



1. Country Context

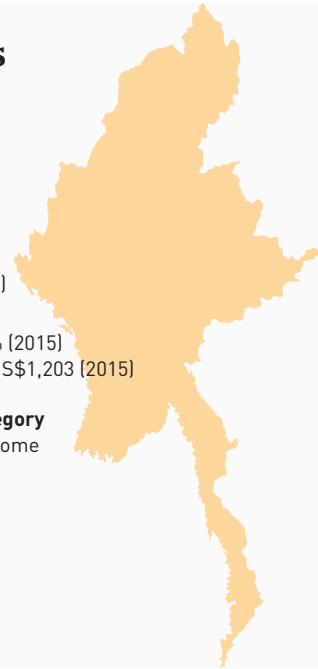
The Republic of the Union of Myanmar is a lower middle-income country with a GDP per capita of US\$1,203 and a population of 51.5 million (both figures from 2015). In 2011, Myanmar embarked upon a historic multifaceted transition involving fundamental economic reforms focused on creating a diversified, market-oriented and internationally integrated economy and a democratic and inclusive political system. Throughout this transition, Myanmar's economy experienced strong and dynamic growth of 8.4% in 2013 and 8.7% in 2014. Despite growth slowing to 7.2% in 2015 due to flooding, the Asian Development Bank (ADB) forecasts growth of 8.4% in 2016.

According to the ADB, 25.6% of Myanmar's population lives below the poverty line, with poverty particularly concentrated in rural areas. Myanmar's human development stands at a 0.536, thereby ranking 148th among the 188 countries of the 2015 Human Development Index.

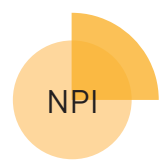
For this year's monitoring round, 15 development partners reported a total of US\$562 million disbursed in 2015. Contributing 38% of total development, Japan is the largest development partner, followed by the United Kingdom (18%) and the United States (14%).

Quick Facts

- Surface area** 676,590 km²
- Population** 51.5 million (2015)
- GDP Growth** 7.2% (2015)
GDP Per Capita US\$1,203 (2015)
- Income level category**
Lower middle-income country

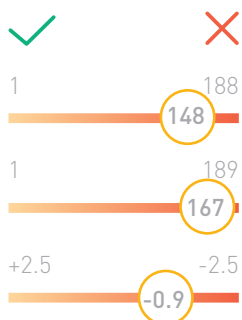


Key Development Indices:



National Poverty Index
25.6% of pop.
(2014, ADB)

ODA per Capita US\$25.8 (2014)



Human Development Index (2014)
(Best rank: Position 1)

Doing Business Rank (2015)
(Best rank: Position 1)

Anti-corruption Index: -0.9 (2014)
(Highest anti-corruption: +2.5)

Inflows (% Gross Domestic Product)

LATEST YEAR AVAILABLE

Domestic Credit	28.3%
Net Foreign Direct Investment	4.9%
Remittances	5%
Net Official Development Assistance	2.2%

Key Development Challenges

The 2015 ceasefire and first democratic elections were critical milestones in Myanmar's democratic transition. Growth is rooted in agriculture, services, construction, natural resources and the extractive industries. Foreign direct investments amounted to US\$57 billion in the 2015/2016 period. Future sustainable development is dependent on unlocking the full potential of Myanmar's agriculture and natural resources, improving infrastructure as well as expanding access to health and education. Overall, the country is accelerating climate resilience and the management of external vulnerabilities.

2. Efforts to Implement the Effectiveness Principles

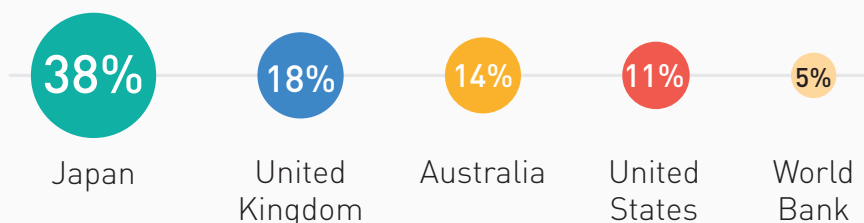
A. Policies and Tools for Partners' Alignment

Throughout the democratic transition process, the interim Framework for Economic and Social Reform (FESR) and its policy matrix were used by development co-operation partners as the main policy to align to. The new government took office

in March 2016 and is currently considering options with regard to a new national development plan. The drafting of any new development plans and strategies provide a strategic opportunity for Myanmar's new administration to broaden and deepen

dialogue between government and development stakeholders, including civil society and the private sector, as well as to consider opportunities to localize the Sustainable Development Goals (SDGs).

