



Myanmar Institute of Strategic and International Studies (MISIS)

Background Paper on Myanmar's Peace Process and  
China's involvement in the Peace Process

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## Background Paper on Myanmar's Peace Process and China's involvement in Myanmar's Peace Process

The peace process is an important mission of every successive Myanmar government since 2011. It can be regarded as a major gateway to lead the country to become a democratic federal state where everlasting peace is achieved and livelihood of every citizens is guaranteed. However, Myanmar's peace process is not similar to any other peace attempts in the world. It will be a very long and complicated process till eternal peace is achieved. In this paper, background information about the current peace process is discussed together with the role of China's involvement in the peace process.

With the result of the 2010 election, President U Thein Sein's Union Solidarity and Development Party (USDP) came into power and brought series of significant reforms in the country. Out of which, the peace process is the most significant attempt of the quasi-military government. Ethnic Armed Organizations (EAOs), indeed, were approached in various ways under different Myanmar governments. However, those peace attempts before the democratization reforms in 2011 were made only bilaterally between respective EAOs and the military (Tatmadaw). Unlike the previous bilateral attempts, the USDP government introduced a new way of peace process on a nationwide scale by inviting a large number of EAOs multilaterally to a negotiation table. These nationwide scale negotiations between the government and the majority groups of EAOs resulted in a single document called **Nationwide Ceasefire Agreement (NCA)**. The ultimate goal of the government is to bring all concerning parties to this comprehensive agreement which would lead to the Union Peace Accord (UPA). Then, the reformed democratic federal union will be constructed along with the agreements in the Union Peace Accord.

## 1. Formation of systematic organizations and their functions

In order to negotiate with the EAOs, the government formed the 11-member Union Peace Coordination Committee (UPCC) led by President U Thein Sein and the 52-member Union Peace Working Committee (UPWC) led by Vice President U Sai Mouk Kham. In reality, the UPWC mainly ran the actual negotiations. Moreover, in order to assist the peace negotiations, the government formed Myanmar Peace Centre (MPC) led by Minister of President's Office, U Aung Min on November 13, 2012. MPC assisted main negotiations as well as the UPWC, and prepared reports for the President's Office. It also functioned as a platform for third parties such as various civil society organizations to involve in the peace process.

On the EAOs side, in 2011, seven EAOs formed a coalition group namely **United Nationalities Federal Council (UNFC)** with the aim of assisting peace talks with the government. In 2013, **Nationwide Ceasefire Coordination Team (NCCT)** was formed by the UNFC and several other EAOs with a total of 16 groups in Laiza, Kachin State.

The very first negotiation between the UPWC and NCCT took place in November 2013 and after successive negotiations for two years, the draft on Nationwide Ceasefire Agreement (NCA) was signed. As most members of the NCCT lacked authority to sign the final agreement, they referred to the top level of EAOs leaders and replaced the NCCT with the formation of the **“Senior Delegation-SD”** with high level representatives from 17 EAOs (16 members of NCCT+ ABSDF).

When the USDP government invited them to sign the NCA, the government left six members of the NCCT and this led to debates on *“all-inclusiveness”* in the peace process. Due to this failure to include all groups in the peace process, only **eight EAOs signed the Nationwide Ceasefire Agreement on October 15, 2015**. The USDP government held the **“First Union Peace Conference”** from January 12 to 16, 2016 in Nay Pyi Taw.

With the smooth transfer of power in March 2016 which is the result of the landslide victory in 2015 general election, the new NLD government set the national reconciliation at the top priority. The NLD's way in handling the peace process shaped new dimensions. The most significant change the government brought to the peace process was on organizations. The Myanmar Peace Centre (MPC) was renamed as the **National Reconciliation for Peace Centre (NRPC)** on July 11, 2016. The government also established Joint Implementation Coordination Meeting (JICM), Union Peace Dialogue Joint Committee (UPDJC) and Joint Ceasefire Monitoring Committee (JMC) according to section 7 of the NCA.

### *JICM*

Joint Implementation Coordination Meeting (JICM) was organized to hold a **coordination meeting** between the government and the signed EAOs to successfully implement the terms agreed in the NCA. JICM can be regarded as the most important top-level mechanism of the peace process as it is composed of high-level delegations from the government, military and EAOs. It can give high level decisions on coordinating matters that cannot be solved at the subordinate committees, and on challenges or disagreements that arise in implementing the commitments made under NCA. There are currently 16 members in the JICM, divided equally into 8 high level representatives of the government side and 8 high level representatives of the EAOs side. It is also tasked to establish the Joint Monitoring Committee-JMC and the Union Peace Dialogue Joint Committee-UPDJC and other necessary committees as stipulated in the NCA.

