



CENTRE ON INTEGRATED RURAL DEVELOPMENT FOR ASIA AND THE PACIFIC

RURAL DEVELOPMENT AND POVERTY ALLEVIATION POLICY BRIEF

MYANMAR

Myanmar is having an extensive area of forest and woods that would provide additional income to some of the poorest groups among the rural population where sustainable development programmes with community participation can be tried. The production of horticultural crops and medicinal herbs and other high value crops on small/marginal farms would probably create greater opportunities together with establishment of marketing, rural finance and other support services on a sustainable basis. Myanmar still possesses extensive river and aquaculture potentials.

The Centre on Integrated Rural Development for Asia and the Pacific (CIRDAP) was established in 1979 to assist national action and promote regional cooperation relating to integrated rural development in the region, and to act as a catalyst for related activities among its member countries.

In the Sixteenth Governing Council Meeting in Manila in 2007, there was a discussion on the changing context of rural development (RD) initiatives and the need to review past policies and to identify policy-level issues and concerns. Accordingly, the CIRDAP Governing Council decided to commission a series of country studies for reviewing past policies and identifying policy issues and concerns with which CIRDAP can engage itself further through strengthening several actors at national and regional level for information generation, policy development and regional cooperation. The country studies as suggested should examine the role of the CIRDAP link institutions and also the need and scope for other linkages. Subsequently, each of the member countries nominated a researcher to work on the country studies. The researchers decided that each country would examine the RD initiatives from the point of future opportunities for CIRDAP.

Twelve countries have submitted the reports out of 14 countries. The country reports vary substantially in nature. Southeast Asian countries, especially Malaysia, Thailand and Vietnam, adopted market based reform policies much earlier than the South Asian countries. The focus in Malaysia and Thailand and now across all the Southeast Asian countries, was on the development of infrastructure, encouragement to foreign capital investment in manufacturing, and providing employment in organised enterprises as well as services catering to the market economy, tourism, restaurants and the like. The focus of development in the first four decades after independence in South Asia was quite different. It focused on the preservation of the rural economy, and attempted to increase employment opportunities in rural areas through public expenditure programmes, and essentially tried to maintain the rural character of these economies. The approach to poverty alleviation has thus been very different in the two regions. While South Asia focused on gains in agriculture and rural employment, Southeast Asia turned to commercialisation of agriculture and more market-oriented growth.

CIRDAP has published all the findings in a separate volume for each country. In this brief note, some of the important findings and policy issues for Myanmar are highlighted.

Major Findings

The majority of households living in rural areas earn their income from agriculture, followed by wage labour (seasonal labour) in agriculture. Crop production is the most important sub-sector in agriculture sector, contributing 80 per cent to agricultural GDP. The majority are small farmers owning less than 10 acres of land. Farmers rely only on the Myanmar Agricultural Development Bank (MADB) which is only one formal credit institution for loan of production. The agriculture sector still remains the largest sector in terms of employment followed by service sector.

In Myanmar, the independent market-oriented economic system replaced the centrally planned economic system since 1988 which provided opportunities to increase foreign and domestic investment in the sector.

With the aim to accelerate growth, achieve equitable and balanced development and to narrow the socio-economic disparity between urban and rural areas, the three National Development Programmes- Border Area Development Plan, 24 Special Development Zones, and Integrated Rural Development Plan are being implemented with strong support from the state

since 2001. To increase production and productivity of agriculture, as well as increasing the area of land under cultivation, private organisations are allowed to reclaim land and to invest on their reclaimed land.

Myanmar still possesses a lot of potential for pro-poor growth under the effective developments and utilisation of natural resources. Land reclamation projects for small/marginal farmers or landless households, promotion of small livestock production, sustainable management and systematic exploitation of forest areas, production of horticultural crops and medicinal herbs, developing a handicraft based export industry, developments and utilisation of river resources are of great opportunity for rural development and poverty alleviation in Myanmar.

Policy Priorities

- The availability of 8.84 per cent of land classified as cultivable waste offers an enormous potential for expanding agriculture production. Land reclamation projects for small/marginal or landless households are likely to contribute positively towards increasing job opportunities and agricultural productivity. Promotion of small livestock production (pigs, goat, poultry, duck, etc.) offers a significant additional opportunity for the small/marginal and landless households. Myanmar is having an extensive area of forest and woods that would provide additional income to some of the poorest groups among the rural population where sustainable development programmes with community participation can be tried. The production of horticultural crops and medicinal herbs and other high value crops on small/marginal farms would probably create greater opportunities together with establishment of marketing, rural finance and other support services on a sustainable basis. Myanmar still possesses extensive river and aquaculture potentials. It is a major potential for pro-poor growth under the effective developments and utilisation of these resources. Rural family income could also be substantially increased through reduction of post-harvest losses and management of farm storage. IGAs for farm and non-farm families by way of establishment of agro-based industries in the rural areas would be one of the potential areas.
- A strong poverty alleviation programme should be focused on dry land and hilly areas where a large number of the most disadvantaged farming families and landless are residing in. The proposed projects should assist the government in developing a sustainable, market-oriented rural finance system. The project should be prepared to take into full account technical feasibility, economic viability, positive environmental and social impacts and sustainability. Community participation is of great importance in project planning and management. Therefore, close consultation with beneficiary groups of all stages is advocated to meet the needs of the targeted ones.
- The development projects should be focused on sustainability of the organisations of the rural poor aiming to strengthen them to survive and develop further even after the withdrawal of donors and stakeholders.
- The availability of safe drinking water is crucial for the rural population especially in the Dry Zone area. The provision of sanitation facilities and conducting of awareness campaigns on sanitation should be integrated into the development plan.