

January 11, 2016

Diane Miller
President & CEO
Blue Moon Fund
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Charlottesville, VA 22902
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Letter of concern from civil society organizations in in Myanmar affected by Blue Moon support

Dear Diane Miller,

This letter is to complain about the support that the Blue Moon Fund is providing to a bilateral dialogue on timber trade and industry investment between the governments of China and Myanmar, which has not included the voices of those who would be most affected, contributing to conflict in these areas, and would ultimately benefit the Myanmar Timber Enterprise (MTE), an organization on the US US's Specially Designated Nationals List (SDL).

We are a group of civil society organizations representing communities and areas affected by Chinese involvement in the cross-border timber trade between Myanmar and China, as well as Chinese investments on lands which are under dispute between the Myanmar military-government and non-state armed groups, in particular the Kachin Independence Organization (KIO).

Over the past year, we have become aware of the Blue Moon Fund's financing of the coordination of a bilateral dialogue between the Government of China and the Government of Myanmar, which is said to have the objective to help define the legality of the Sino-Myanmar cross-border timber trade.

We are very concerned about the nature of these non-transparent bilateral dialogues, which have been facilitated by the Chinese NGO Global Environment Institute (GEI). We, as affected and concerned civil society in Myanmar, have not been consulted, even though the discussions are of great importance for people living in and around forests and who rely on their resources in Myanmar. We have been informed their have been closed door meetings, however no one representing civil society has been invited as far as we are aware, which is counter to the spirit of political transition well underway in Myanmar.

We understand now that there is a draft Memorandum of Understanding (MoU), with provisions related to Chinese investment zones in timber processing and investment in "timber parks" (i.e., plantations). Both of these issues are of great concern to the citizens of Myanmar, especially those residing and working in northern Myanmar.

- 1. Chinese investment in processing on the Myanmar side of the border may help Chinese traders comply with Myanmar's log export ban by converting the logs into semi-processed material. But there are still many aspects of legality that are being ignored, such as customary rights to resources and land, and contested authority over those resources between Union of Myanmar Government and ethnic armed groups.
- Chinese investment in development projects has a history of land grabbing, and there is
  great concern that timber processing zones, and especially any "timber parks", will
  further lead to land grabs and thus exacerbate problems leading to greater tenure
  insecurity.

We appeal to the benefactors and managers of the Blue Moon Fund to consider our concerns, and open a dialogue with us to ensure that the Blue Moon Fund does not inadvertently contribute to the furthering of local communities' grievances caused by the inequity of natural resource management in the conflict zones of Myanmar. Regional examples of multistakeholder deliberation and negotiation such as those that occurred during the development of the Indonesian SLVK timber legality assurance system serves as an effective example for achieving governance reforms in an inclusive manner.

Inequities over natural resources have driven conflict in the region and have the potential to undermine the peace agreement process in Myanmar, setting us further back rather than moving forward.

We are copying the US Department of State (DOS), as this funding is facilitating a dialogue that involved the Myanmar Timber Enterprise (MTE), who will greatly benefit from this trade and who is still on the DOS's sanctions list (DSN) for links to the military.

We look forward to your positive response and a more open dialogue.

On behalf of endorsed organisations and networks

Sincerely,

Khon Ja

Kachin Peace Network

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CC:

- · Minister of Ministry of Environmental Conservation and Forestry, Union of Myanmar
- Director General, Department of Forestry, Union of Myanmar
- U.S. Ambassador to Myanmar

## **Endorsed Organisations and Networks**

- 1. Kachin Development Networking Group (KDNG)
- 2. Women's League of Burma (WLB)
- 3. Transparency and Accountability Network Kachin State (TANKS) (25 member organizations)
- 4. SHINGNIP Legal Aid Network
- 5. Burma Partnership
- 6. DEMO
- 7. All Shan St Shin Thantate Students Union (ရှမ်းပြည်နယ်လုံးဆိုင်ရာ ကျောင်းသားသမဂ္ဂ)
- 8. Shan Youth Organization Pin Laung
- 9. Shan Youth Organization Taunggyi
- 10. Southern Shan State youth network (ရှမ်းပြည်နယ်တောင်ပိုင်းလူငယ်ကွန်ယက်)
- 11. Shan youth Yangon.
- 12. NCERD, N' Centre for Education and Research Development
- 13. Genuine People's Servants GPS
- 14. Civil Authorize Negotiate Organization (C.A.N-Org),
- 15. Parents, Families and Friends of Lesbians and Gays Myanmar (PFLAG-MYANMAR)