### *JMC*

JMC was established by the JICM is to undertake the ceasefire monitoring mechanism between the Tatmadaw and signatory EAOs. The committee is also

responsible for solving violation issues through collaborative negotiations. Under the JMC-Union (JMC-U), state and regional level monitoring committees JMC-State (JMC-S) and local level monitoring committees JMC-Local (JMC-L) are formed to monitor in specific areas. Representatives from Tatmadaw, EAOs and civilians comprise in JMC-U. Currently, JMC-S are established in two regions – Tanintharyi Region, Bago Region – and three states – Kayin State, Shan State and Mon State. Two JMC-L are located in Khalan in Shan State and Hpapun in Kayin State.

### *UPDJC*

UPDJC established by the JICM is responsible for the preparation of the 21<sup>st</sup> Century Panglong Conferences through arranging political dialogues. A secretariat committee and four other working committees (Political, Social, Economic and Security) are formed under UPDJC. The UPDJC and its subordinate committees are comprised of representatives from the government, Parliament, Military, EAOs and also from elected political parties.

### **Union Peace Accord**

The NLD government held the Union Peace Conference in the name of “the 21<sup>st</sup> Century Panglong Conference” on August 31, 2016 where all the EAOs including non-signatory ones attended. Successively, the Second 21st Century Panglong Conference was held from May 24 to 27, 2017 and **Union Peace Accord Part-1** with 37 agreements – 12 agreements in political sector, 11 agreements in economic sector, 4 agreements in social sector and 10 agreements in land and environment sector – was concluded.

A very significant improvement under the NLD government was the broadening of the NCA umbrella with the signing of the New Mon State Party (NMSP) and the Lahu Democratic Union (LDU) to NCA on 13th February 2018. In the same year, the Third 21<sup>st</sup> Century Panglong Conference was successfully held

on July 11 to 16. The conference resulted in concluding the **Union Peace Accord Part-2** with four agreements in political sector, one agreement in economic sector, seven agreements in social sector and two agreements in land and environment sector respectively which make a total of 14 agreements. After that and till now, the Fourth Panglong Conference is long overdue. Although the 18th meeting of the UPDJC in March 2020 planned to hold the Fourth 21<sup>st</sup> Century Panglong Conference in the first four months of 2020, it was however postponed due to the outbreak of Coronavirus Pandemic. The current peace process has so far achieved **51 fundamental democratic federal principles in the Union Peace Accord** and there are still many issues to be debated and solved through tough negotiations among the parties involved.

## 2. Understanding the EAOs

Among the UNFC members, a divide between the NCA-signatory members and NCA-non signatory members arose. USDP government's banning of six NCCT members to join the NCA in 2015 led to discriminations between the EAOs. With the debate on all-inclusiveness, some major groups like Kachin Independent Organization (KIO) refused to sign the NCA and resulted in signing of only eight EAOs initially.

With the joining of LDU and NMSP to NCA in 2018, there are 10 groups of EAOs in total that have signed the NCA agreement. Consequently, these 10 EAOs formed the **Peace Process Steering Team (PPST)** with the aim of achieving an everlasting union peace. This group can also be called *NCA-S EAOs* and the representatives from this group include in the committees of JICM, UPDJC and JMC. However, it has been criticized that these 10 NCA signatory groups amount to only 20% of all the total forces of ethnic armed organizations existing nationwide.

The List of the NCA Signed EAOs and their membership in respective EAOs Groups

1	Karen National Union (KNU)	NCA Signatory	UNFC member (suspended in 2015)	NCCT member
2	Lahu Democratic Organization (LDU)	NCA signatory	UNFC member	NCCT member
3	New Mon State Party(NMSP)	NCA Signatory	UNFC member	NCCT member
4	Chin National Front (CNF)	NCA Signatory	UNFC member (suspended in 2015)	NCCT member
5	Pa-O National Liberation Organization (PNLO)	NCA Signatory	UNFC member (suspended in 2015)	NCCT member
6	Arakan Liberation Party (ALP)	NCA signatory	UNFC member	NCCT member
7	Karen National Union/ Karen National Liberation Army Peace Council	NCA Signatory		NCCT member
8	Democratic Karen Benevolent Army (DKBA)	NCA Signatory		
9	Restoration Council of Shan State/ Shan State Army (South) (RCSS/SSA)	NCA Signatory		
10	All Burma Student's Democratic Front (ABSDF)	NCA Signatory		

