

Natural Resource Use and Access and Local Livelihoods Along the Thanlwin River Basin

Key words

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Policy Pointers

Prioritize the peace process throughout the country.

Providing land security through a land titling system in Shan state will greatly benefit both the nation, state and the individual citizens through economic growth and stability and give small farmers more control and decision-making power over the land.

Reprioritization of land use through a structuring of land laws in order to shift away from economic-focused practices.

Implementation of environmental impact assessments (EIA) for all development projects along with greater public access to such records.

In the event of forced relocations, clear compensation guidelines need to be pre-determined in order to provide market and non-market values to effected individuals and villages.



Fishing boat along the Thanlwin River (Credit: Mai)

Watershed resources in the Shan state of Myanmar provide the base for livelihood security among rural populations, providing food, shelter, and medicine to regions where markets, clinics, and schools are scarce. Taungya, or shifting cultivation, utilizes the landscape as an agricultural mosaic of forest and upland fields.

The Thanlwin River, also known as the Salween, provides fish, crustaceans, and riverbank vegetables as food for village members; gold for currency; water for drinking and household needs; and power for micro-hydro generators.



Shan traditional medicine products gathered from the forest
(Credit: Wah)

For watershed resource users along the Thanlwin (Salween) River, forests are paramount. Forests in the Mekong sub-region are sources of ecological and material wealth, used both as refuge and resource (Agency 2015; Hengsuwan 2013; Jones 2012; Maclean 2010). However, within the last decade, agri-business, hydropower development projects, and illegal logging has caused a 12 percent loss (roughly 1.7 million hectares) of intact forests in Myanmar (Agency 2015). The Thanlwin River also supports life and livelihood; it is the longest free flowing river in Southeast Asia, but a cascade of five proposed dams threatens to change that. In Shan state, early stages of construction for the Mong Ton Dam have already prohibited local communities from accessing the forest and river resources they rely on and threatens to evict over 50,000 individuals with little consultation or compensation. These high rates of deforestation and potential watershed degradation, in addition to the effects on climate change, and decreases in biodiversity, directly impact the ability of local subsistence farmers to support themselves (Dove 1993; Geist and Lambin 2010; Woods 2015).

Additionally, territorial disputes, fueled by competition over natural resources and political subjects, prevented cohesive rule in Myanmar prior to colonization, was exacerbated by the British, and has continued to fuel civil wars and conflicts since independence in 1948 (Callahan 2009, Jones 2014; Sai Aung Tun, 2009). The construction of the dam has already allowed the logging of nearby teak-dense forests and the presence of Burmese Military and a Lahu militia in a territory that was previously held by the Shan State Army, eroding protections that local communities had experienced in the region. The Central State Government authority does not extend its authority throughout the entirety of Shan state and instead, local communities refer to the “three governments:” the Myanmar Government, the Burmese Military, and local Ethnic Armed Organizations (EAOs).

These fragmentations between the state, military, and EAOs and their partnerships with business interests disadvantage the local populations. To strengthen the efficacy of natural resource policies, more efforts need to focus on the ongoing peacebuilding and democratization process occurring in Myanmar as well as incorporating an objective and thorough assessment of local concerns.

What are the key laws and policies that theoretically govern natural resource extraction?

All land in Myanmar remains state property and forest produce may not be extracted without a permit (Agency, 2015, p. 5; 1992 Forest Law). The National Land Use Law (2016) acts as an umbrella law over the previous 2012 laws dealing with land titling and allocation. The 2012 Farmland Law and the 2012 Vacant, Fallow, and Virgin Lands Management Rules do not provide protections for shifting cultivators and does not provide land tenure security for rural farmers in Shan state where there is no formal land titling system. Moreover, the 2012 Foreign Investment Law and the 2012 Environmental Conservation Law prioritize the interests of investors over the needs local communities.

Who's actually involved in natural resource extraction?

Within Shan state, internal contestation of territory and access rights, particularly between the Myanmar government, Burmese military, and EAOs creates different scenarios of control of resource use and access. State-private, military-private and EAO-private partnerships influence resource extraction (Callahan 2009; Jones 2012; Scurrah, Hirsch, and Woods 2011).



Private company gold mining machinery (Credit: Wah)

It is the State, military, or EAO who sanction resource extraction, such as logging or goldmining in their respective territories.

How does the Mong Ton Dam threaten the peacebuilding and democratization processes within Myanmar?

Conflicts over resource use and management threatens the nascent democratization of Myanmar and its peace treaties with over a dozen EAOs. Shan state has experienced decades of armed conflict and remains fragmented and internally contested, with remote locations administered by EAOs. The 1989 ceasefire agreements, signed after China was no longer willing to financially support many of the pro-communist ethnic minority armed forces in the country, created a scenario referred to as “ceasefire capitalism,” where armed group leaders worked in concert with, often Chinese, investors to exploit the natural resources that Shan state is replete with (Woods, 2011). Planning for the Mong Ton Dam began prior to the democratization process in Myanmar. As of October 2016, although accounts vary on the size and scope of the plans, Daw Aung San Su Kyi’s government has made no indication of halting the dam project (Maung 2016). The dam, when built, will cause a forced relocation of thousands of people, many of whom are in Shan South Army (SSA) governed territory, putting undue burden on the fragile ceasefire agreement.