Major Development Partners of this Round (by Reported Disbursements)



Participation in 2014 Monitoring



Existence of a National Co-operation Policy

B. Governance and Management of Development Finance and Co-operation

The Government of Myanmar exercises effective leadership in ensuring high-quality assistance in line with the principles set forth within the 2013 Nay Pyi Taw Accord for Effective Development Co-operation, a country-level localization of established development co-operation principles. The 2013 Nay Pyi Taw Accord for Effective Development Cooperation (NPTA) clarifies basic principles and criteria and is operationalized through an annual action plan. The government and development stakeholders meet in the annual Myanmar Development Co-operation Forum (MDCF) supported by a smaller mid-year medium-term review (MTR). Myanmar's development partners meet in the Co-operation Partners Group (CPG), where they share information on how to improve quality of official development finance. At the sectoral level, 17 government-

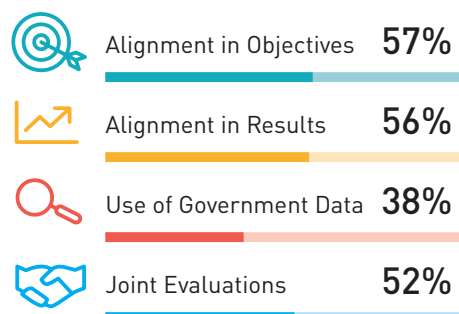
led sector working groups have been established to coordinate development partner activities and support greater alignment to government priorities. At an institutional level, development co-operation is managed primarily by the Foreign Economic Relations Department (FERD), which sits within the Ministry of Planning and Finance. The FERD plays a key coordination and facilitation role, working closely with line ministries, development partners, civil society, the private sector and other concerned entities. Myanmar has developed a publicly accessible, home-grown aid information management system (AIMS) known locally as 'Mohinga', which can be found at mohinga.info. The Mohinga AIMS is fully compliant with the International Aid Transparency Initiative (IATI) standard and is capable of importing aid data directly from the IATI registry.

3. Country Ownership

Indicator 1: Partners' Alignment and Use of Country-Led Results Frameworks

Myanmar's development partners reported a relatively limited degree of alignment to country-led results frameworks. This is largely due to a lack of clarity as to the official status of various development policy frameworks. Another factor contributing to a low level of alignment can be seen in the large number of programmes and projects that focused primarily on strengthening local civil society actors

as part of Myanmar's democratization process, with such forms of support not explicitly backed by specific government strategies. In this year's monitoring round, 57% and 56% of development co-operation use national objectives and results, respectively. Thirty-eight percent rely on Myanmar's monitoring systems. In 52% of planned evaluation, the government takes a role, usually by defining the scope.

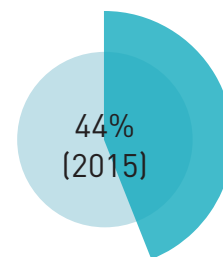


Indicator 6. Development Co-operation is on Budget (Subject to Parliamentary Scrutiny)

In 2015, 44% of development co-operation finance reported by development partners participating in the Global Partnership monitoring process was included in the government budget. There are still large gaps in ensuring an adequate flow of information, with many development interventions taking place outside the

government sector budget. In the future, the government and development partners might initiate an in-depth dialogue to assess existing caveats and agree on next steps to ensure more extensive parliamentary oversight of development finance entering the country.

Percentage on Budget



Indicators 9 and 10. Use of Country Systems

As part of this monitoring round, 23% of development co-operation reportedly used national procedures for budget execution, financial reporting and auditing. The use of national procurement systems is even lower at 19%. Only the United Kingdom and the World Bank make 100% use of these systems, while 11 out of 15 total development partners

participating in this survey operate completely outside Myanmar's public financial management (PFM) systems. There is a need to look into the existing challenges in national PFM, while also reviewing how to incentivize best greater use of national systems by development partners. Myanmar's value in the Country Policy and Institutional Assessment

(CPIA) has remained stable at 3.5 since 2013. With the launch of the PFM Reform Strategy, Myanmar has demonstrated a commitment to upgrading public sector capacities to ensure a stronger policy and institutional environment. Within a relatively favourable level, the proportion of untied aid has decreased from 95% in 2013 to 88% in 2014.

	Budget (ideal: 100%)	Financial Reporting (ideal: 100%)	Auditing (ideal: 100%)	Procurement (ideal: 100%)	CPIA* (maximum: 6)	Untying (ideal: 100%)
INDICATOR 9B.	23%	23%	23%	19%		
INDICATORS 9A & 10.					3.5	88%

* Country Policy and Institutional Assessment

4. Inclusive Partnerships for Development

Indicators 2 and 3. Fostering Inclusive Partnerships for Development

As an essential part of the democratization process, civil society organizations (CSOs) and the private sector are fully committed to contributing to national and particularly local development in Myanmar. Dialogue and coordination have been particularly dynamic and visible in certain thematic and specialized areas such as women's rights, food security and transparency. Reflecting a very large and diverse set of entities, Myanmar's CSOs are increasingly using national umbrella organizations (such as the Myanmar NGO Network and the CSO Forum) to increase coordination and information-sharing. While a lack of formal participation mechanisms

has historically hampered civil society engagement, today there is an increasingly vibrant interaction between CSOs and the government through channels such as sector working groups, annual forums focused on development co-operation and a wide range of other thematic and sectoral coordination processes. The private sector is a key partner in the government's efforts to further invest in the country's growth and development. More than 10,000 businesses are organized in the Union of Myanmar Federation of Chambers of Commerce and Industry (UMFCCI) and public-private dialogue is emerging through the new Myanmar

Business Forum (MBF). In sum, Myanmar has demonstrated impressive progress in facilitating a continuous and productive interaction among the government, CSOs and the private sector, which has also been supported by development partners. The country has established an effective dialogue and official development finance coordination structure rooted in global principles. In the future, this potential can be further improved if capacities develop around policy dialogue and implementation as well as carefully crafted formal spaces for dialogue and participation in decision-making on Myanmar's future development.

