

POLITICAL MONITOR No.35

OFFICIAL MEDIA

U.S. PRESIDENT MAKES HISTORIC VISIT TO BURMA

U.S. President Barack Obama arrived in Burma's old capital Rangoon on 19 November and became the first sitting U.S. president to visit the Southeast Asian nation. During his visit, Obama met his Burmese counterpart President Thein Sein and the two leaders discussed the strengthening and promoting of bilateral relations as well as country's on-going democratic reforms process. In their official talks, the Burmese leader stressed the need for closer cooperation between the two countries, to promote democracy, human rights, capacity building and in doing so, bilateral relations should be based on mutual respect and understanding. President Obama acknowledged the reform measures taking place in the country and also praised the Burmese President in addressing the issues of child soldiers and nuclear non-proliferation. The US President also met with the Speaker of the Lower House Thura Shwe Mann and leader of the National League for Democracy (NLD) Aung San Suu Kyi. One significant part of Mr Obama's visit, was a speech given at the Convocation Hall of the University of Rangoon, which witnessed past episodes of pro-democratic student unrests, including mass demonstrations in 1988 that ended in a bloody military crackdown. In his speech Obama said that in recent decades the "two countries became strangers" and that his visit was to extend the hand of friendship. The President went on to add that no process of reform could succeed without national reconciliation and also called for an end to sectarian unrest in western Rakhine State. President Obama reiterated that the road ahead would be challenging and the current reform process should not be reversed and that the United State of America would be a partner on the long journey together with the Burma and its people.¹

BURMESE PRESIDENT ATTENDS 21ST ASEAN SUMMIT AND RELATED MEETINGS

Burmese President U Thein Sein attended the 21st ASEAN Summit and its related meetings held in Phnom Penh, Cambodia from 18-21 November. On 18 November, President Thein Sein attended the opening ceremony of the 21st ASEAN Summit at Peace Palace in Phnom Penh where ASEAN Alternate Chairman Cambodian Prime Minister Mr Samdech Hun Sen delivered an opening address. On the same day, the Burmese leader attended the plenary session with ASEAN leaders and held discussions on ASEAN Community, and signed the Phnom Penh Statement adopting the ASEAN Human Rights Declaration and also attended the inauguration of the ASEAN Institute for Peace and

¹ Myanmar will redouble efforts to bring benefit and prosperity to nation and its people. (*President Thein Sein*). US to continue to work hard to strengthen bilateral relationship to promote progress that would be good not only for Myanmar but for region and international community. (*President Obama*) – <http://www.burmalibrary.org/docs14/NLM2012-11-20.pdf> (NLM) 20 November 2012 (p. 1 &2)/ US President Barack Obama on working visit to Myanmar – <http://www.burmalibrary.org/docs14/NLM2012-11-20.pdf> (NLM) 20 November 2012 (p .2)/ US President Obama pledges support for success of Myanmar's reform – <http://elevenmyanmar.com/politics/1372-us-president-obama-pledges-support-for-success-of-myanmar-s-reform> (Eleven Myanmar) 19 November 2012/ Remarks by President Obama and President Thein Sein at the bilateral meeting – <http://www.whitehouse.gov/the-press-office/2012/11/19/remarks-president-obama-and-president-thein-sein-burma-after-bilateral-m> (Office of the Press Secretary, the White House) 19 November 2012/ Remarks by President Obama and Daw Aung San Suu Kyi – <http://www.whitehouse.gov/the-press-office/2012/11/19/remarks-president-obama-and-daw-aung-san-suu-kyi> (Office of the Press Secretary, the White House) 19 November 2012/ Remarks by President Obama at the University of Yangon – <http://www.whitehouse.gov/the-press-office/2012/11/19/remarks-president-obama-university-yangon> (Office of the Press Secretary, the White House) 19 November 2012

