



**Republic of the Union of Myanmar**

**National Unity Government**

**BUDGET 2021/22**

**Protecting the lives and livelihoods of the people of Myanmar**

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## Glossary

<b>ASEAN:</b>	Association of Southeast Asian Nations
<b>CDM:</b>	Civil disobedience movement
<b>CRPH:</b>	Committee Representing the Pyidaungsu Hluttaw
<b>CSO:</b>	Civil society organisation
<b>EITI:</b>	Extractive Industries Transparency Initiative
<b>IDP:</b>	internally displaced persons
<b>NUG:</b>	National Unity Government
<b>PDF:</b>	People's defence force
<b>SME:</b>	small and medium enterprises

# 1. Introduction

This budget is a historic first budget of the National Unity Government, following a year of tumultuous and catastrophic change in our country brought on by the military junta. In delivering this budget statement, the National Unity government intends to present to our people and to friends of freedom around the world:

- an assessment of our economy and of the military's inability to arrest its unprecedented decline,
- a statement on the efforts by the National Unity Government (NUG) to provide humanitarian relief directly by the NUG and through our partners across the country,
- an enumeration of the NUG's priority initiatives — to support the Civil Disobedience Movement (CDM), to expand access to life-saving assistance to those most impacted by the military's actions, and to contain the spread of COVID-19 — which will be scaled up throughout this coming year, and
- a vision as to how the NUG's humanitarian efforts will support our people as they seek a return to peace, stability, and respect for the rule of law; as they set about rebuilding our country's economy; and as we together bring about a democracy that embraces and serves all of our people.

The release of this budget statement comes amid a period of chaos for people across Myanmar. Since 1 February 2021, the military has been solely responsible for creating a three-dimensional crisis – political turmoil and violence perpetrated by the military, an economy that has collapsed and remains paralysed, and the persistent threat posed by COVID-19.

The military is actively manipulating each element of this crisis for its own enrichment and in ways that are exacerbating suffering throughout the country. The military's only strategy is to wage a reign of terror. The military is failing and continues to fail in their attempt to break the people's will and govern by fear.

Against this backdrop, the people of Myanmar continue to stand alongside each other in solidarity. The people remain steadfast in their rejection of the military's attempts to destroy our country's future as part of their desperate efforts to preserve their own power and privilege.

The NUG shall address each element of Myanmar's present crisis in our role as the legitimate representatives of the democratic aspirations of the people of Myanmar. The NUG is working to reduce the harm suffered by those most impacted by the military's actions and to shift the economic cost of this attempted coup to the military and those who prop them up. Doing so will help to amplify our people's resistance and deliver change, as those across the country continue to deny the military and demand the return of legitimate government.

With the release of this budget statement, the NUG also reaffirms its commitment to a Federal Democratic Union - a fundamental basis for security and prosperity for all the people of Myanmar. Not only we are working to hasten the end of the military's role in political life, but with this budget statement, we are also working to prepare for the return to civilian rule.

The priorities that follow each aim to help our people and to turn their sacrifice for freedom into the basis for such a Federal Democratic Union.

## 2. The state of Myanmar's economy

The military's actions are responsible for an accelerating economic collapse. Already weakened by the COVID-19 pandemic — with downturns in exports, tourism, remittances and flows of public revenues — the upheaval precipitated by the attempted coup has become increasingly lethal.

Economies throughout the Asia-Pacific region are expected to recover throughout 2022 as vaccination programmes expand and as policies are put in place to support sustainable economic recovery. Myanmar is moving in the opposite direction.

The share of our population living in poverty has doubled. The World Bank now estimates that after contracting 18 per cent throughout the previous fiscal year, Myanmar can expect negligible growth of just 1 per cent between now and September 2022.

Lives and livelihoods are being destroyed by the military's failure to manage the affairs of state. The military council's policies are propping up cronies while diverting resources away from those most in need of support. Prospects for recovery are dim so long as the military clings to power. Their actions will undoubtedly become increasingly desperate and, in turn, destructive for people across Myanmar.

The stabilisation of the economy requires public trust, confidence, and competence. Over decades, and especially since the attempted coup, the military has proven unable to deliver these basic necessities of good government. Their privileged status and presence within state institutions has achieved nothing more than to trigger mass protest and public disgust.

It is also clear that the military cannot insulate itself from its failure to stabilise the economy. The Myanmar public has peacefully resisted the military through a prolonged boycott. Prominently, and to great effect, the public continues to reject the products and services of the military's now sanctioned holding companies, Myanma Economic Holdings Limited (MEHL) and Myanmar Economic Cooperation (MEC).

