

Physicians for  
Human Rights

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# A Foreseeable Disaster in Burma: Forced Displacement in the Thilawa Special Economic Zone

**PHR**

Physicians for  
Human Rights



Mekong Watch

**TSDG**

Thilawa Social Development Group

သီလဝါ လူမှုဘဝ ဖွံ့ဖြိုးရေးအဖွဲ့



# About Physicians for Human Rights

Since 1986, Physicians for Human Rights (PHR) has been using medicine and science to document and call attention to mass atrocities and severe human rights violations.

PHR was founded on the idea that health professionals, with their specialized skills, ethical duties, and credible voices, are uniquely positioned to stop human rights violations. PHR's investigations and expertise are used to advocate for persecuted health workers, prevent torture, document mass atrocities, and hold those who violate human rights accountable.

PHR has worked in more than 60 countries, including Afghanistan, Bahrain, Burma, Democratic Republic of the Congo, El Salvador, Guatemala, Iran, Iraq, Kenya, Libya, Mexico, Sudan, Syria, Turkey, and the United States.

*Cover: Ma Than Ei, a resident of the Thilawa relocation site, stands in front of her home.*

# Acknowledgments

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# Executive Summary

Recent liberalization of some governmental policies in Burma<sup>1</sup> (officially the Union of Myanmar) has led to the lifting of a number of bilateral sanctions and increases in foreign aid and investment. Both governments and corporations are entering into partnerships with Burmese companies to undertake major development projects, including building special economic zones (SEZ), developing hydroelectric dams, signing concession agreements for mining operations, and building pipelines. Despite their potential to create opportunities for economic advancement, such development projects are causing widespread forced displacement throughout the country, undermining the human rights of the people living in affected areas.

Forced displacement threatens people on every continent. Environmental degradation, conflict, the race for scarce resources, development projects, and land grabs have caused a significant number of these illegal displacements. People living in marginalized communities, including ethnic minorities and indigenous groups, are particularly vulnerable to forced displacement.<sup>2</sup>

Forced displacement affects a number of human rights issues in the short term, and, if unaddressed, can contribute to a downward spiral into increasing insecurity and loss of rights. Health status, access to health care, and food security are indicators that often serve as early warning signs of the longer term negative human rights consequences of forced displacement. Food insecurity is particularly devastating for children as it can lead to stunting, which has lifelong consequences on health and development. The following survey and report seek to document the adverse effects on individuals, families, and communities when relocation policies displace populations in violation of international guidelines.

Physicians for Human Rights (PHR) developed an epidemiological survey tool to identify and assess the human rights consequences of such forced displacements. This tool and resulting findings will strengthen the imperative for governments to avoid displacement whenever possible, and to adhere to existing guidelines when eviction is unavoidable.

The Thilawa SEZ (including the towns of Alwan Sot and Thilawa Kone Tan) is one example in Burma that illustrates the negative effects of development projects on the rights of local populations. Situated near Thilawa port, located approximately 15 miles (25 kilometers) south of Rangoon, the SEZ comprises 2,400 hectares of farmland that will be developed into factory sites. The Japanese government and three Japanese companies partnered with the Burmese government and a consortium of Burmese companies to develop phase one of the site. The business plan for the development project claims that it will yield a profit of \$53.3 million by 2018. For the people living in the area, however, their forced displacement is leading to the loss of the farmland that was their source of income and livelihood. Phase one of the project, which began in 2013, resulted in the forced displacement of 68 households. Phase two of the project will displace an additional 846 households.

International guidelines<sup>3</sup> for this type of eviction stipulate that displacement may occur in “exceptional circumstances” as long as certain guarantees are met, including that the eviction is carried out in accordance with international human rights laws, is reasonable and proportional, and is regulated to ensure full and fair compensation. The displacement should not have negative impacts on the standard of living of those displaced. These guidelines apply regardless of whether or not individuals hold formal title to their home and property. In the Thilawa case, the Burmese government agreed to follow these standards, and the Japanese government has similar policies in place for its development projects.<sup>4</sup>