Reconciliation (AIPR). During the summit, the Burmese President also attended the ASEAN leaders retreat, ASEAN Business Advisory Council Meeting, the 15th ASEAN-China Summit, the 4th ASEAN-US Summit, ASEAN Global Seminar and the 7th East Asia Summit meetings and also held bilateral meetings with leaders from Malaysia, Thailand, Indonesia and Japan. Speaking at the 15th ASEAN-China Summit on 19 November, Burmese President said that the creation of the ASEAN Community would benefit generations and the peoples of ASEAN and China and that close relations between the two would contribute to regional and global peace, stability and development. In his bilateral meeting with Thai Premier, the two leaders exchanged views about the development of the Dawei Special Economic Zone and reached an agreement on implementation of the project. Japanese Prime Minister Yoshihiko Noda also met President Thein Sein and discussed debt reduction and a loan of amounting to Yen 500,000 million to Burma as well as joint programmes to be implemented between the two countries. While attending the summit, President Thein Sein, briefly returned to Burma on 19 November to receive US President Obama and party in Rangoon.²

BURMESE PRESIDENT RECEIVES PRIME MINISTER OF NEW ZEALAND

New Zealand Prime Minister John Key arrived in Naypyitaw on 21 November to begin his official visit to Burma. After being given a red carpet welcome, Key met the country's President Thein Sein on 22 November and exchanged views including the opening of new diplomatic chapter by reviewing diplomatic relations between the two countries, and mutual cooperation in livestock, agriculture, mining, electric power and tourism sectors. The Burmese President outlined the major reforms that

² President U Thein Sein leaves for Cambodia to attend 21st ASEAN Summit and related Meetings – <http://www.burmalibrary.org/docs14/NLM2012-11-18.pdf> (NLM) 18 November 2012 (p. 16)/
President U Thein Sein attends opening of 21st ASEAN Summit – <http://www.burmalibrary.org/docs14/NLM2012-11-19.pdf> (NLM) 19 November 2012 (p. 1)/
Establishment of ASEAN Community is not ultimate goal of ASEAN but a milestone towards stable, peaceful and prosperous region – <http://www.burmalibrary.org/docs14/NLM2012-11-19.pdf> (NLM) 19 November 2012 (p. 16 & 9)/
President U Thein Sein attends signing ceremony of Phnom Penh Statement on adoption of ASEAN Human Rights Declaration – <http://www.burmalibrary.org/docs14/NLM2012-11-19.pdf> (NLM) 19 November 2012 (p. 16)/
President U Thein Sein attends retreat session of ASEAN leaders – <http://www.burmalibrary.org/docs14/NLM2012-11-19.pdf> (NLM) 19 November 2012 (p. 2)/
President U Thein Sein attends meeting between ASEAN leaders and ASEAN Business Advisory Council – <http://www.burmalibrary.org/docs14/NLM2012-11-19.pdf> (NLM) 19 November 2012 (p. 8)/
President U Thein Sein attends ASEAN Global Dialogue – <http://www.burmalibrary.org/docs14/NLM2012-11-21.pdf> (NLM) 21 November 2012 (p. 16)/
President U Thein Sein attends 15th ASEAN-China Summit – <http://www.burmalibrary.org/docs14/NLM2012-11-20.pdf> (NLM) 20 November 2012 (p.16)/
Myanmar, a dialogue coordinator, vows to strengthen ASEAN-US relations – <http://www.burmalibrary.org/docs14/NLM2012-11-21.pdf> (NLM) 21 November 2012 (p. 1 & 6)/
President U Thein Sein meets Malaysian Prime Minister Dato Seri Mohammed Najib Bin Tun Haji Abdullah Razak – <http://www.burmalibrary.org/docs14/NLM2012-11-19.pdf> (NLM) 19 November 2012 (p. 8)/
President U Thein Sein receives Thai Prime Minister Ms Yingluck Shinawatra – <http://www.burmalibrary.org/docs14/NLM2012-11-20.pdf> (NLM) 20 November 2012 (p. 9)/
Myanmar welcomes State-owned and private-owned enterprises from Indonesia, and more cooperation to be made between the two countries – <http://www.burmalibrary.org/docs14/NLM2012-11-21.pdf> (NLM) 21 November 2012 (p. 16)/
President U Thein Sein meets Japanese Prime Minister Mr Yoshihiko Noda – <http://www.burmalibrary.org/docs14/NLM2012-11-20.pdf> (NLM) 20 November 2012 (p.16)/
President U Thein Sein attends 21st ASEAN Summit and related meetings – <http://www.burmalibrary.org/docs14/NLM2012-11-22.pdf> (NLM) 22 November 2012 (p. 9)/
21st ASEAN Summit concludes – <http://www.burmalibrary.org/docs14/NLM2012-11-22.pdf> (NLM) 22 November 2012 (p. 16)/
President U Thein Sein leaves Cambodia – <http://www.burmalibrary.org/docs14/NLM2012-11-22.pdf> (NLM) 22 November 2012 (p. 8)/
President U Thein Sein back from Cambodia – <http://www.burmalibrary.org/docs14/NLM2012-11-22.pdf> (NLM) 22 November 2012 (p. 16)