These boycotts are being strengthened by an initial set of international sanctions that have made it harder for the military to protect their economic interests and access global markets amid the country's broader economic collapse.

Most recently, global companies such as TotalEnergies, Chevron and Woodside have cited rampant human rights abuse and a deterioration in the rule of law since the attempted coup as reasons for their withdrawal. Clearly, it is no longer possible for many to sustain significant business interests while avoiding complicity in the regime's atrocities.

The Myanmar people are forcing the military to pay a significant price for attempting the coup, such as by their refusal to pay taxes bills and fees to the regime. Notably amongst these efforts has been the withholding of electricity bill payments costing the military over US\$1 billion in revenue since 1 February. Indeed, the military itself reports a 35% drop in tax earnings compared to the previous year.

Over 417,000 individuals have joined CDM by refusing to work under the military's direction as public sector employees. The premise is simple: as an illegal regime, the junta neither has the legitimacy nor competence to manage public finances and mobilise them for the public good. Any revenues accruing to the military will assuredly be used to bolster their illegitimate presence, such as through arms procurement, instead of being invested in services that the people urgently require.

This is why so many refuse to pay their electricity bills and taxes, often at significant personal risk. Across the country, farmers are refusing to repay agricultural loans to state-owned banks, as are CDM civil service personnel who received loans during the pandemic. Other prominent revenue sources have collapsed due to boycott campaigns, most notably

the *Aung Bar Lay* national lottery, which once generated tens of millions of dollars every year for state budgets.

As the military fails to establish control, the people of Myanmar are engaged in sustained sacrifice to stop the military from prolonging their campaign of violence. This is putting the military into a deep bind: they cannot finance a growing deficit and are unwilling to cut expenditure on their campaign of repression. Instead, they are diverting government resources away from public services and are increasingly unable to use fiscal policy to stabilise the macroeconomy.

### 3. Key achievements

The NUG is among the most inclusive coalitions ever formed in Myanmar. It represents the legally elected government and exists to support all the people of Myanmar irrespective of their ethnicity, age, sexuality, gender, or religion. This inclusive vision is laid out in a new Federal Democratic Charter.

The NUG is working to better represent communities across Myanmar, elevating human rights and dignity for those groups that have long been marginalised and oppressed by the military and the divisions sowed by their prolonged rule.

In delivering on its mission to restore legitimate government in Myanmar, the NUG's economic policy is composed of two overarching aims:

- first, to deny all economic resources to the military and military-controlled institutions by limiting their access to all financial flows, including tax revenues, contractual payments, debt, and any type of financial aid; this will degrade and destroy the military's machinery of oppression and control, and
- second, to support the Myanmar people as they continue their resistance to the military and withstand the deepening economic and humanitarian crises precipitated by the military's actions.

The ministries of the NUG work together to support those most impacted by the attempted coup. We are focused on assisting populations who have been displaced by the conflict and constituencies, such as women and youth, who are most frequently targeted by the military.

Despite the military blocking humanitarian aid supply routes, crippling the nation's banking system, seizing relief supplies, and attacking aid workers throughout 2021, the Ministry of

Humanitarian Affairs and Disaster Management has helped to mobilise 2.03 billion kyats of aid. This support includes:

- 762.6 million kyats spent on IDPs impacted by armed conflict,
- 842.3 million kyats in food aid for those most in need,
- 310.5 million kyats for other vulnerable groups and disaster-affected persons,
- 99.3 million kyats on assisting families of those arrested and killed; and injured,
- 10.6 million kyats to assist families affected by natural disasters in Mon, Kayin, Moegoke, Kachin and elsewhere; and
- 8.6 million kyats of assistance to differently abled persons.

This support has been provided to States and Regions across the country, with a particular concentration in those areas most impacted by conflict, including Kayin State, Karenni State, Sagaing Region and Chin State.

The Ministry of Women, Youth and Children's Affairs, the Ministry of Humanitarian Affairs and Disaster Management and the Ministry of Education have spent much of 2021 providing essential support to young people and other vulnerable groups impacted by the attempted coup.

Since August 2021, the Ministry of Women, Youth and Children's Affairs, in coordination with a network of peace-focused women's organisations, has supported pregnant and lactating women in IDP camps in Chin, Kachin Karenni, Kayin and Sagaing.