Source: မောင်မောင်စိုး(၂၀၁၇). မြောက်ပိုင်းစစ်ပွဲနှင့်မြန်မာပြည်ငြိမ်းချမ်းရေး

[https://www.ncaseao.org/nca\\_members](https://www.ncaseao.org/nca_members)

<https://ispmyanmarpeacedesk.com/actors/>

On the other hand, AA, TNLA, MNDAA and KIO formed as the **Northern Alliance Group** and continue to have severe clashes with Tatmadaw until now. The Northern Alliance, together with UWSA, NDAA and SSPP/SSA formed an allied group in 2017 named **Federal Political Negotiation and Consultative Committee (FPNCC)** and they continued to have clashes with the Tatmadaw. The clashes sometimes are not only against Tatmadaw but also against each other within the allied group. As an example, TNLA and SSA had clashes in December 2017 and May 2018 primarily due to territorial disputes. In recent years, there is a sharp increase in severe military clashes between AA and Tatmadaw in Rakhine State and Chin State affecting thousands of local people to become Internally Displaced Persons (IDPs). Hence, in March 2020, the government officially declared the Arakan Army (AA) as a terrorist group and unlawful association with the 1908 Unlawful Association Act. This blew away the possibility of Northern Alliance groups to join the NCA path and the hope for nationwide peace is likely to be threatened while severe clashes between the AA and Tatmadaw are still ongoing. However, the Peace Commission (PC) formed by the new government is obliged to negotiate with the **NCA non-signatory EAOs (NCA-NS EAOs)** by opening the door to participate in the 21<sup>st</sup> Century Panglong Conference.

**The List of the NCA- NS EAOs and their membership in respective EAOs Groups**

1	Wa National Organization (WNO)	NCA Non-signatory	UNFC member (resigned in 2017)	NCCT member
2	Karenni National Progressive Party (KNPP)	NCA Non-signatory	UNFC member	NCCT member
3	Arakan National Council (ANC)/ Arakan Army (AA)	NCA Non-signatory	UNFC/FPNCC member	NCCT member
4	Shan State Progress Party/ Shan State Army (North) (SSPP/SSA)	NCA Non-signatory	UNFC/ FPNCC member	
5	Kachin Independence Army (KIO)	NCA Non-signatory	FPNCC member (quit UNFC and joined FPNCC)	
6	Myanmar National Democratic Alliance Army (MNDAA)	NCA Non-signatory	FPNCC member (quit UNFC and joined FPNCC)	
7	Ta'ang National Liberation Army (TNLA)	NCA Non-signatory	FPNCC member (quit UNFC and joined FPNCC)	
8	National Democratic Alliance Army (NDAA)	NCA Non-signatory	FPNCC member	
9	United Wa State Army (UWSA)	NCA Non-signatory	FPNCC leader	
10	National Socialist Council of Nagaland -Khaplang (NSCN-K)	NCA Non-signatory		

Source: မောင်မောင်စိုး(၂၀၁၇). မြောက်ပိုင်းစစ်ပွဲနှင့်မြန်မာပြည်ငြိမ်းချမ်းရေး

<https://www.mmpeacemonitor.org/1505>

<https://ispmyanmarpeacedesk.com/actors/>

## Major challenges to peace process

The ongoing peace process is deadlocked by challenging factors such as disagreements in political and security sectors, the trust issues, debates over “non-secession” and the weaknesses of JMC. Disagreements between the Tatmadaw-proposed *Disarmament, Demobilization and Reintegration (DDR)* and EAOs’ proposed *Security Sector Reform (SSR)* seem to be at the heart of current deadlocked peace process. The DDR calls for EAOs to disarm and join under the Tatmadaw’s command while SSR envisioned a Federal Union Armed Forces with systematic representation of ethnic nationalities and power sharing mechanisms. This is primarily due to the lack of trust between the EAOs and Tatmadaw. For EAOs’ proposed security sector reform, the concern is the uncertainty of non-engagement of Tatmadaw in politics even after the EAOs are disarmed according to DDR. Currently, the government is yet to overcome the lack of trust between the NCA-S EAOs and the Tatmadaw. The fact that the NCA-S EAOs have to deal with the trust issue lead to drag down the trust and willingness of NCA-NS EAOs to join the peace process. Moreover, as the representatives from Tatmadaw are taking the leading positions in committees of UPDJC, JMC and JICM, the EAOs assumed that Tatmadaw’s big influence is looming on them in the peace process.