have taken place in Burma over the past year, and that the country is still confronted with many challenges. He thanked New Zealand for providing financial assistance in agriculture and also in giving humanitarian aid to those affected by the sectarian violence in the Rakhine State. He also invited entrepreneurs and businessmen from New Zealand to invest in the country in areas which can create job opportunities as well as providing benefit to the foreign investors and for more scholarships to be granted to Burmese students.

During the meeting with President Thein Sein, Key reaffirmed New Zealand's support and in welcoming Burma's reintegration into the wider international community and would step up its political and diplomatic engagement with Burma by establishing a diplomatic presence in the near future. The visiting Prime Minister stated that there was genuine prospect for further strengthening bilateral relations between the two countries, and New Zealand would provide the necessary assistance to the country in education, technological assistance and capacity building. Key also extended an official invitation to the Burmese President to visit New Zealand at an opportune time in the future.

After his meetings with government officials, the visiting Prime Minister took time to meet the Chairperson of Pyithu Hluttaw Rule of Law and Peace and Tranquility Committee Chairperson of National League for Democracy Party Daw Aung San Suu Kyi on 22 November in Naypyitaw and exchanged views on the country's on-going political process and other matters of mutual interest.³

HLUTTAW SESSIONS – Highlights

Pyithu Hluttaw (Lower House) sessions

The 5th regular session of the First Pyithu Hluttaw was held for the 13th day at Pyithu Hluttaw Complex in Naypyitaw and attended by Pyithu Hluttaw Speaker Thura U Shwe Mann and 380 MPs. During the session, 6 questions were raised and answered, 4 proposals submitted and 1 Bill report read out.

- The key proposal submitted during the session was by U Aung Thein Lin of South Okkalapa Constituency (USDP), who asked how the government plans to solve the issue of land ownership for farmers who have had their land confiscated by local authorities and private companies. In responding, the Deputy Minister for Home Affairs Police Maj-Gen Kyaw Kyaw Tun, replied that **farmers should submit their applications for farmland holding to the respective region/state governments and the proposal should be put on record and monitored.**⁴

The 14th day session of Pyithu Hluttaw was attended by Pyithu Hluttaw Speaker Thura U Shwe Mann and 389 representatives. During the session, 6 questions were raised and 1 proposal submitted and discussed.

- The key question submitted during the session was by Daw Nann Wah Nu of Kunhing Constituency (SNDP) who asked on what **arrangements were being made by the Pyidaungsu Hluttaw for further strengthening of cooperation between Union level Hluttaws (parliaments)**

³ New Zealand Prime Minister in town –

<http://www.burmalibrary.org/docs14/NLM2012-11-22.pdf> (NLM) 22 November 2012 (p. 7)/

President U Thein Sein rolls out red carpet for New Zealand PM –

<http://www.burmalibrary.org/docs14/NLM2012-11-23.pdf> (NLM) 23 November 2012 (p. 1)/

President U Thein Sein receives New Zealand Prime Minister –

<http://www.burmalibrary.org/docs14/NLM2012-11-23.pdf> (NLM) 23 November 2012 (p. 1)/

President U Thein Sein expresses thanks to NZ for its plan to grant more scholarship for Myanmar students New Zealand to open embassy in Myanmar, a basic foundation for promoting bilateral relations –

<http://www.burmalibrary.org/docs14/NLM2012-11-23.pdf> (NLM) 23 November 2012 (p. 9)/

New Zealand Prime Minister meets Daw Aung San Suu Kyi –

<http://www.burmalibrary.org/docs14/NLM2012-11-23.pdf> (NLM) 23 November 2012 (p. 10)

⁴ State governments allowed to make decisions independently in accord with democratic practices –