Support has been provided in the form of unconditional cash transfers typically valued between 30,000-43,000 kyats. This aid is most often used to procure basic hygiene products, food, clothing, and other essential items. While this support is limited, pregnant and lactating mothers who have often been forced to flee with few or no possessions have welcomed this small amount of money.

The Ministry of Education has successfully provided online and home-based learning programmes through Facebook, YouTube, and Telegram channels from its two offices in-country.

As part of the Ministry of Education's Interim Education Plan and in cooperation with township-based organisations and student unions, throughout 2021, these programmes reached some 14 million students in over 200 townships pursuing their studies in technical and vocational education and training and at basic and higher education institutions.

The Ministry of Health has developed an Interim Health Service Delivery Plan centred around Universal Health Coverage (UHC) and Federal Democratic Principles. Implementation of this plan aims to maintain the provision of people-centred health care while using public health as a bridge for peace. Affordable and accessible health services, including telemedicine, teleconsultations, and mobile health services, are also being provided to those in need by general practitioners and specialists.

Since mid-June, telemedicine services have responded to the COVID-19 third wave. From the onset of the third wave, Ministry of Health enlisted volunteers, medical officers, and students to serve as receptionists, linking those seeking medical advice with CDM doctors. Ministry of Health telemedicine services provided consultations for 400-500 callers daily during the third wave's peak. These telemedicine services were complemented by online knowledge sharing programmes and social media campaigns to enhance people's understanding of how best to manage outbreaks of COVID-19 within their homes and communities.

The Ministry of Health estimates that over 70,500 people across 225 of 330 townships in Myanmar have accessed the ministry's telemedicine services to date. We will continue to expand this programme, using the talents of many doctors participating in CDM.

A specific community-based COVID-19 management plan, including comprehensive evidence-based guidelines for disease prevention and treatment, has also been developed. This plan is predicated upon the use of innovative and resilient methods to empower local communities to navigate the risks posed by the present security situation in the country.

The Ministry of Health is now working with over 520 partner organisations – including charities, free online clinics and delivery services that provide medicine and food – to implement a plan of People-to-People support within communities. Evidence of success includes:

- Volunteer healthcare workers have been trained to provide healthcare in their communities and crisis situations,
- 13,700 CDM healthcare staff members have received direct financial support from the ministry, so they can continue to provide support to their communities, and
- As of mid-October, over 668,000,000 kyats has been spent on emergency healthcare, healthcare for IDPs and COVID-19 prevention. In addition to this direct financial support, the NUG has also mobilised many partners to provide complimentary assistance.

As the military-led health system implodes and collapses, the NUG is leveraging resources to empower CDM doctors and a range of other partners to help communities weather the military's many failures. We are structuring our support with an eye towards a future healthcare system predicated upon equity and social inclusion.

The NUG is committed to scaling up a 4-pillar programme of support to CDM participants centred around financial support, personal security, psychosocial counselling, and income generation initiatives. Our Spring Lottery programme will be used, in large part, to fund this 4-pillar support programme.

Psychosocial counselling has been provided to CDM participants from the onset of the crisis with plans to expand such services to ensure all those affected feel a sense of collective commitment and shared belonging within a broader network of individuals and organisations working to topple the junta. Further personal security initiatives have included assistance to CDM participants and IDPs seeking safe zones within liberated areas.

However, CDM participants and those involved in the resistance cannot survive on donations alone. Therefore, the NUG has launched a range of income generation initiatives aimed at sustaining popular resistance over the longer term. A range of NUG supported SMEs, small-scale farming, and the selling of local produce in markets continue to provide a vital and sustainable source of funding to NUG activities.

## 4. Budgetary priorities

Turning our thoughts toward the future, building upon the delivery of urgently needed support already underway, and ensuring the NUG's economic strategy forms the basis for a new political settlement, the activities prioritised within this budget statement covering the coming year are threefold:

- to provide humanitarian assistance to those who are engaging in disobedience as they continue to prevent the military from consolidating its rule,
- to extend support to those who are most harmed by the military's persecution — both through its direct actions and through its manipulation of Myanmar's economic and public health crises, and
- to mitigate the nationwide risks arising from the military's continued failure to establish control over the crucial functions of the state, particularly public health.

This humanitarian-oriented budget offers not just a mechanism for providing immediate support to the people of Myanmar. This budget also reflects a framework for delivering change. Our achievements to date are a testament to the new ways that our people are cooperating to overcome the legacy of the military's longstanding campaign to sow divisions throughout our society. This budget seeks to build upon their ingenuity and to support their resilience.