- 16. Youth Circle
- 17. Land and Environment Conservation Group- Kutkai (မြေယာနှင့် ပတ်ဝန်းကျင် ထိန်းသိမ်းရေးအဖွဲ့ - ကွတ်ခိုင်)
- 18. Kachin Youth Organisation (KYO)
- 19. Another Development
- 20. 8888 Generation Peace and Open Society-Myeik (၈၈ မျိုးဆက်ငြိမ်းချမ်းရေး နှင့်ပွင့်လင်းလူအ့ဖွဲ့စည်း- မြိတ်)
- 21. Labour Right Defenders and Promoters (အလုပ်သမားအခွင့်ရေးကာကွယ်မြင့်တင်သူများ အဖွဲ့)
- 22. Pyo Khin Thit (Ma-U-Bin)
- 23. The Seagull: Human Rights, Peace & Development
- 24. Wunpawng Ninghtoi
- 25. Green Rights Organisation
- 26. Mong Pan Youth Association
- 27. CKYY Catholic Kachin Youth, Yangon
- 28. Union of Karenni State Youth
- 29. Shan Human Rights Foundation
- 30. Action Based Community Development (လူထုအခြေပြု ဖွံ့ဖြိုးတိုးတက်ရေး လုပ်ငန်းများအဖွဲ့)
- 31. 88-Rakhine Generation for Social Development (၈၈-ရခိုင်မျိုးဆက်များ လူမှုဖွံ့ဖြိုးရေးအဖွဲ့)
- 32. Myanmar Lawyers Network,
- 33. Upper Myanmar Lawyers Network
- 34. Mandalay Peacekeeping Committee
- 35. Association of Human Rights Defenders and Promoters- HRDP
- 36. Ta'ang students and Youth Union-TSYU
- 37. Kachin Peace Network
- 38. Twantay Network
- 39. Peace & Open Society (Kyaukse Township)
- 40. Myanmar China Pipeline Watch Committee
- 41. MATA (Mdy Working Group)
- 42. Youth pace maker organization
- 43. Forum for Democracy in Burma
- 44. Action Committee for Democracy Development
- 45. Colors Rainbow
- 46. Tampadipa
- 47. CWK (Community Work for Kachin)
- 48. MATA (Ayeyarwaddy Working Group)
- 49. Green Network Sustainable Environment Group Magway
- 50. Hands of Unity Group Magway
- 51. ME Community Development Center Magway
- 52. Ayar West Development Organization Min Bu
- 53. Social Care Volunteer Group Magway
- 54. Organic Agro and Farmer Affair Development Group Pwint Phyu
- 55. Natural Sever Community Pwint Phyu
- 56. Myaing Youth Development Organization Myaing
- 57. Farmer Right & Development Organization Magway