<http://www.burmalibrary.org/docs14/NLM2012-11-16.pdf> (NLM) 16 November 2012 (p. 16 & 8)

and Region/State Hluttaws. In responding to the question, Secretary of Hluttaw Rights Committee of Pyithu Hluttaw Dr Soe Yin replied that the **Pyidaungsu Hluttaw, both the Pyithu(Lower House) and Amyotha Hluttaw (Upper House) would provide the necessary assistance for the effective and efficient functioning of the institutions as well as capacity building of the MPs.**

- Dr Win Myint of Hlaing Constituency (USDP) submitted a proposal urging for **punitive action to be taken against illegal inflow of goods.** Clarifications regarding the matter were given the Deputy Home Affairs Minister and the session amended the proposal to include illegal outflow of goods and approved the proposal to take punitive action against illegal inflow and outflow of goods and formed a committee which included the **Union Minister for Commerce U Win Myint, Deputy Minister for Energy U Htin Aung, Deputy Minister for Finance & Revenue Dr Maung Maung Thein, Supreme Court Judge U Soe Nyunt, Deputy Attorney-General U Tun Tun Oo and Deputy Minister for Home Affairs Police Maj-Gen Kyaw Kyaw Tun.**⁵

HLUTTAW SESSIONS – Highlights

Amyotha Hluttaw (Upper House) sessions

The 5th regular session of the first Amyotha Hluttaw held its 13th day at Amyotha Hluttaw Hall and attended by Amyotha Hluttaw Speaker U Khin Aung Myint and 195 MPs.

During the session, 4 questions were raised and answered, 2 proposals submitted and 1 bill report discussed. The key proposals and reports discussed were:

- A proposal urging the Amyotha Hluttaw **to discuss the bill amending the Constitutional Tribunal Law** was submitted by U Mya Nyein of Yangon Region Constituency No.7 (USDP) and endorsed by U Tin Yu of Yangon Region Constituency No.11 (USDP). The session approved the question to be discussed.
- Similarly, **the report on the bill amending the Constitutional Tribunal Law** was submitted by member of the Amyotha Hluttaw Bill Committee U Soe Myint and discussed by two MPs. On behalf of the Union Government, Deputy Attorney-General U Tun Tun Oo explained the bill and stated that the bill should remain unchanged as approved the Bill Committee. The issue was put to a vote and as the majority voted in favor, the bill was approved.
- U Saw Tun Mya Aung of Kayin State Constituency No. 5 (USDP) submitted a proposal urging **the Union government to make preparation in cooperation with teams made of local national people for ensuring accuracy in issuing citizenship scrutiny cards and household registration certificates and not to misspell of the names of tribesmen and tribeswomen.** Ten MPs discussed the proposal. The Deputy Minister for Immigration and Population U Win Myint said plans have been laid to help surveyors cooperate with local tribesmen in taking national census in 2014 for correctness of the name of tribesmen. The majority of those present voted in Hluttaw voted in favor of the proposal.⁶

The 5th regular session of the first Amyotha Hluttaw held its 14th day and attended by Amyotha Hluttaw Speaker U Khin Aung Myint and 200 MPs.

During the session, the reports on questions and proposals of the 4th Regular Session of the Amyotha Hluttaw and a proposal regarding the undertakings of the Amyotha National Planning Committee from January to October 2012, was submitted committee member U Maung Maung Aye.

- The key proposal submitted at the session was by U Myo Myint of Mandalay Region Constituency No.6, urging the Union Government **to review the implementation of electric power projects by ways of State's investment, BOT and JV/BOT.** With regard to the proposal,

⁵ Proposal to take punitive action against illegal trade – <http://www.burmalibrary.org/docs14/NLM2012-11-22.pdf> (NLM) 22 November 2012 (p. 2)

⁶ Bill amending the Constitutional Tribunal Law Discussed – <http://www.burmalibrary.org/docs14/NLM2012-11-16.pdf> (NLM) 16 November 2012 (p. 16 & 9)

Union Minister for Electric Power U Khin Maung Soe said that the ministry has signed **contracts with three of six electric power projects with BOT system. MoU has been signed for the remaining three projects. There are 46 projects with JV/B.O.T system, three of which are JV, 22 MoA and 20, MoU. Of the one remaining project in Chiephwenge, 98.59 percent has been completed.** The session approved the proposal.⁷