With this budget, we are, more than anything, setting out to save our future. We seek to stop the military's attempts to pillage our country's immense resources and stifle our immense potential. We will not allow the military to prop itself up by holding our people and their diverse traditions down. We categorically reject the military's zero-sum future.

With the priority expenditure categories presented in this budget, the work of the NUG is helping to lay the foundations upon which a new political system and a fairer economy will be built.

These priority expenditure categories also reflect our aspirations to provide vital services to all those who are at risk in this moment of crisis. It does so while remaining realistic about the constraints we face in delivering on these aspirations.

Our power is strong: it is derived from our people's will and the deepening coalition which brings our diverse traditions together to chart a shared future. Sharing our aspirations and commitments to everyone in Myanmar — and delivering support to all communities impacted by the military — will continue to bring us together around this shared vision.

At the same time, while our ability to deliver upon these aspirations grows day by day, we must also recognise that not all of our aims will be met immediately. Therefore, through the following programmes, we share what we hope to deliver to all of our people in this time of transition; we also highlight where our priorities lie given the urgent needs of particular communities and the constraints that limit our ability to support others directly.

#### **4.1. Support for the civil disobedience movement**

Myanmar's civil disobedience movement (CDM) is a peaceful nationwide campaign to resist the military junta. CDM began when civil servants refused to work under an illegal regime following the attempted coup. It has since become the bedrock of our Spring Revolution.

Hundreds of thousands of CDM civil service personnel continue to support the NUG and the people of Myanmar. It is imperative to the NUG that CDM civil service personnel be provided with humanitarian support as they continue their rejection of the military junta. By joining the CDM, civil service personnel take on tremendous risks. Over 300,000 have been dismissed or suspended from their posts, losing housing, salaries, and other benefits. Many thousands have been charged with violations of Section 505 of the Myanmar Penal Code, leaving them vulnerable to extended periods of arbitrary detention. Others have been tortured and killed by security forces while attempting to extend healthcare and other vital services to their neighbours and fellow country-people as a substitute for the failing regime. CDM participants continue to support the people while remaining resolute in refusing to collaborate with the military responsible for Myanmar's present catastrophe.

CDM demonstrates the will of the people and their immense power in preventing the military from consolidating its attempted coup. Their sacrifice is our revolution's clarion call for justice. It demonstrates the people's willingness to endure great hardship to ensure that Myanmar's dark past does not become an inescapable future.

CDM participants have varied needs. Different networks throughout Myanmar discreetly provide decentralised mechanisms to support those CDM participants who need it most. This must necessarily be so as CDM participants and their families are at constant risk of persecution by the junta forces.

Continuation of CDM even one year after the junta's coup attempt demonstrates that the military has no pathway toward effective control over the state. The NUG's support for CDM offers a reminder that the only pathway to legitimate government is one that runs through the will of the people and the public servants who are entrusted with the responsibility to provide healthcare, education, and other vital public services. The military cannot rule without a civil service. They cannot rebuild a state with their shrinking band of proxies; released criminals cannot replace experienced teachers, and soldiers cannot transform into trained doctors overnight.

We will continue to aid CDM participants through a discreet and decentralised response that is needed to minimise risk and maximise aid. A sizable portion of revenues from the NUG *Victorious Spring* lottery is being funnelled to these local networks, allowing them to extend immediate forms of assistance to those most in need. In addition, the NUG will work to fully compensate civil servants who are not now in need of urgent support but who have

sacrificed, nevertheless. This group of CDM participants will receive more support upon the restoration of legitimate government in Myanmar and the subsequent stabilisation of the flow of revenues to the state.

## **4.2. Support for communities most impacted by the military**

The attempted coup dashed the hopes and dreams of all of Myanmar's people. Our various ministries are working together to identify those most in need and mobilise our many partners' ingenuity to provide for them amid the security and financial constraints we all face. All of our ministries assume the urgent responsibility to extend help to those who have been most harmed by the military, by its brutal crackdown, and by its weaponisation of economic collapse and the pandemic.

### **4.2.1. Support to vulnerable and displaced populations**

The Ministry of Humanitarian Affairs and Disaster Management, Ministry of Women, Youth and Children's Affairs, the Ministry of Human Rights and Ministry of Education are mobilising a wide range of partners to help those who have left military-controlled territory and to provide discreet forms of support to those still within those areas.