Who’s involved in the construction of the dam?

The Mong Ton Dam is based on agreements signed by the Burmese Parliament with the Chinese Three Gorge’s Corporation (along with Sinohydro and China Southern Grid), the Electricity Generating Authority of Thailand (EGAT), and the Burmese Ministry of Electric Power, with the Australian Snowy Mountain Engineering Company (SMEC) consulting on the construction of the dam (Suhardiman, Rutherford, and Bright, 2017).

How do forest and river resources contribute to livelihoods?

Many subsistence communities along the Thanlwin River have limited access to schools, clinics, and markets. The river and its surrounding forests are



Construction activity near the Mong ton Dam site (Credit: Mai)

essential to the well-being of those communities, providing food, water, medicine, fodder for animals and building materials. Communities along the Salween access the river daily to catch fish and crustaceans, collect sand and rocks for construction, and pan for gold along the riverbanks. Additionally, the forest and river have significant spiritual significance. River water and rice planted in taungya, play a role in Buddhist ceremonies and Shan traditional culture and beliefs pay respect to the forest and river.

What ecological value does this area have on global environmental change?

The Thanlwin River runs through a seismically active area and the Mong Ton Dam’s reservoir will flood a biodiversity hot spot. Moreover, the subsistence communities along the Thanlwin River practice shifting cultivation (taungya), which includes partial forest clearance, multiple cropping, shallow cultivation, and field rotation to produce food and sometimes cash crops. Research shows that that long fallow shifting cultivation systems can lead to an increase in biodiversity and ecological resilience (Cairns, 2015). Additionally, these systems can:

- ☐ be carbon neutral or positive compared to monocrop plantations
- ☐ maintain positive hydrological properties
- ☐ reduce surface soil erosions
- ☐ enhance flora diversity
- ☐ encourage nutrient cycling (Nitrogen and Phosphorus)

What affect does this have on local resource use and access?

The presence of Burmese Military and Lahu militia around the dam site prevent access to forest and river resources by local communities. The state-private, military-private, and EAO-private partnerships that support large scale resource extraction such as gold mining and logging limit local community's ability to benefit from those resources. . Additionally, erosion along the river banks, caused from logging that has already occurred, depletes what forest resources are available for local use, further marginalizing communities' ability to support themselves.

What are the key vulnerabilities subsistence communities face from the current land laws?

The 2016 National Land Use Policy does seek to incorporate local needs and natural resource use, however, it fails to recognize circumstances where, as is the case in areas of Shan state, state government authority does not reach all parts and land tilting does not exist, thereby individuals have no legal protection against the appropriation of the resources they depend on.

Policy Recommendations and Actions

1. Focus on the peace process, demilitarization, and democratization of the country.

Local resource users do not have the ability to determine the extent of their own resource use and fragmentations between State, Military, and EAOs and their partnerships with business interests disadvantage the local populations. Until these fragmentations are resolved, it will not be possible to implement and operationalize land use laws and policies in Shan state.

2. Implement an official land titling system in Shan state.

Access to land and land tenure security for smallholder farmers increases national economic growth, social stability, and environmental health (Oberndorf, 2012, pp. 4-5). As it stands, the 1894 Land Acquisition Act, the 1992 Forest Law, the 2012 Vacant, Fallow, and Virgin Lands Management Rules, the 2012 Farmland Law, and the 2012 Investment Law do not provide land security for local communities.

3. Incorporate non-economic use of natural resources into land laws.

Non-economic use of the land remains subservient to the business interests of hydropower, logging, and plantations provide (MacLean 2014). A national land law policy should decrease the precariousness of de-facto land use for much of Myanmar's smallholder farmers. Moreover, it should give rural households more control over land-related decisions (TNI2015). The 2016 National Land Use Policy does provide greater provisions for customary uses of land, such as shifting cultivating, but it still prioritizes an economic view of land and does not provide much recourse for the already disposed (TNI, 2015).

4. Require environmental assessments and make them publicly available.

Environmental Impact Assessments (EIA) have not been made publicly available (Gray, 2015). Requiring that the environmental impact assessments be publicly available allows for greater transparency of the potential environmental and social welfare challenges presented by a development project.

5. Outline clear economic compensation guidelines for forced relocations that incorporate market and non-market value.

Moreover, in regards to compensation the 'inventory of loss-economic survey' is unclear. When villager's livelihoods are heavily subsidized from forest and river products that have no commercial value, compensation becomes a gray area.

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¹ For more information on the subjects discussed in this brief, please visit the *Mekong, Salween and Red Rivers: Sharing Knowledge and Perspectives Across Borders* <http://bit.ly/2ykDz1f>.

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