HLUTTAW SESSIONS – Highlights

Pyidaungsu Hluttaw (Union) session

The 5th regular session of the first Pyidaungsu (Union) Hluttaw held its 6th day at Amyotha Hluttaw Hall of Hluttaw Complex attended by Amyotha Hluttaw Speaker U Khin Aung Mint, Pyithu Hluttaw Speaker Thura U Shwe Mann and 564 Pyidaungsu Hluttaw representatives. During the session, the Union Minister for Finance and Revenue U Win Shein made clarifications on the country's debit situation, in response to the President's message regarding loans taken from ADB, World Bank and the 10 member states of Paris Club.

The key points raised by Minister were:

- The country's foreign loans could be divided into two periods: before 1988 and after 1988 and the former was borrowed from member states of Paris Club—Denmark, Germany, Canada, Finland, France, Italy, Netherlands, Norway, Austria, England and Japan, ADB and World Bank, and the latter from Japan (BPDC+NEXI), Korea, OPEC, Thailand, Malaysia, Serbia, China and India;
- Most of the loans borrowed before 1988 have not been repaid though repayment has gone well past its due date. The amount of the loans has increased due to interests and overdue fees added to the original amount. In measures to settle the loans, steps are being taken to settle the Japan ODA loans with the approval of Pyidaungsu Hluttaw, and approval is needed from the Hluttaw to settle the loans borrowed from ADB and IDA (World Bank). After settling the loans of Japan ODA, ADB and IDA (World Bank) out of the debt before 1988, the remaining loans from member creditors of Paris Club would be settled, said the Union minister.
- Myanmar has borrowed money from ADB since 1973-1974 for which 22-1-2013 is set for repayment date. The capital is USD 426.817 million and interest, 96.290 million USD, totaling 523.107 million USD. Due to currency exchange rate on the repayment date, both sides have agreed to pay off 575.5 million USD.
- Myanmar has got the loans from IDA (World Bank) since 1973-1974 financial year. The repayment date is 18-1-2013. The capital is 330.027 million USD and interest, 90.054 million USD, totaling 420.081 million USD. Due to currency exchange rate on the repayment date, both sides have agreed to repay 440 million USD.
- Myanmar will have to acquire a loan from Japan Bank for International Cooperation (JBIC) so as to pay off the debts of ADB and World Bank. To repay that bridge loan, Myanmar will have to take Policy Based Loan (PBL) from ADB and Development Policy Operation (DPO) from World Bank. ADB will disburse PBL of 575.5 million USD to Myanmar with eight-year suspension period and six-year repayment period.
- World Bank also will offer DPO loan of 440 million USD, with 10-year suspension period and 30-year repayment period. After getting bridge loan from JBIC, repayment of loan to ADB and World Bank and repayment of loan to JBIC by ADB and World Bank will be done in a day. About Japan Yen (about 150,000 USD) is to be paid to JBIC for legal fees and bank service charges, including interest rate for one day, for bridge loan. After the debt is paid off, designated interest rate is to be paid to ADB and World Bank during the suspension period.

⁷ Small-scale hydropower projects would be implemented for swift development of electric power sector – <http://www.burmalibrary.org/docs14/NLM2012-11-22.pdf> (NLM) 22 November 2012 (p. 2)

- The Minister urged Pyidaungsu Hluttaw to approve taking these loans in accord with the prescriptions described in chapter-3 of Union Budget Law (2012).⁸

The 5th regular session of the first Pyidaungsu (Union) Hluttaw continued for its 7th day and attended by Amyotha Hluttaw Speaker U Khin Aung Mint, Pyithu Hluttaw Speaker Thura U Shwe Mann and 589 MPs.

During the session, 1 bill was submitted and approved, the parliamentary delegation's visit to Laos and attendance at the 9th ASEM was put on record, discussions on allocation of the additional budget bill, report of the Auditor-General, and signing the additional protocol of the International Atomic Energy Agency were discussed by the Ministers and Deputy Ministers concerned.