A key to delivering change is a comprehensive support programme to welcome military defectors – a programme the NUG aims to expand. The People's Embrace Programme will continue to carefully relocate soldiers and their families upon defection. An essential element of this programme is an extended, year-long period of financial and housing assistance for the soldiers and their families. This is one of the NUG's many efforts to strengthen forms of resistance and rejection of the military; these efforts are adding up to make it clear that the military has no way to control the state and govern across the country.

To help protect those most impacted by the military's actions, the Ministry of Humanitarian Affairs and Disaster Management will continue to provide a standardised basket of aid to those displaced or severely affected by the military's crackdown. This package consists of 41,000 kyats each month, primarily to cover food costs. Temporary shelters will also be built for those displaced by conflict and arrived in liberated areas. For those who have faced other severe disruptions and disasters since the attempted coup, lump-sum payments of 100,000 kyats will also be available as a much-needed lifeline for those starting to rebuild.

We estimate that some 90,000 individuals require immediate support for food, which is being prioritised for delivery by the NUG and our partners. These populations will receive a standardised form of support, in the form of cash, that they can use to procure food and other essential goods.

The NUG has identified a further 210,000 individuals as having an urgent need for such support. With the help of our partners, the NUG's aims to coordinate and deliver this aid.

Ultimately over 6 million people in Myanmar are now food-insecure or facing a need for essential humanitarian support. It is likely that this need will only continue to grow.

Women, youth, and children have been made uniquely vulnerable by the military's actions. Myanmar cannot be considered safe for these groups while the military junta remains in power.

Over the coming 6-12 months, MOWYCA seeks to scale up existing support programmes by providing over 5,000 pregnant and lactating mothers living in IDP camps with a cash transfer of 100,000 kyats. The activity also seeks to expand coverage to include new IDP camp locations, such as camps in Magway Region and Yangon.

In addition, the NUG has identified particularly vulnerable communities that require additional assistance. This assistance will target schoolchildren, political prisoners, elderly populations, refugee women and CDM participants who are pregnant and need additional support.

#### **4.2.2. Human rights monitoring**

The Ministry of Human Rights will step-up programmes helping to identify those communities that the military's brutality has most harmed. As the ministry's documentation is a prerequisite for any future possibility of justice, the ministry will continue to provide the entirety of the NUG with an understanding of the communities that most require immediate support. In real-time, the ministry will identify those who have been victims of the military's violence and mobilise our resources and partners to extend support where it is possible.

#### **4.2.3. Education services delivery**

The Ministry of Education will expand its online and in-person education services throughout FY2021-22. Work will also continue developing a Federal Education Policy in

consultation and coordination with various stakeholders, including ethnic organisations, CSOs, student unions, township education boards, universities, and others.

#### **4.2.4. Electricity provision**

Myanmar has experienced repeated power outages since 1 February 2021. Electricity cuts have increased in frequency along with regular internet shutdowns and the broader crackdown on popular forms of online communication and blocks on social media platforms, including via a new Cybersecurity Law. Amid this attempt to keep our people apart, the NUG remains committed to providing affordable, reliable, and sustainable access to electricity and telecommunication networks for Myanmar's people.

In the coming months, the Ministry of Electricity and Energy will expand access to small- and medium-scale hydro and solar electricity via eco-hydro power projects, focusing on ethnic minority groups, PDFs living off-grid, those living in liberated areas, and other vulnerable groups. Ministry of Electricity and Energy expects to secure equipment and technology for a limited number of pilot projects with the expected total cost of 26 million kyats within the coming months and will expand to 10 projects over the entire year.

The Ministry of Electricity and Energy is also working to procure reliable portable generators and other mid-range energy solutions capable of generating power sufficient to supply communications equipment. These small- and medium-scale power projects will first be implemented in Karen and Kachin States and expanded throughout the year.

The Ministry of Electricity and Energy will also seek to procure three or more large generators with a 20-30kw capacity with the estimated cost of 48 million kyats capable of supplying electricity to small towns and villages for when the NUG can provide resources to newly liberated territories. The procurement of this technology will be critical to ensure the continued provision of medical services, the internet, and other vital services with the expectation that the military will continue to cut off power and communications as one of its weapons of war.

The Ministry of Electricity and Energy and Ministry of Natural Resources and Environmental Conservation, supported by the broader NUG, are also fully committed to facilitating Myanmar's sustainable energy transition and to implementing appropriate climate change mitigation measures upon the restoration of legitimate government in the country. The NUG is also fully committed to ensuring transparency concerning Myanmar's management of its

natural resources through its participation in the Extractable Industries Transparency Initiative (EITI) as just one credible example of the NUG's broader commitment to good governance upon the restoration of a legitimate government. These priorities are crucial to making our country more resilient to future shocks.

