on promoting community leadership and on inclusive and participatory approaches to identifying both needs and solutions, with the projects playing a facilitating role to help communities to ensure equity, transparency and accountability. Previous phases of the HDI have succeeded in establishing community-based organizations composed of community members sharing common sectoral interests. The integrated community-development projects in the next phase of the HDI will focus on strengthening the cohesion of these groups with one another, and on the development of all-inclusive village development forums that will provide a platform for the community as a whole to identify development priorities, formulate activities and oversee their implementation. The projects will also work to forge strategic partnerships for community poverty alleviation. This will be done by assisting communities to build networks of development partners at the township and community levels. In addition to drawing on the experiences of the HDI to date, the projects will also build on and expand on current social mobilization concepts and approaches in community capacity development.

33. These interventions will continue to lay the groundwork for enhancing community empowerment and leadership by building up communities' capacities to identify priorities and to plan and implement their own activities. The proposed interventions will also strengthen organizational and management capacities of independent local NGOs, including those relating to monitoring and evaluation, particularly from the standpoint/perspective of fostering participatory and equitable processes in designing and carrying out humanitarian and human development activities. This will augment the pool of qualified development partners in civil society activities. Interventions will be designed in such a way as to equip such NGOs to better carry out humanitarian and development activities on their own and also to lay the groundwork for their collaboration in promoting the broader dimensions of sustainable development assistance at the appropriate time.

Community-based interventions: thematic activities component

34. Thematically focused interventions are envisaged in the areas of micro-finance, the environment, and HIV/AIDS. The community-based thematic projects will focus on two kinds of interventions: (a) providing direct technical support in their respective thematic areas to grass-roots communities in the 24 HDI townships covered by the integrated community development projects and (b) pursuing initiatives to improve access of poor communities to local-level and technical services in the relevant sectors. This will be done by promoting the capacity of local service providers to respond to the needs of communities in those specific thematic areas; and helping communities to institutionalize the self-help initiatives they have established.

35. The micro-finance component of HDI has achieved considerable progress in reaching the poor, especially poor women, in the villages in which it has been working. In some townships, particularly in the dry zone, the micro-finance project has achieved almost full coverage of villages and is in a position to expand its interventions to new townships. A major objective of the micro-finance project in the proposed next phase of the HDI will be to ensure the financial sustainability of its micro-finance interventions at the community level. This project will draw upon the experiences and lessons gained from HDI activities to date in this sector and from consultations with United Nations specialized agencies and organisations active in the sector, including the United Nations Capital Development Fund (UNCDF) and NGOs.

36. As noted in paragraph 16, the protection of the environment is essential for the sustainability of the agriculture, forestry, water supply, fisheries and wildlife sectors, upon which 70 per cent of the population depend

for their food security. Activities targeting the environment and food security under the next HDI phase will continue to provide technical advice and training to communities in these sectors. It will also undertake small-scale environmental conservation and protection activities within the project townships, particularly within the vicinity of target villages. These activities will focus on environmental conservation and protection techniques that have both medium-term and long-term benefits for communities by conserving and replenishing the reservoir of natural resources from which their immediate food security needs are met. These activities will be undertaken in partnership with communities and will not only benefit the environment but will also serve as models that communities can replicate and modify to adapt to their specific needs. A concerted component on lessons learned will be factored in to facilitate the replication of key activities on a larger scale, when conditions permit. The above activities may be linked with potential Global Environment Fund (GEF) financing for the conservation of agricultural and other natural environment-based resources in the geographical area of focus of the project. As with other HDI activities, such linkages and implementation of activities will be carried out through United Nations system or NGO partners, within the framework of relevant Executive Board guidelines.

37. The HIV/AIDS project will strengthen its interventions in the 24 HDI townships, in addition to the high-incidence areas in which it has been focusing its efforts. It will also contribute to the national blood-safety programme in two ways: (a) at the grass-roots level, through educating communities about responsible donation to ensure a safe blood supply; and (b) at the national level, through the provision of critically needed blood-testing kits. HDI activities in the area of HIV/AIDS prevention and care will be carried out in close partnership with the activities of United Nations Population Fund (UNFPA) and the United Nations Children Education Fund (UNICEF) and with other co-sponsors of the UNAIDS Joint Plan of Action to ensure that all activities complement and supplement each other.

Data and information collection and analyses component:

38. The other constituent component of future HDI assistance will consist of information analysis and sector studies in critical areas. An important lesson learned from previous and current phases of the HDI is that development activities targeted at the poor are often vulnerable to social and economic forces resulting from circumstances beyond the village. Designing and implementing programmes and initiatives that respond not only to the manifestations of poverty in the village but also to its causal factors require information and data in critical areas affecting the livelihoods, incomes and social prospects of communities.

39. To spearhead this work, an integrated household socio-economic survey is being planned and will lead to a comprehensive analysis of household well-being. Its findings will be important in helping to maximize the effectiveness of the HDI grass-roots activities, by permitting better targeting of assistance and by identifying causal factors. The broad objective of the socio-economic household survey is to undertake the first comprehensive nation-wide poverty assessment. UNDP would seek to approach this by combining quantitative and qualitative dimensions of well-being. The assessment should include social and human indicators of well-being and income and consumption variables (with a preference for consumption indicators). Seasonal dimensions of poverty will be factored into the design. The survey would be designed in the context of requirements for longer-term and regular time-series data on socio-economic household well-being for ongoing poverty monitoring purposes. It may not be feasible to accomplish all these objectives at once, in which case a progressive approach will be adopted. Both UNFPA and UNICEF have undertaken data-collection activities on some critical social indicators in the last few years. UNDP will collaborate with these organizations to build on the experience and information already gained and to ensure that the household socio-economic survey also complements and supplements the information collected by those organizations wherever possible.