The key issues discussed and approved were:

- **The bill amending the Constitutional Tribunal Law** was approved and will be submitted to the President for signing and enacted as a law;
- Vice-Chairman of the Joint Public Account Committee U Thein Win submitted a proposal to seek the approval from Pyidaungsu Hluttaw **to approve the report of the Joint Public Account Committee regarding the important findings of the Union Auditor-General's Office.** The session approved the proposal.⁹

The 8th day of the 5th regular session of the first Pyidaungsu (Union) Hluttaw continued its session and was attended by Pyidaungsu Hluttaw Speaker U Khin Aung Myint, Pyithu Hluttaw Speaker Thura U Shwe Mann and 585 representatives. During the session, the Minister for Finance and Revenue U Win Shein made **clarifications on income and expenditure of the supplementary budget bill for 2012-2013. Members of the Union level agencies concerned discussed budgetary matters described in supplementary budget bill of the Union for 2012-2013 fiscal. The entire supplementary budget bill of the Union for 2012-2013 fiscal year was approved** by the session.¹⁰

The 5th regular session of the first Pyidaungsu (Union) Hluttaw continued for its 9th day. During the session, Speaker of Pyidaungsu Hluttaw U Khin Aung Myint said that four legislations were passed by the parliament and signed by the President, namely **revoking 1964 Myanmar Five Star Shipping Corporation Law, law revoking Land Confiscation (Mines) Act, law revoking Public Services Protection Act and Foreign Investment Law.** The key issues discussed during the session were:

- Dr Banya Aung Moe of Mon State Constituency No (7) discussed the proposal on the **use of Parliament Office's expenditure** under different headings and was approved by the session;
- Dr Tin Shwe of Yangon Region Constituency No (6), U Nyunt Tin of Yangon Region Constituency No (2) and U Sai Paung Nap of Shan State Constituency No (12) discussed **measures for settlement of debt from ADB, World Bank and Paris Club member countries.** Union Minister for Finance and Revenue U Win Shein responded to the proposal and which was approved by the session.
- U Win Thein, U Min Swe, U Khaing Maung Yi, U Maung Toe and U Kyi Tha **discussed transfer of the fund of USD 30.214 million and K 1300 million required for the procurement of two 120 MW Mitsubishi M 701 D gas turbines** contributed by Thailand. Union Minister for Electric Power U Khin Maung Soe responded to their discussion and the parliament passed approval.¹¹

UNOFFICIAL MEDIA

LABOUR LAW BEING DRAFTED TO PROMOTE WORKERS INTERESTS

⁸ Pyidaungsu Hluttaw focuses on debt settlement –

<http://www.burmalibrary.org/docs14/NLM2012-11-17.pdf> (NLM) 17 November 2012 (p. 16)

⁹ Pyidaungsu Hluttaw approves Bill Amending the Constitutional Tribunal Law –

<http://www.burmalibrary.org/docs14/NLM2012-11-21.pdf> (NLM) 21 November 2012 (p. 2)

¹⁰ Pyidaungsu Hluttaw holds eighth day session –

<http://www.burmalibrary.org/docs14/NLM2012-11-22.pdf> (NLM) 22 November 2012 (p. 2)

¹¹ Three laws abrogated, foreign investment law enacted –

<http://www.burmalibrary.org/docs14/NLM2012-11-23.pdf> (NLM) 23 November 2012 (p. 16)

The Ministry of Labour, Employment and Social Security is working on a new law that will protect the safety and health of workers. The government also plans to amend other labour laws in the country in accordance with the constitution, treaties and international standards. One of such laws is the 1951 Mills and Factories Act. The ministry's objectives are to maintain industrial peace; provide free employment services and skills training; conduct research on labour matters; ensure workers enjoy rights under labour laws; promote occupational safety, health, and social security; and participate in international labour affairs. Laws recently enacted by the new civilian government are: the Labour Organisation Law (2011), the Social Security Law (2012), and the Settlement of Labour Dispute Law (2012).¹²

KNU LEADERS MEET KAREN CIVIL SOCIETY TO DISCUSS PEACE TALKS

Leaders of the Karen National Union (KNU) leaders held a meeting with ethnic Karen civil society organizations (CSOs) in Yangon on 20 November to discuss the ongoing peace process between the KNU and the government, to ensure that various Karen groups are involved in the process. At the meeting, the Karen civil society groups also urged the KNU to heal recent rifts within its leadership and remain united.