#### **4.2.5. Support for workers**

Facing military violence and worsening working conditions, the fallout from the attempted coup has struck Myanmar workers hard. Myanmar's labour market remains weak, while the right to decent work has been denied. Recent estimates suggest as many as 1.6 million jobs were lost in Myanmar throughout 2021. Losses in employment and working hours have disproportionately affected female workers, who accounted for an overwhelming majority of job losses in our garments, tourism, and hospitality sectors. Unscrupulous employers are reportedly collaborating with the junta, informing on trade union activists, and seeking to cripple the trade union movement. Despite these hardships, from unfair dismissal to unjust detention and even murder, Myanmar workers remain at the forefront of anti-military and pro-democracy campaigns.

To alleviate stresses faced by Myanmar workers, the Ministry of Labour will expand support to workers impacted by the attempted coup, beginning with a comprehensive needs assessment conducted in cooperation with Labour Unions and other activist groups. The Ministry of Labour will use survey findings to guide the provision of essential healthcare, financial support and other services to workers affected by the coup's economic fallout, the establishment of a Social Welfare Fund, and expansions to Myanmar's broader social security system.

The Ministry of Labour will also channel additional support to address the health and financial needs of workers participating in CDM.

#### **4.2.6. Strengthening local administration systems**

Throughout the coming year, the NUG will work with ethnic organisations and political parties to strengthen the capacity of township and village-level administrations, including People's Administration Bodies and Consultative Councils representing specific states, regions, or ethnic nationalities, to deliver justice and essential social services.

As the military continues to lose its grip over large swathes of our country, the NUG, together with our partners, will increase our ability to consolidate these territorial gains and establish stable, responsive, and inclusive local governance systems that are welcomed, not feared, to allow populations to return to their farms, and other forms of employment, and for their children to return to school.

### **4.3. Managing COVID-19 and other risks generated by the military's failure**

As the military furthers its campaign of repression, new threats are emerging that endanger the safety and wellbeing of Myanmar's people. COVID-19 is a stark and sobering example.

As the military-controlled public health system continues to fail, we are delivering alternative forms of support that circumvents restrictions and ensures continuity of medical services to all those who seek it. For instance, while the military has denied ill COVID-19 patients access to hospitals and life-saving oxygen tanks, doctors supporting the NUG are taking significant risks to substitute for the failing military council within their communities.

The NUG is working to extend support to those harmed by the illegal military and mitigate the growing risks created by the military's rule. This is not a simple task, but it is one for which we are responsible. The dangers of the military's failure do not only add up for the people of Myanmar. They are risks borne by the region and by all of those who have invested in health systems reform over the last decade.

While the most recent wave of COVID-19 has ebbed for the moment, our people's vulnerability to the pandemic remains. Without proper control mechanisms, testing and vaccination, the disease will spike again. Uncontrolled spread will not only punish the people of Myanmar, but it will also create risks of new variants and rampant spread for the region and the rest of the world. Myanmar's strategic location as a neighbour of two of the world's most populous countries with about three billion combined population only compounds the risk.

Before the attempted coup, Myanmar led ASEAN in vaccine deployment and was fully on track to achieve 50% vaccine coverage by the end of 2021. Despite various attempts, the military was unable to accomplish this goal. Given the military's lethal cocktail of inhumanity and incompetence, in early 2022, some 30 per cent of our population was fully vaccinated against COVID-19.

In recent months, the military has deliberately manufactured a shortage of oxygen and a breakdown in testing and tracing systems as they struggled to provide healthcare even for their own soldiers. The almost complete collapse of the healthcare system created a humanitarian disaster unparalleled in our region.

In response to COVID-19, and despite many obstacles, the NUG is working to confront this extraordinary challenge.

COVID-19 vaccine delivery has begun via pilot programmes in Karen, Karenni, Mon and Shan States, with frontline healthcare staff having received a first round dose and with second round doses currently being distributed. The NUG will ensure the delivery of further vaccines together with syringes, refrigerators, and related medical products.