In August 2014, PHR performed a survey of 29 households displaced by phase one of the project (representing 42.6 percent of the total number of displaced and 78.4 percent of the total number remaining at the relocation site) and conducted 22 key informant interviews. PHR found that the displacement process fell significantly short of meeting international guidelines, most notably because the residents felt threatened by the government with lawsuits and imprisonment if they did not move. Furthermore, the compensation allotted to displaced persons was insufficient for them to maintain their livelihoods. While monetary compensation was given for crops, animals, and houses, sanitation conditions in the relocation



## *Executive Summary continued*

village, constructed by the Burmese government, did not meet international (Sphere) standards<sup>5</sup> for refugee camps. All of the wells and pumps provided by the government were improperly constructed and found to be contaminated with bacteria found in human feces. Given that the displacement at Thilawa SEZ was planned, the situation for those who were relocated should be significantly higher than required by Sphere, which assumes displacement was caused a humanitarian crisis, such as a natural disaster or complex emergency.

Farmers who lost their land were not provided with other means or training to successfully earn a living. People who previously worked in nearby industries were forced to leave their jobs because the commute from the more isolated relocation site was prohibitively expensive. The average household income dropped by 78.1 percent after relocation, 26 households (89.7 percent) reported not having enough money to meet their needs, and 23 households (79.3 percent) reported borrowing money to meet their needs.

The loss of livelihoods has additional adverse consequences for food security and the health status of displaced households. Eight households (27.6 percent) reported higher levels of household hunger after displacement, and 13.6 percent of children surveyed suffered from mild malnutrition. Displacement has exacerbated already poor access to health care, with more than twice as many households reporting an inability to receive treatment when sick (16 households following relocation versus seven prior to relocation). The combination of severely diminished income, increasing food insecurity, and constrained access to health care creates a precarious situation for displaced residents. Without intervention to improve livelihoods, the nutrition and health situation in the relocation site will continue to deteriorate.

The Thilawa SEZ committee is charged with managing and running the daily affairs of the development project, including the relocation process. During phase one of the project, affected households were not consulted, received inadequate compensation, and were given limited time to prepare for relocation, violating not only the communities' right to adequate housing, but also their right to health and effective remedy.

The small community PHR sampled during this survey serves as a harbinger of adverse consequences for the additional 846 households that will be displaced during phase two of the Thilawa project. Unless the governments of Japan and Burma achieve a standard of practice consonant with their stated commitment to international norms and guidelines, these 846 households will very likely suffer a fate similar to those affected during phase one. The recommendations below highlight several opportunities for the Burmese government and its Japanese partners to prevent the impending disaster and forge a positive future in partnership with affected communities.



*Rows of houses in the Thilawa relocation site.  
Photo: Lauren Sakae*

# Recommendations

## To the government of Burma:

- Immediately implement transparent procedures consistent with the UN Basic Principles and Guidelines on Development-Based Evictions and Displacement, which:
  - uphold the principles of necessity and proportionality for any evictions;
  - provide any individuals to be affected by the eviction with clear notice and effective opportunities to challenge the displacement; and
  - ensure that all those displaced receive appropriate compensation as well as real and tangible income-generating opportunities;
- Improve humanitarian conditions at relocation sites to uphold international standards, including ensuring that conditions meet or exceed Sphere standards on drinking water and sanitation, which represent the bare minimum required to prevent feces in latrines from contaminating drinking water sources;
- Guarantee that displaced populations have full access to health care and other essential services;
- Cease the practice of threatening or harassing individuals who challenge eviction orders;
- Ensure that those displaced receive formal registration of their new land and house;
- Provide public explanation of how particular compensation is calculated;
- Respond in writing to each request submitted by the Thilawa Social Development Group;
- Ensure that international standards will be followed in future relocations in Thilawa and elsewhere in Burma; and
- Follow recommendations from the Ethnic Community Development Forum and the Customary Land Protection Committee, in particular their call for redrafting the national land use policy, including the meaningful participation of representatives of small scale farmers, ethnic groups, women, youth, and other people and communities who will be most affected, as well as parliamentarians and independent experts.

## To the Japan International Cooperation Agency (JICA) and the government of Japan:

- Ensure that JICA guidelines on displacement mirror internationally recognized standards on displacement, and that these guidelines are effectively implemented;
- Promote transparency regarding the agreements between the government of Burma and JICA, human rights impact assessment findings, environmental assessment findings, and other matters of interest to those who are or who may become displaced; and
- Make sure that any collaboration with the government of Burma is based on upholding internationally recognized standards of relocation.