About 60 participants from more than 10 different Karen organizations, including members of youth groups, politicians and religious leaders from inside Burma and abroad, met with KNU Joint-Secretary Daw Lay Mu, KNU Chairman for Mergui/Tavoy District Kwe Htoo Win and Htoo Htoo Lay, a former KNU leader.

During the meeting, representatives of Karen CSOs from Rangoon, Pegu (Bago) and Irrawaddy (Ayeyawaddy) divisions expressed their support for the peace talks and urged the inclusion of Karen from all backgrounds in the process. Some said the KNU peace talks should prioritize progress in political affairs over economic interests.

KNU chairman for Mergui/Tavoy Kwe Htoo Win told the meeting's participants that the KNU would continue to strive for self-determination for the Karen and a federal system of government that would allow a degree of political autonomy for the group. "But the KNU doesn't want to split from the country," he added.

The KNU Joint-Secretary Daw Lay Mu assured the CSOs that unrest among its top would not endanger the peace talks and said, that a code of conduct would be drawn up soon to serve as a set of guidelines for the behavior of government and rebel troops during the ceasefire.¹³

SHAN CONFERENCE EXPECTED TO BE A LIVELY AFFAIR

Some 150 Shan representatives from all over the country are expected to participate in the 3 day conference in Rangoon scheduled to take place from 26-28 November. Organizers of the meeting have circulated a 10-page questionnaire on several burning issues: politics, armed movements, community-based organizations, population census in 2014, education, drugs, Shans who have been assimilated, economy and social institutions. The following key questions included:

Key questions include:

- 8 states (Burma Proper as one constituent state) or 14 states/regions: which one will be more suitable for a genuine federation?
- Should Shan parties merge? What are the pros and cons?
- Should Shan armed movements merge?
- What should Shan armed movements, political parties, government and CBOs do to make sure that no Shan is deprived of the right of a Shan State citizen?

¹² Myanmar seeks better protection of workers – <http://elevenmyanmar.com/national/1378-myanmar-seeks-better-protection-of-workers> (Eleven Myanmar) 19 November 2012

¹³ KNU Leaders Meet Karen Civil Society to Discuss Peace Talks – <http://www.irrawaddy.org/archives/19456> (Irrawaddy) 21 November 2012

- Should Shan language, history and culture be used and taught in government-run schools?
- Who should take responsibility to promote Shan language, culture and values among Shans who have been assimilated?
- Should the people of Shan State have the right to be informed, consulted and to decide on investment and economic policies in Shan State?

Expected high profile participants to the event include Vice President Sai Mawk Kham, President's Office ministers U Aung Min and U Soe Thein, noted scholars Sai Aung Tun, Dr Sai Hsang Ai, Dr Sai Kham Lake, Dr Nang Hawm Lake, Hkun Htun Oo, Lt-Gen Hso Ten and Brig-Gen Pawng Kherh, among others.

The Trust building for Peace Conference, as the meeting is officially titled, is planned to be the first crucial step in the peace process, to be followed by state-level and union-level conferences.¹⁴

ANALYSIS

The Burmese reform process implemented by President Thein Sein since taking office in 2011, has received praise from those within the country as well as by the international community and governments across the globe. US President Obama's trip to Burma has been heralded as a landmark visit in promoting bilateral relations between the two countries, but furthermore play a key role in shaping the balance of power politics in the Asia region as a whole. Prior to the visit Burma's two immediate neighbors: China and India have adopted policies in engaging with the new government in Naypyitaw in their own respective ways. The US President's visit will not only give the Burmese government the much needed recognition but also the opportunity to counter-balance its relations with both China and India. It remains now to be seen, how the US will attempt to influence the changes in Burma and what the response from Naypyitaw will be. In the past, the Burmese people and the country have been isolated from the outside world for many decades and now it is attempting to re-enter the international community under the leadership of President Thein Sein. The task will not be easy nor can it be achieved overnight. However, early as it may be, the visit of Mr Obama could become crucial in the on-going political reform process taking shape and creating a catalyst in shaping Burma's future.

¹⁴ Shan conference expected to be a lively affair – http://www.english.panglong.org/index.php?option=com_content&view=article&id=5089:shan-conference-expected-to-be-a-lively-affair&catid=85:politics&Itemid=266 (S.H.A.N.) 21 November 2012