We are working to prevent, mitigate and control the spread of the COVID-19 pandemic in Myanmar by engaging in close partnerships with ethnic health organisations (EHO) and a range of international actors. We also prioritise the delivery of vaccination to ethnic minorities, IDPs and other vulnerable groups that can be safely reached by the NUG and its network of partners. These efforts are being coordinated and overseen by the NUG's COVID-19 Taskforce, co-led by Dr Cynthia Maung, chair of the NUG's Ethnic Health Committee, and Dr Zaw Wai Soe, NUG's Minister of Health.

The NUG seeks to make vaccines available to over 20 per cent of Myanmar's people, with an initial focus on providing vaccines to those residing in liberated areas. The NUG also remains committed to working with UN agencies and other third parties to deliver vaccines safely and confidently to populations in military-controlled areas.

The NUG will also seek to strengthen its cooperation with international partners in procuring other COVID-related assistance and equipment necessary to roll out an effective, coordinated, and inclusive nationwide vaccination programme. This vaccination campaign represents over one-third of the proposed overall expenditure for NUG's priority humanitarian programmes.

The extension of vaccination is not enough to contain the virus or manage other growing public health threats. Since 1 February 2021, violent military abuse of healthcare workers has become commonplace. The military continues to attack those who attempt to provide healthcare services to the people, occupy hospitals, ransack clinics, and harass medical teaching staff. As a result, our entire healthcare system — already weakened by decades of underinvestment — is experiencing a profound collapse.

The NUG is deeply grateful to the thousands of healthcare workers who, fearing that military rule would wipe away hard-won achievements over the past five years, took to the streets to lead the protest against the military. These brave men and women have maintained their commitment to our revolution, risking their livelihoods and safety to serve the people of Myanmar. The NUG is committed to supporting our nation's healthcare workers, including those participating in CDM, as they continue to provide charitable and low-cost services in their communities.

The NUG will also expand implementation of the Interim Health Service Delivery Plan:

- to ensure children receive necessary vaccinations to guard against the outbreak of other diseases in the country and to provide other primary healthcare and curative services across most vulnerable communities,
- to rescue those injured by the military during the ongoing crisis, with the provision of medical care, emergency health services and medic teams in a conflict-affected setting, and
- to oversee and execute the long-term injured patient care plan in consultation with CDM healthcare providers at temporary hospitals.

## 5. Security and defence

The junta only exists to perpetuate its illegal, undemocratic, predatory, and violent rule and for no other purpose. On 7 September 2021, the NUG stated that the time had come to undertake a defensive war against the oppressive military council to end the military's brutality once and for all.

The junta's soldiers have been blinded to Myanmar's current reality. Years of physical, psychological, and economic abuse have resulted in a poorly educated military, poorly paid, malnourished, and lacking in discipline. They have resorted to being a hostile occupational force against Myanmar's own people; ultimately, they will never prevail against the people's will.

To ensure all People's Defence Force (PDFs) maintain strict operational discipline, the Ministry of Defence has issued and widely disseminated a Military Code of Conduct to People's Defence Forces, entirely in keeping with the Geneva Conventions covering the laws of armed conflict, the treatment of prisoners of war and civilians, including women and children. Furthermore, the NUG has fully accepted the jurisdiction of the International

Criminal Court (ICC). All actors in Myanmar may now be held accountable for their actions under the Rome Statute.

The NUG and Committee Representing Pyidaungsu Hluttaw (CRPH) have together received over US\$ 17m in donations earmarked for training PDF in defensive tactics. However, while the NUG remains fully committed to making radical improvements in budget transparency – including a commitment to much greater transparency regarding defence and security spending – during this period of revolution and to protect PDF members and their supporters, the NUG has adopted a temporary policy of strategic silence.

Public financial management policies and procedures have been specifically designed to ensure all funds dedicated for humanitarian purposes shall sit separately from those used for security and defence. Section 30 of the NUG Union Tax Law 2021 specifically prohibits the use of taxes collected by the NUG for any purpose other than humanitarian assistance, clarifying that:

*'In spending the revenue raised through voluntary participation of the taxpaying public, the Government shall prioritise expenditures on health, education, social welfare, welfare of the older people and children, and humanitarian assistance so as to mitigate the devastation brought on the people by the effects of the coronavirus disease 2019 (COVID-19) and by the actions of the illegal military council.'*

## 6. Call for international support

The NUG understands that these various humanitarian support programmes will only meet a small part of our population's growing needs. Price levels are rising, and the collapse of the kyat is driving up the cost of imports relied upon by our people to ensure adequate food supply.