## To the government of the United States:

- Raise the issue of forced displacement in bilateral communications with Burma and Japan, and call on both governments to respect internationally recognized standards on eviction;
- Demonstrate that the United States will monitor phase two of development in Thilawa and stress that continued patterns of threats and harassment will jeopardize future cooperation between the United States and Burma;
- Establish improvements in land rights as a benchmark for any further benefits, economic or otherwise, from the U.S. government; and
- Strengthen the voluntary reporting requirements for U.S. corporations doing business in Burma. Require that all reporting be made public and specifically include independent assessments of the impacts of investment on livelihoods and health.

## To shareholders and management of companies investing in development projects in Thilawa and elsewhere in Burma:

- Ensure that corporate codes of conduct address the rights of relocated persons, and that these codes of conduct are followed in Burma; and
- For shareholders, propose and vote for shareholder resolutions that 1) require transparent, participatory processes for relocation that adhere to international standards; and 2) assess the potential risk to shareholder value due to adverse publicity surrounding substandard displacement processes that have thus far fallen short of international norms and threatened the health and livelihood of local populations.

# Tables

**Table 1. Changes in Livelihoods Due to Displacement**

What was your primary job before displacement?	Frequency	Percentage
Rice farmer	10	34.5
Vegetable farmer	8	27.6
Wage laborer	4	13.8
Other	4	13.8
Factory worker	3	10.3

What was your primary job after displacement?	Frequency	Percentage
Not working	10	34.5
Rice farmer	1	3.5
Wage laborer	5	17.2
Other	9	31.0
Fisherman	2	6.9
Factory worker	2	6.9

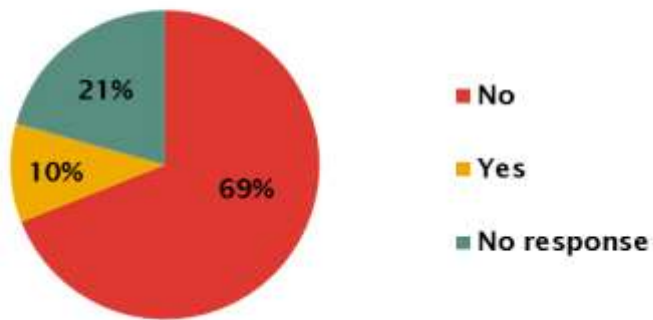
**Table 2. Results of Water and Sanitation Assessment of Relocation Site**

Water & Sanitation Area Assessed	Sphere Standards Key Indicators <sup>6</sup>	Acceptable?	PHR Findings
<b>Latrines</b>	<p>Pit latrines and soakaways (for most soils) are at least 30 meters (98 feet) from any groundwater source.</p> <p>The pit of any latrine is at least 1.5 meters (approximately 5 feet) above the water table. Drainage or spillage from defecation systems must not run towards any surface water source or shallow groundwater source.</p>	<b>No</b>	Most latrines are located in low-lying areas and susceptible to flooding and overflow; latrine pits likely extend to depths below the water table; all water sources were closer than 30 meters (98 feet) to latrines.
<b>Well protection</b>	There are no fecal coliforms per 100ml of water at the point of delivery and use. All affected people drink water from a protected or treated source in preference to other readily available water sources.	<b>No</b>	Collars were present on wells, but lids were not; all pumps and wells were closer than 98 feet to latrines; fecal coliforms were present in all wells.
<b>Pump construction</b>	There are no fecal coliforms per 100ml of water at the point of delivery and use. All affected people drink water from a protected or treated source in preference to other readily available water sources.	<b>No</b>	No collar on pumps; all pumps and wells were closer than 98 feet to latrines. The borehole for one pump had been drilled through a cement-lined drainage ditch. Fecal coliforms were present in all pumped water.
<b>House (size)</b>	The initial covered floor area per person is at least 3.5 square meters.	<b>Yes</b>	Government-built houses were 18.2 square meters (196 square feet) which is acceptable for families up to five people (no family surveyed had more than five people).