- 58. Farmers Union Magway
- 59. Kyauk Htap Community Library Min Hla
- 60. Social Care Volunteer Group Magway
- 61. Magway EITI Watch Group
- 62. Lan Pya Kyel : Seik Phyu (လမ်းပြကြယ်အဖွဲ့ ဆိပ်ဖြူ)
- 63. Green Future Ye Nan Chaung
- 64. Shwe Ye Nanthar Workers Group: Ye Nan Chaung (ရွှေရေနံ့သာအလုပ်သမားအဖွဲ ရေနံချောင်း)
- 65. Guardian Network Pakkukku
- 66. ပညာပါရမီစာကြည့်တိုက် Magway
- 67. Mintae Village Development Group Pwint Phyu
- 68. Mount Pone Taung/ Pone Myar Watch Group Htee Lin (ပုံတောင်/ပုံညာ စောင့်ကြည့်အဖွဲ -ထီးလင်း)
- 69. Youth Gardner Group -Taung Twin တောင်တွင်း
- 70. Karen River Watch
- 71. Northern Shan State Reginal Civill Society Network
- 72. KGG Network
- 73. Green and Clean Project, Mandalay
- 74. လူထုအခြေပြုဥပဒေကူညီမှုကွန်ရက် The PLAN: Public Legal Aid Network
- 75. Dawei Lawyer Group (DLG)
- 76. Dawei Lawyer Network
- 77. Dawei Probono Lawyer Network (DPLN)
- 78. Myanmar People Alliance (MPA) မြန်မာလူထုမဟာမိတ်
- 79. Metta Development Foundation
- 80. Thuriya Sandra Environmentalists
- 81. BadeiDha Moe Civil Society Organization
- 82. Ledo Network (Shing Bwi Yang)
- 83. Kachin Relief Fund
- 84. Kachin Community- UK
- 85. Kachin Women Peace Network
- 86. Patkai Network Pangsau
- 87. Shwechinthae Social Service Group (shwebo)
- 88. Humanity Institute (HI)
- 89. Sha-it Social Development Organisation
- 90. Banmaw CSOs Network
- 91. Uak Thon Social Development
- 92. Mingalar Foundation(Wai maw)
- 93. CHAD
- 94. Loi Yang Bum Community Development
- 95. Htoi San Local Development Organization
- 96. Myusha Social Development Society
- 97. Kachin State Farmers' Network (KSFN)
- 98. Justice and Peace Commission (Catholic Bishop Conference Myanmar)
- 99. Yangon Kachin Baptist Youth

- 100. Tavoyan Women's Union
- 101. Myanmar Youth Social and Education Local Focus (MYSELF)
- 102. Pan Pyo Let Youth Centre ပန်းပျို းလက်လူငယ်စင်တာ
- 103. Poet Lovers Association ကဗျာချစ်သူများ အသင်း
- 104. Peace Machine
- 105. Independent Youth For Change
- MasterPeace Myanmar Club
- 107. Cry for Peace ငြိမ်းချမ်းရေးရှိုက်သံ
- 108. Karuna Spectrum ဂရုကာရောင်စဉ်တန်းများ
- 109. Golden Generations
- 110. Renovator Youth Network
- 111. Land Core Group
- 112. Arakan Rivers Network(ARN) and
- 113. All Arakan Students' & Youths' Congress(AASYC)
- 114. Rhododendron Integrated Development(RID)
- 115. Rhododendron Famers Association(RFA)
- 116. K'cho Indigenous Association (KIA)
- 117. Farmers And Landworkers Union (Myanmar)
- 118. သဘာဝပတ်ဝန်းကျင်ထိမ်းသိမ်း ကာကွယ်စောင့်ရှောက်ရေးနှင့် တောင်သူလယ်သမားရေးရာ ကော်မတီ (ရှမ်းပြည)်
- 119. Legal Equality In Myanmar Organization (LEIMO)
- 120. Peace and Justice Law Firm and Legal Aid Center
- 121. Resource Rights for the Indigenous People (RRTiP) (Naga)
- 122. Karen Human Rights Group
- 123. EcoDev
- 124. Kachin Women Union
- 125. BRIDGE
- 126. Kachin Lawyer Group(KLG)
- 127. Namkyie Parahita Foundation
- 128. Organic Farming Group Pantanaw (သဘာဝ လယ်သမားများအဖွဲ့ ပန်းတနော်)
- 129. Human Rights Foundation of Monland (HURFOM)
- 130. Network for Human Rights Documentation-Burma (ND-Burma) လူ့အခွင့်အရေး မှတ်တမ်းကွန်ရက် (မြန်မာနိုင်ငံ)
- 131. Network for Democracy and Development (NDD)
- 132. Yaung Chi Oo Workers Association (YCOWA) ရောင်ခြည်ဦးအလုပ်သမားများအဖွဲ့
- 133. Mae Tao Clinic (MTC)
- 134. Burma Medical Association (BMA)
- 135. Back Pack Health Workers Team (BPHWT)
- 136. Free Thinkers
- 137. Kachin State Conservation Working Group KCWG
- 138. Wimutti Volunteer Group (WVG)
- 139. Educational Initiatives Burma
- 140. Kachin Women's Association Thailand (KWAT)
- 141. Ngahpe Youth Network