The contraction of credit and the rising cost of imports has led to significant food shortages now that the monsoon season is over. Household incomes are collapsing at the same time, due in part to the shutdowns imposed after the military failed to contain COVID-19. Unemployment is surging as uncertainty stunts investment and demand for exports. Conflict is increasing, and the military frequently intervenes to weaponise aid and divert it from those displaced persons most in need.

By now, it is clear that the urgent humanitarian needs of our people will continue to grow until the military has left politics altogether.

The NUG calls upon the international community to support our response to our population's rapidly growing need and to follow the example set by the people of Myanmar, who have a strong tradition of generosity and mutual aid to manage the worst impacts of the crisis. And this is ultimately our population's greatest reason for demanding a new political settlement: the military has a long history where its incompetence and contempt for the people feed off each other, leading to disaster for those they are meant to protect. The NUG can respond to some of the people's needs and organise the limited resources of our partners to maximise aid amid the constraints we face. Still, nobody can stop the growth of humanitarian needs so long as the military continues with its persecution of our people.

## 7. A new future for Myanmar: from aspirations to reality

General-purpose funds extended to support the NUG's humanitarian work will be divided between these pillars of our work: extending humanitarian aid to CDM participants; providing life-saving support to those most impacted by the military; and mitigating the risks of military's destruction of the country's system of public health and other key institutions of governance. We anticipate that needs will change quickly in the coming year, so the relative allocation across the programmes within each pillar of expenditure will also change with the circumstances.

We seek to guarantee a basic level of protection to all of our people: from the pandemic, the harms of the military, and the risks they bear in continuing their resistance. Our aspirations show how we will support the people as this moment of transition continues. Our priorities reflect our commitment to all of Myanmar's people and to building the foundations for a more stable, prosperous, and inclusive Myanmar. And as more resources become available, each of our ongoing programmes will be scaled up to meet our overall aims to protect everyone in Myanmar from the military and, in doing so, to create the conditions out of which a new political system can emerge.

While the exact needs and possibilities for meeting those needs will change over the following months, the pathway toward realising change is clear. The people remain at the forefront of the resistance. They have rejected the military since 1 February and have brought the military to a state of critical fragility. The people, therefore, need continued humanitarian support as they further strain the military and shut off their pathways to

control. This is but one reason why our humanitarian budget is crucial to our overall vision of change.

The people of Myanmar also require further support in realising this strategy: to continue to prevent the military from consolidating power and to raising the costs borne by those who continue to support the military. Once the military's network of patronage collapses, it will lack a pathway to power and lose the resources it needs to sustain its persecution of our people. This is the pathway from a stalemate of attrition to victory.

To this end, we call for

- a boycott of products with rare earth metals and other Myanmar resources insofar as it cannot be proven that materials commonly from Myanmar were not sourced from the country
- a boycott and additional pressures on international financial institutions that continue to facilitate the military's access to global markets, particularly those that help to remit funds to the military from the sale of the country's natural gas and other resources.
- all fiscal and contractual payments to be diverted from the military-controlled institutions and put into protected accounts until a rightful government is restored — payments to the military do not discharge payments to the legitimate government of Myanmar, which collects payments on behalf of the people of Myanmar.

We also reiterate our decree that all credit extended to the military or to any of its proxies will not be honoured by the NUG or any successor governments.

The military has demonstrated they have no means or wherewithal to protect the interests of anyone who seeks a stable and prosperous Myanmar. Weapons cannot stop the exodus of capital, nor can rule-by-fiat impose the restoration of trust. The military's toolkit for governance centres upon rule by deepening chaos and destroying the basis for a stable and prosperous Myanmar.

The economy is collapsing, and the humanitarian crisis is spreading. This catastrophe will deepen for as long as the military tries to turn its brutality into control over the state and the people.

We, therefore, end with a call to the friends of freedom across the world —

- work with us in delivering our humanitarian budget

- help us to channel the impacts of this crisis away from those most vulnerable
- use the tools you have to punish the military and its allies who are responsible for the crisis and
- enforce the arms embargo that the United Nations General Assembly has agreed to pursue.

Freedom and justice appear to be under assault in today's world. To paraphrase the Rev. Dr Martin Luther King Jr, assault on freedom and justice anywhere is assault on freedom and justice everywhere. As the people of Myanmar sacrifice their lives and livelihoods in seeking to overturn decades of military oppression and exploitation and lay down the foundations of a new and inclusive federal democratic union for the benefit of all the peoples of Myanmar, we expect our friends to stand with us and work with us. The history is on our side.