The next major obstacle is Tatmadaw’s demand of EAOs to guarantee the “Non-Secession” from the union and affirmation of the right to self-determination only after EAOs assure non-secession. This is rejected by the EAOs claiming that it deviates from the federal principles and hence, the trust between the two sides again plummeted.

The other cause of the deadlocked peace process is the weaknesses in mechanism of Joint Monitoring Committee (JMC). Despite frequent meetings with NCA-S and NCA-NS EAOs, the arm clashes are still ongoing. Clashes even occurred in territories of the NCA Signed EAOs (clashes between NMSP and KNU, DKBA and KNU and/or clashes between KNU and Tatmadaw, DKBA and Tatmadaw). This is the evidence of the concerning parties’ weak implementation of NCA and also JMC’s weaknesses in carrying out its responsibilities of monitoring and implementing ceasefire mechanism. The clashes on the ground lead the whole peace process in a stalled situation.

## Part 2

### *The Role of China in Myanmar's Peace Process*

#### **China's involvement in Myanmar Peace Process**

Assessing government-recognized 18 EAOs in accordance with their geographical existence would result in two categories - those exist near Myanmar-Thailand border and others near Myanmar-China border. The EAOs locating near the Thai border are all the signatory members of the NCA but on the other hand, EAOs that stationed near Chinese border are NCA non-signatory armed organizations. This fact is clearly illustrating the importance of China's role in Myanmar Peace Process. Although China's foreign policy is mainly based on the Five Principles of Peaceful Coexistence where non-interference in one's internal affairs is respected, China's actions in recent years are challenging this principle.

Since 2011, China has been actively participating with a role of an observer, a negotiator as well as a third party in the peace process. China's official policy in Myanmar Peace Process is launched as "**Persuading for Peace and Facilitating Dialogues**". China is the only third party that maintains sound relationships with the northern groups in Myanmar. Here, China does not operate in a way by picking a side between the central government and the EAOs but rather, it chooses to maintain good relations with both sides. **In October 2015, China signed the NCA as an official international witness together with the UN, EU, India, Thailand and Japan.**

One of the main factors which stimulates China to involve actively in Myanmar's peace process is the instability in the Myanmar-China border areas which cause spill-over affects in Chinese territory, consequently killing Chinese civilians. Before 2011, China has less interest in involving directly in the peace talks. But after conflicts arose between KIA and Tatmadaw in 2012, three bombs landed in Chinese territory and thousands of Kachin refugees fled to the Chinese

side. This resulted in China to appoint its special envoy, Ministry of Foreign Affairs Vice Minister Fu Ying to mediate between the Myanmar government and non-ceasefire EAOs. And furthermore, China hosted several rounds of talks between representatives of KIO and the government in Ruili, China. In 2015, the special envoy role was inaugurated by Mr. Sun Guoxiang and he also persistently participates in the peace process.

In 2016, contrary to major opinions of the newly elected NLD government to incline to Western countries and reduce dependency on China, NLD's foreign policy still prioritized China mainly for the sake of peace process and the Rakhine issue. In August 2016, the State Counsellor Daw Aung San Suu Kyi paid high level visit to China and national reconciliation issues were discussed as priority. China also committed to support national reconciliation through political dialogues in a constructive way. Successively, two days after Daw Aung San Suu Kyi's visit, the special envoy Mr. Sun Guoxiang visited UWSA and NDAA and urged them to participate in the 21<sup>st</sup> Century Panglong Conference. China's special envoy played a key role in urging the northern EAOs to attend the 21<sup>st</sup> Century Panglong Conferences, bringing them closer to the negotiating table.

One remarkable event happened before the Second 21<sup>st</sup> Century Panglong Conference in June 2017. The special envoy Mr. Sun Guoxiang held meeting with FPNCC members in Yunnan in May 2017 and urged them to attend the upcoming Panglong Conference. He took all of them from Yunnan to Nay Pyi Taw in a chartered Chinese Plane. This clearly illustrates the strong ties existing between China and the FPNCC members and also China's remarkable influence over them. In addition, China also provided financial support to the peace process by funding \$1 million in 2017 and another \$1 million in 2019.

### **China's interest in the Peace Process**

China's persistent involvement in the peace process is motivated by its own interests in political, economic and strategic aspects. Here, China's interests

in the peace process will be discussed with international factors and domestic factors.