Indicator 8. Gender Empowerment

Despite its long-standing commitment to women's rights and experiences in sex-disaggregated data collection, Myanmar

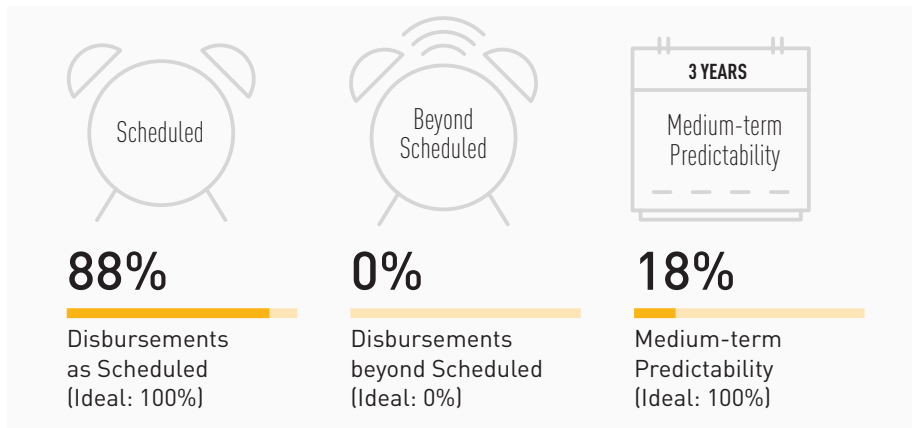
still lacks a budgetary system to track allocations for gender equality and women's empowerment. While national

PFM systems are being upgraded, the government may wish to consider further investments in this area.

5. Transparency and Accountability

Indicator 5. Development Co-operation is More Predictable

In 2015, 88% of development co-operation was disbursed as scheduled on an in-year basis. Indeed, all major development partners stand at 100% annual predictability. There is, however, ample room to improve medium-term predictability, currently at 18%. Only two development partners reported that they inform the government of their forward-spending plans, limiting thereby the capacity of the government to plan ahead during this critical period of democratic consolidation. This requires further attention as part of the ongoing dialogue between government and development partners.



Indicator 7. Mutual Accountability

The government and development partners are committed to implementing the 2013 Nay Pyi Taw Accord for Effective Development Co-operation (NPTA), which is operationalized through a rolling action plan. A dedicated group consisting of the Foreign Economic Relations Department (FERD) within the Ministry of Planning and Finance, and the Development

Partners Working Committee (DWPC) reviews progress towards mutual commitments every two to three months at the technical/working level, while the annual Myanmar Development Cooperation Forum (MDCF) addresses high-level and strategic considerations. Monitoring data on the NPTA are publicly available as part of the Aid Information

Management System. Benefiting from this compact architecture, the government and development partners might find numerous opportunities to address the remaining challenges, including development planning around the SDGs and an increased use of country systems.

National Priorities Going Forward



Myanmar is proud to have participated in the Global Partnership monitoring process for the first time. Using the Global Partnership's globally recognized monitoring framework, our participation in this monitoring process has provided Myanmar with an established, credible baseline against which future progress can be measured. As the Global Partnership National Coordinator, I believe this monitoring process has provided Myanmar with a valuable opportunity to strengthen our development stakeholder networks, allowing for an exchange of ideas and perspectives while not shying away from identifying areas where improvements can be made. It is clear that we have made strong progress in many areas. Myanmar's membership in the International Aid Transparency Initiative (IATI) and our pioneering work on our Aid Information Management System provide positive, practical examples of where we have put development effectiveness principles into action at the country level. This monitoring process also comes at an important time in Myanmar's democratic transition. With so many new partners ready and willing to support our country, Myanmar fully accepts its responsibility to ensure that this support is managed and coordinated effectively, efficiently and transparently. I have no doubt that our engagement with the Global Partnership has and will continue to guide us in this regard. Myanmar will be sure to review the final outcomes of the 2015/2016 Global Partnership monitoring round and identify further opportunities to integrate this learning into our effective country-level development co-operation efforts.



**U Tun Tun Naing, Permanent Secretary and Global Partnership National Coordinator
Ministry of Planning and Finance, Government of the Republic of the Union of Myanmar**

Disclaimer This document was prepared based on data collected from voluntary reporting to the Second Monitoring Round of the Global Partnership for Effective Development Co-operation and, for Country Context, other open source information available online. The views presented cannot be used or cited as an official UNDP source of information.

For ease of reference, the term 'country' is used to refer to developing countries and territories that reported to the Monitoring Round. Participation in this process and mention of any participant in this document is without prejudice to the status or international recognition of a given country or territory.