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May 2008

## Myanmar: An Update on Country Developments

Asian Development Bank

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### I. Background

1. Early on 3 May 2008, Myanmar was affected on an unprecedented scale by the Cyclone Nargis. The tropical cyclone wielded sustained winds of around 130 mph and peak gusts of 150-160 mph. Cyclone Nargis hit land at one of the lowest points in Myanmar, setting off a storm surge almost 12 feet high that reached 25 miles inland. The storm laid waste hundreds of villages across large parts of the Ayeyarwaddy delta, primarily in 7 townships in Ayeyarwaddy Division and 40 townships in Yangon Division.<sup>1</sup> The cyclone, one of the deadliest in recent history, resulted in large-scale casualties, with more than 77,000 killed; 55,000 missing, and 20,000 injured; in total, about 2.4 million people have been affected.

2. Damage and loss from the cyclone is assessed by the Government at \$10.67 billion equivalent. More than 24,000 publicly-owned buildings and about 800,000 private buildings collapsed or were substantially damaged. Losses in equipment and materials in transport, communications, and electric power sectors are estimated at \$0.8 billion. Farming and fishing communities were badly hit: 543,000 acres of rice paddies were inundated with salt water, implying an anticipated loss in rice production of 0.9 million metric tons; and 38,000 acres of shrimp and fish ponds and 152,000 acres of forest land were destroyed. Salt fields and salt industries worth \$22 million were also damaged. According to the Government, the most critical needs are shelter in view of the impending monsoon, and restoration of livelihoods. Water and sanitation facilities and health care services need urgent restoration.

3. An immediate response by the Government was organized under the National Disaster Preparedness Central Committee headed by the Prime Minister. The Government estimates about 1 million displaced and homeless people are currently settled in 32 relief camps. Slightly more than 2,000 persons in 122 medical teams have been deployed to provide medical services in cooperation with local medical staff: 30,000 personnel from the Armed Forces, 3,200 from People's Police Force, and more than 36,000 from other institutions such as Fire Brigade, Red Cross, and NGOs are providing relief operations. Power, communications, and water services have been partially restored, particularly in Yangon. As of 22 May, Government estimates indicate 5,665 tons of relief supplies, including those provided externally, have been sent to the storm-hit areas by helicopters, motor vehicles, and boats.

4. The international response has also been rapid, though constrained by difficulties in logistics and access. The role played by neighbors of Myanmar such as India, China and Bangladesh and the ASEAN countries has been noteworthy. In particular, ASEAN deployed for the first time its Emergency Rapid Assessment Team, which reported to the Special Foreign Ministers meeting in Singapore on 19 May. ASEAN member states also offered assistance under the ASEAN agreement on Disaster Management and Emergency Response, including \$3.7 million in cash and four plane-loads of aid supplies. Lao PDR, Thailand, and Singapore have mobilized medical teams to work in the affected areas, as have India and the PRC. The former international airport of Don Muang in Thailand is now being used as a staging hub outside the country to allow extra warehousing and consolidation of flights into Yangon. Emergency supplies of food and essential drugs and equipment have been mobilized by UN

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<sup>1</sup> The worst affected areas comprise eastern Ngapudaw, Labutta, Mawlamyinegyun, Bogale, Pyapone, Dedaye, Kaiklat, Kungyangon, Khwamu, Twantay, Kyauktan, Dala, Dagon Myothit (Seikkan), Seikgyikanangto and Hlaingtharya.

agencies, including the WFP, UNDP, UNICEF, WHO and UNHCR, as well as international NGOs.

5. According to estimates by the UN as of 24 May, about 1 million or 41% of the 2.4 million people affected have received some type of national or international assistance through the combined efforts of the government, UN agencies, international and local NGOs and civil society. Much of this assistance has been in the nature of one-off support, and was relatively concentrated in and around Yangon, implying substantial time and geographical gaps in the assistance so far.

## **II. UN-ASEAN Pledging Conference in Yangon, 25 May 2008**

6. The Conference followed the special meeting of ASEAN Foreign Ministers in Singapore on 19 May and the visit to Myanmar of the UN Secretary General on 22 May. During his meeting with Senior General Than Shwe, the UN Secretary General was assured of the Government's willingness to provide access to all humanitarian services and workers. The Conference had participation from 51 countries and several international organizations, including ADB and the World Bank. The Conference elicited broad support of the international community for humanitarian assistance to Myanmar and also provided a new platform for establishing mutual confidence between the Government of Myanmar and the international community. Against a UN Flash Appeal for Myanmar of \$201 million, \$57 million has been committed in cash and kind and another \$42 million pledged. New pledges, essentially for further relief work, total about \$40 million. Most participants were keen on seeing the Government make full use of already committed amounts before making fresh commitments for further relief efforts. The UN is planning a second flash appeal in June 2008.

7. In his remarks at the Conference, the Prime Minister General Thein Sein thanked the international community for the humanitarian assistance and outlined the large scale of the damage and casualties. He underlined the gravity of resources required for future phases of relief and rehabilitation, including the need to rebuild houses, schools and dispensaries, and the need to revive and restore livelihoods. He assured the delegates that Myanmar would welcome all assistance and aid provided in the humanitarian spirit, and that the government would be flexible in accepting groups interested in rehabilitation and reconstruction in stricken areas.

8. The Secretary General of UN and Secretary General of ASEAN, as Chairs for the Conference, noted the unanimous agreement on the need to scale up urgently and very significantly the current relief efforts to ensure that all those in need get access quickly to adequate life-saving relief supplies. They also underlined the need to establish necessary logistical arrangements to accelerate arrival and distribution of relief goods to sustain effective flow of supplies for as long as it is necessary in the affected areas. They welcomed the agreement of the Government of Myanmar to facilitate international relief workers to enter and operate in the country, and underlined that a major extra effort would be needed from all quarters to prevent further unnecessary casualties. The proposed creation of a Yangon-based Tripartite Core Group as an ASEAN-led working mechanism for coordinating, facilitating and monitoring the flow of international assistance into the country was warmly welcomed. The group will comprise representatives from the Government of Myanmar, ASEAN, and the UN. Separately, an Advisory Group has been proposed that will comprise representatives of ASEAN, international organizations, and the UN Office of Coordination and Humanitarian Affairs.

9. Director General, Southeast Asia Department, addressing the Conference on behalf of the ADB, noted the credibility of the proposed ASEAN-led assistance mechanism. He indicated

that ADB wished to associate itself with this arrangement and would offer technical support to the ASEAN-led initiative. Noting ADB's recent experience in supporting regional Governments address problems in the wake of natural calamities, including the 2004 tsunami, he indicated that ADB can quickly mobilize a team in the required areas of support (needs assessment, technical advice, and training) and that the team would work closely with the World Bank and other agencies under the ASEAN framework. He also met with the Myanmar Planning Minister and reiterated ADB's resolve to provide quick technical support in concert with other development partners. The World Bank also indicated its strong support for needs assessment under the ASEAN umbrella.

### **III. Going Forward**

10. ADB is engaging the ASEAN Secretariat in Jakarta and the World Bank office in Bangkok to determine the best ways of providing technical help to the ASEAN Advisory Group. A meeting between ASEAN representatives, ADB, UNDP, the World Bank, and other interested parties is scheduled in Yangon on 31 May 2008 to further assess the approach to longer term rehabilitation and reconstruction and to define its scope and content. ADB will be represented at this meeting by staff from the Southeast Asia Department.