Firstly, in the view of *international factors*, China as a rising super-power will be judged in a negative perception if it does not have the ability to mitigate Myanmar's six decades long civil war since it is an immediate neighbor of China. Playing a key constructive role in Myanmar's peace process would bring **good reputation** for China as a rising super-power with a global leadership. Under the aspect of international relations, China seems enhancing its **Containment Policy** towards intervention of the United States in Myanmar's Peace Process as the US's participation in the peace process can result in increasing its influence in Myanmar. The fear of US's presence and influence in the border areas alarmed China. In 2013, KIO showed close relationship with the United States as KIO's Lieutenant General visited the US and met officials from the US Department of State. He also invited the US to involve in the peace talks as one of the witnesses. China sharply rejected US's participation in the peace process and its opposition prevented the US to sign the NCA as one of the international witnesses.

Secondly, the *domestic factors* of China are crucial in shaping China's policies on Myanmar's peace process. It is chiefly driven by economic and geo-strategic interests of China towards Myanmar. As China is implementing the Belt and Road Initiative (BRI), success in constructing BRI infrastructures such as economic corridors, transportation routes, and oil and gas pipelines are essential for China's foreign policy. China proposed construction of China-Myanmar Economic Corridor (CMEC) and several huge projects along with the CMEC. Among these projects, Shwe Gas Pipeline, Muse-Mandalay Railway, Kyauk Phyu Special Economic Zone and Deep Sea-Port, and Three Border Economic Zones are significant from which China can benefit largely. Special Economic Zone and the deep sea-port construction in Kyauk Phyu in Rakhine State is significant not only for economy but also for its strategic influence. Moreover, the Shwe Gas

Pipeline (China-Myanmar Oil and Gas Pipeline) is also another significant project that started operating since 2013 which connects the shore of Rakhine State to Yunnan, Sichuan and Chongqing Provinces in China passing through Shan State. The pipeline delivers 12 billion cubic meters of natural gas annually that helps China in reducing its dependency on Malacca Strait in importing oil and gas from Middle East.

Myanmar's geo-strategic advantage is that it has access to the Indian Ocean. China desperately needs this exit to the Indian Ocean particularly to provide trading links and sea access for its landlocked provinces in the South-West of the country. Moreover, acquiring access to the Indian Ocean would contribute China to achieve the "Two-Ocean Strategy" which can help China to become a super-power as well as to counter its regional power rivalry, India.

However, one main obstacle that threatens to all these important Chinese projects is the ongoing civil war in Myanmar and the security related issues. All of the major projects are located close to the non-ceasefire territories of the Northern EAOs. The security of the pipeline and other projects alarmed China to approach to both government side and the EAOs' side with positive and constructive attitudes. Although the constructions of projects are negotiated mainly with the government in Nay Pyi Taw, many ethnic groups have the de facto power in their respective operating territories. For consequence, many controversies have emerged between the central government and respective EAOs in dealing with the Chinese projects. China, therefore, is in need of maintaining good relationships with both sides.

## **Conclusion**

Myanmar peace process is one of the most multifaceted and complicated peace negotiations in the world with many actors and stakeholders. The goal of the peace process is to build a peaceful federal democratic union which can conclude the ongoing civil war and consequently, bringing eternal peace,

development, harmony and equality. It has been 5 years since the journey of the NCA began and 51 agreements were already reached for the Union Peace Accord. Seeing that the Third 21<sup>st</sup> Century Panglong Conference was held in 2018, no more Panglong Conference is held until now. This illustrates the stalled conditions of the peace process and Tatmadaw's ongoing clashes with both NCA-S EAOs and NCA-N-S EAOs further reaffirm this. Thus, a collaborative effort by all actors with a strong trust building process will be required to mitigate those deep-rooted challenges. Moreover, as for further recommendations, firstly, an effective reform would be required in the mechanism of Joint Monitoring Committee to carry out effective monitoring and ceasefire activities as well as to ensure effective actions against rules-breakers. The JMC at present could not provide legal protection to civilians and the IDPs in conflict areas due to clashes between Tatmadaw and NCA-NS EAOs. Thus, it is required for the JMC to set up a mechanism in all war-torn areas to provide legal protection to everyone. Secondly, a smoother civil-military relationship should be built to help mitigating the trust deficits among the actors, so that peace dialogues will be more fruitful. Lastly, regarding with China factor, it is more desirable if China shows its persistence, genuine sincerity and support to Myanmar peace process wholeheartedly by putting more effective pressure and influence on the Northern Alliance Group to attend the Panglong Conferences. On the other hand, China's influence over the northern EAOs can probably bring threats to the Myanmar government. China could shape the contours of the peace process in the way it wants by using the Northern Alliance Group as its puppets. Myanmar government should prevent this situation by effective diplomatic moves which is mainly based on the Five Principles of Peaceful Coexistence.

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