40. Studies are also proposed for the agriculture and environment sectors, justified by the importance of the sector to the well-being of the poor. Approximately 70 per cent of the population lives in rural areas and depends

predominantly on the agriculture and natural environmental resources for their livelihoods. The majority of farmers work on smallholdings, often with low productivity. Lack of information or inadequate information on issues and trends in these sectors poses a serious problem not only for farmers but also for the planning and development of environmentally sustainable community initiatives that attempt to improve the well-being of communities. Since trends and issues in one region may often have significant effects on the social and economic situations of communities within the region as well as in other regions of the country, studies on the agriculture and environment sectors could address many of these issues. While a comprehensive study of these sectors is preferable, the study may be designed in components that focus on specific sub-sectors, in the interest of feasibility. A data-collection component may be factored in.

41. The results of these assessments will be of direct relevance to the grass-roots community development initiatives and thematic projects and will also provide a valuable basis for a more comprehensive understanding of issues for improving the well-being of the population, particularly the vulnerable groups.

Geographic areas

42. The community development projects will focus on a number of townships in each of the existing HDI areas (Southern Shan State, Dry Zone, Ayeyarwaddy Delta areas, and the remote border areas of Rakhine, Chin and Kachin States).

43. The integrated community development interventions and thematic interventions will continue to provide substantive technical and material support in current (HDI-III) townships to villages that still need assistance to consolidate previous HDI activities to the point of self-reliance. They will also provide minimal backstopping assistance in those villages that are close to achieving self-reliance in implementing activities. In addition, they will undertake activities in new villages within the HDI townships to the extent that available resources permit.

44. Micro-finance activities may extend to villages in townships adjacent to the current HDI townships.

45. HIV/AIDS prevention and care-related interventions will be implemented in the 24 core HDI townships, and will also be carried out throughout the country in areas with high incidences of HIV/AIDS.

46. As recommended by the assessment mission, the household socio-economic assessment and the sector studies will be more comprehensive in scope and in terms of coverage.

Potential for cost-sharing

47. HDI interventions are providing an alternative model of grass-roots community development initiatives that is in many ways unique. The activities of the HDI, and the experience gained and lessons learned in the course of implementing and refining those activities, offer the potential for significant cost-sharing for grass-roots community development. HDI interventions could thus be expanded in the existing townships and in adjacent geographic areas providing additional non-core funding were to become available.

IV. Allocation of resources for HDI

48. The next phase of the HDI is expected to cover a three-year period from January 2002 to December 2004. Resource allocations of \$50 million will be required to maintain the momentum of activities established by previous HDI phases. However, only about \$22 million is expected to be available from target for resource assignment from the core (TRAC) funding for the three-year planned programme period as a result of UNDP global resource constraints. This amount would be dedicated mainly to the community-based development component and to the household socio-economic survey and poverty assessment and to studies on the agriculture

and environment sectors. Nevertheless, projects would be formulated in such a way as to allow for expansion of HDI activities and to introduce new activities within the framework of the HDI and its individual project objectives, should additional funding become available, up to an estimated \$50 million. Given this scenario, UNDP will seek to mobilize non-core resources, to the extent possible, to supplement the available core resources for the planned programme period.

V. BASIC NEEDS ASSISTANCE PROGRAMME FOR NORTHERN RAKHINE STATE

49. Parallel to the HDI projects and in consultation with other UN agencies and NGOs, UNDP has developed a draft programme entitled the "Basic Needs Assistance Programme" (BNAP) for the Northern Rakhine State. In cooperation with the Office of the United Nations High Commissioner for Refugees (UNHCR), which has been engaged since 1993, the BNAP will assist in the resettlement of over 230,000 returnees to the Northern Rakhine State who went to Bangladesh in the early 1990s. UNHCR is expected to phase out its technical assistance in Northern Rakhine State at the end of 2001 in order to concentrate on protection and monitoring activities. The BNAP will work in parallel with the next phase of HDI projects and will provide humanitarian needs assistance to the residents of the Northern Rakhine State. It should be noted that limited assistance has been provided in three townships in the State where UNHCR has resettled the returnees under a small parallel HDI preparatory assistance project. The BNAP, which is pending approval from the Government of Myanmar, is expected to be fully funded from non-core resources.

VI. EXECUTIVE BOARD ACTION

50. The Executive Board may wish to:

1. Take note of the proposals presented in Chapter III of document DP/2001/29 for future assistance to Myanmar.
2. Approve continued funding of UNDP project activities for Myanmar from target for resource assignment from the core (TRAC) funding (approximately \$22 million) in the sectors previously outlined in Governing Council decision 93/21, and confirmed in Executive Board decisions 96/1 and 98/14 for the three-year programme planning period (January 2002 to December 2004);
3. Authorize the Administrator to approve, on a project-by-project basis, HDI project extensions up to \$50 million in the event that additional funding becomes available from non-core resources as mentioned in chapter IV of document DP/2001/29.
4. Also authorize the Administrator to mobilize non-core resources in order to supplement limited core resources for HDI activities proposed for the programme planning period (2002-2004) to be implemented in accordance with the guidelines set out in Governing Council decision 93/21 and Executive Board decisions 96/1 and 98/14.