# Graphs

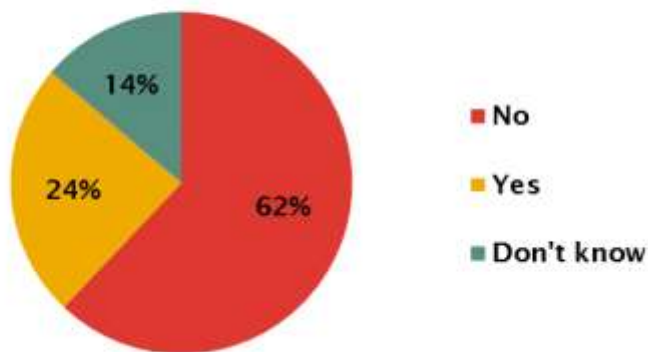
Graph 1

Did you know that you can see/read the results of the social economic survey at the special economic zone office?



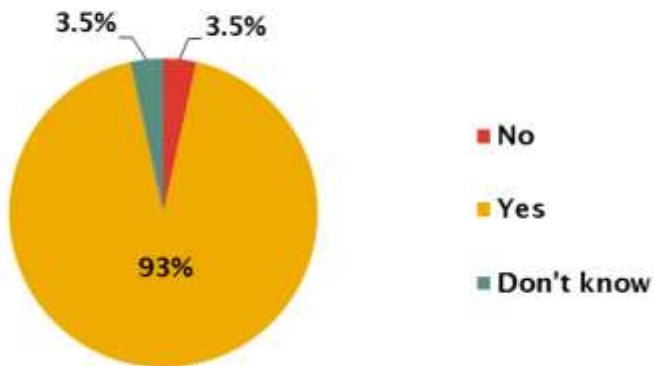
Graph 2

Did you know that you can see the resettlement work plan at the SEZ office?



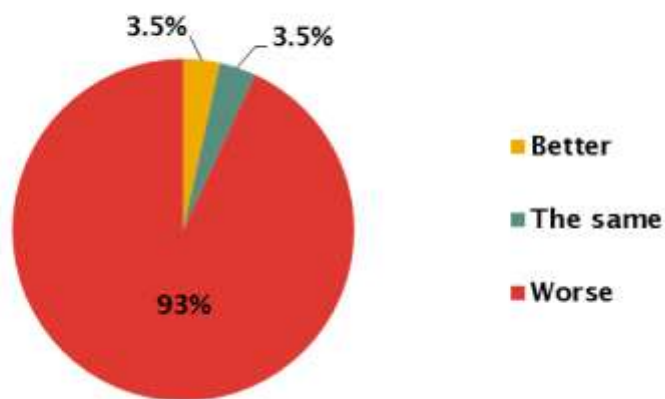
Graph 3

Did you ever feel threatened or afraid of what would happen if you refused to move?



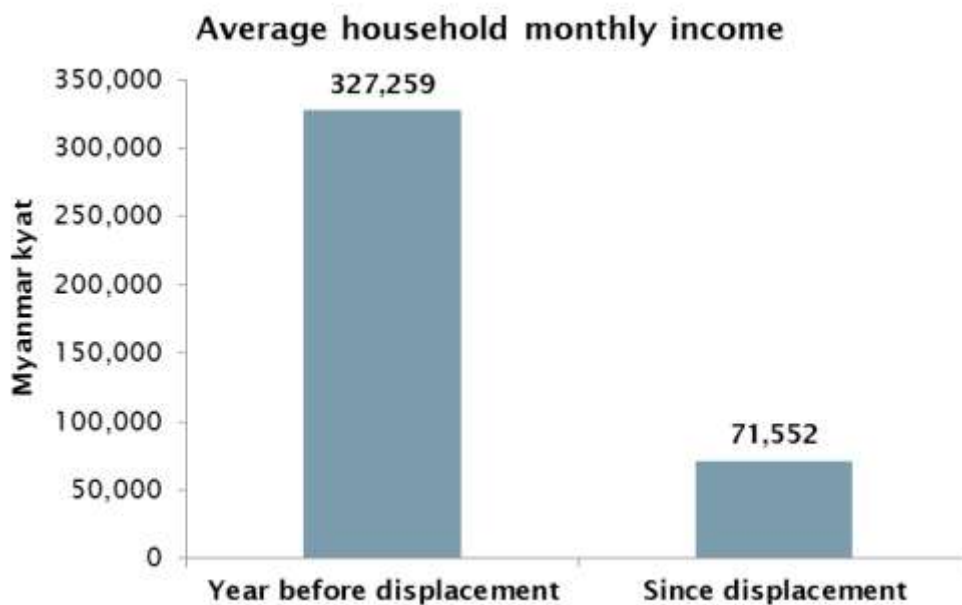
Graph 4

Since you were displaced, is your overall situation:

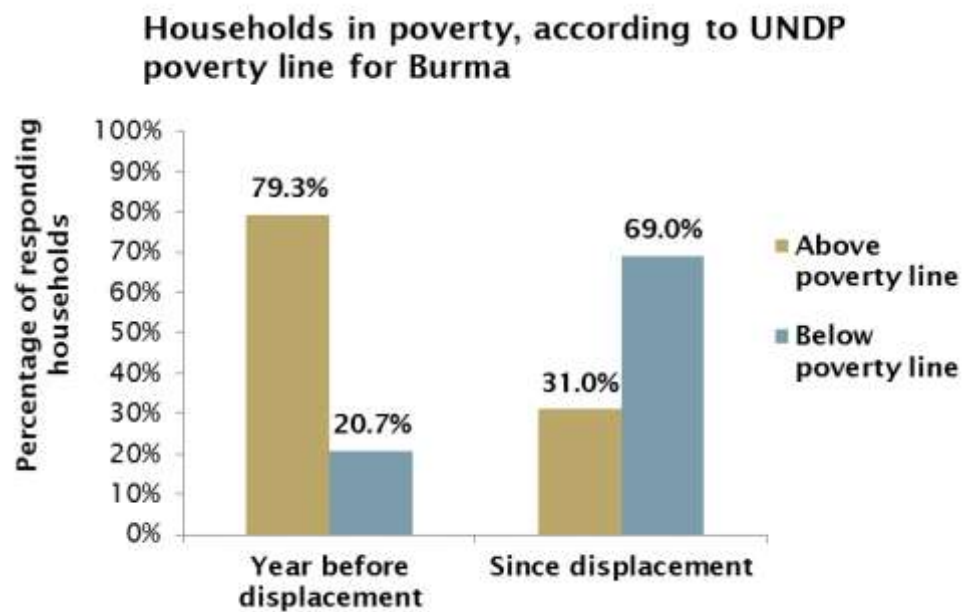




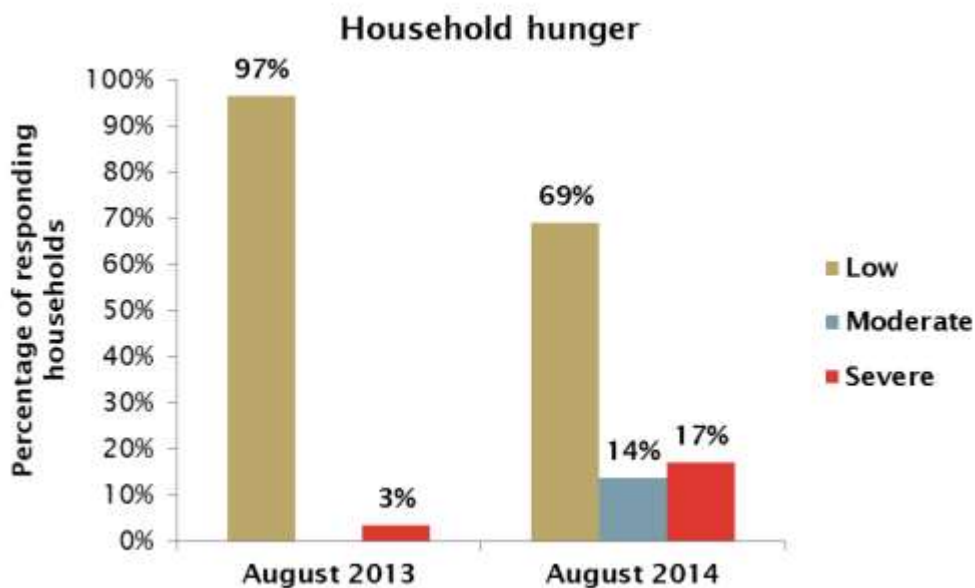
Graph 5



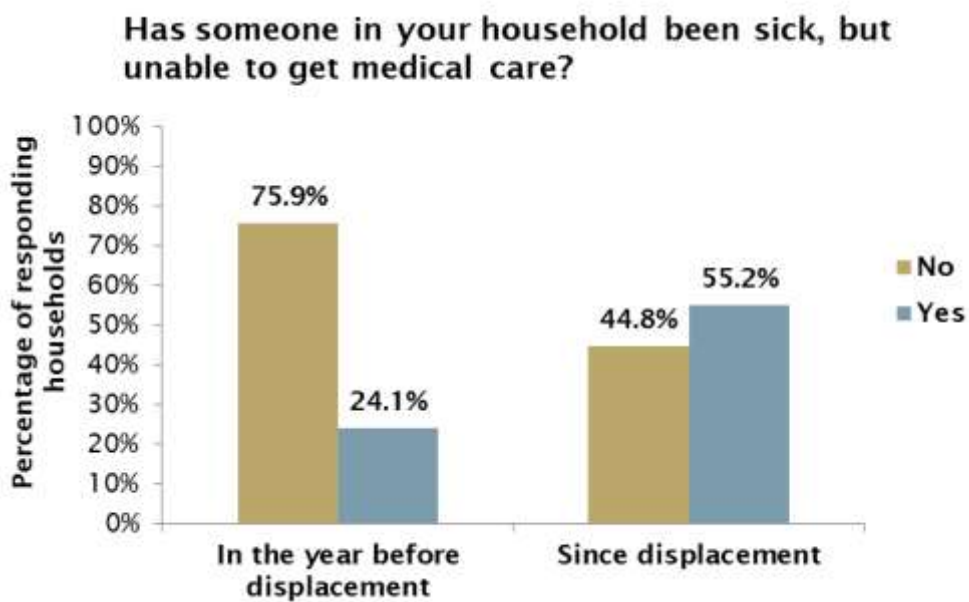
Graph 6



Graph 7



Graph 8



<sup>1</sup> In the wake of the violence of the 1988 student uprising in Burma, the military regime that seized power in a coup d'état changed the country's name to Myanmar and the name of the then-capital from Rangoon to Yangon. Pro-democracy groups, such as the National League for Democracy, and ethnic minority groups did not recognize the name changes. In support of these groups, Australia, Canada, the United States, the United Kingdom, and other governments continue to recognize the country as Burma. In this report, PHR uses the names Burma and Rangoon for the same reason.

<sup>2</sup> Forced Migration Online, "Vulnerable Groups," <http://www.forcedmigration.org/research-resources/expert-guides/forced-migration-and-public-health/vulnerable-groups>.

<sup>3</sup> "Basic principles and guidelines on development-based evictions and displacement," Human Rights Council Fourth Session, General Assembly, A/HRC/4/18, Annex 1, Feb. 5, 2007, [http://www.ohchr.org/documents/issues/housing/guidelines\\_en.pdf](http://www.ohchr.org/documents/issues/housing/guidelines_en.pdf). See also UNHCR, "Guiding Principles on Internal Displacement," September 2004, <http://www.unhcr.org/43ce1cff2.html>.

<sup>4</sup> Jonas Moberg, "Mining the benefits of transparency," *Myanmar Times*, August 26, 2013, <http://www.mmtimes.com/index.php/special-features/170-energy/7968-mining-the-benefits-of-transparency.html>; Ministry of Foreign Affairs of Japan, the Ministry of Economy, Trade, and Industry of Japan, *Memorandum on the Cooperation for the Development of the Thilawa SEZ*, December 21, 2012, <http://www.meti.go.jp/press/2012/12/20121227003/20121227003-2.pdf>. Provision I.1.(e) of the memorandum states: "Both sides recognize that the development of the Thilawa SEZ should be in line with the international environmental standards." International environmental standards include the standards for social impact, such as resettlement.

<sup>5</sup> The Sphere Project, *Humanitarian Charter and Minimum Standards in Humanitarian Response* (2011), <http://www.sphereproject.org/handbook/>.

<sup>6</sup> *Ibid.*