## Exchange of Notes on Grant Aid to Myanmar

for

The project for responding to the humanitarian situation in Rakhine State, Kachin State and northern part of Shan State

The Project for Humanitarian and Development Assistance in Rakhine State Supporting Settlements in Rakhine State: Reconstruction of Houses and Small-Scale Community Infrastructures for Returnees and Displaced People

1. On 26 February 2019, Mr. Ichiro MARUYAMA, Ambassador of Japan to Myanmar, and the representatives of five (5) UN agencies signed in Nay Pyi Taw the Exchange of Notes regarding grant assistance projects for Myanmar, as part of the following grant assistance package of 4.2 billion Yen (approx.37.4 million USD) provided to help improve the humanitarian and development situation in Rakhine State, Kachin State and northern part of Shan State. UN-Habitat had signed its Exchange of Notes with the Government of Japan separately on 19 February.

## 2 Project Outlines

(1)The project for responding to the humanitarian situation in Rakhine State, Kachin State and northern part of Shan State (total grant: 2.2 billion Yen (approx.19.6 million USD))

In the aftermath of the attacks that occurred in northern Rakhine State on August 25, 2017, the security situation rapidly deteriorated and a humanitarian crisis ensued, resulting in about 700,000 people fleeing to Bangladesh. Internally displaced persons (IDPs) and other residents are also suffering, from protracted displacement, stagnant economic activities, and deteriorating conditions in terms of nutrition, hygiene, health and sanitation, and housing. Moreover, further humanitarian and development assistance would be necessary once the displaced population begins to return from Bangladesh to Myanmar in the future.

According to the OCHA report published on 15 September 2018, about 100,000 Internally Displaced Persons (IDPs) are also living in a severe environment and facing a rapidly worsening humanitarian situation in Kachin State and northern Shan State, as a result of clashes between the Military and Ethnic Armed Groups. It is therefore vital to provide humanitarian assistance for food, health, nutrition and water and sanitation, in response to the current situation.

This project intends to provide, through World Food Programme (WFP), United Nations Children's Fund (UNICEF) and United Nations Population Fund (UNFPA), humanitarian assistance such as food distribution (helping a total of 300,000 beneficiaries), child education (reaching a total of 40,000 children) and mobile clinic services (for a total of 534,500 women) to the affected people and communities in Rakhine State, Kachin State and northern part of Shan State. These assistance projects are aligned with the local needs and aim to support the Myanmar Government's efforts to improve regional stability and secure better living conditions.

(2) The Project for Humanitarian and Development Assistance in Rakhine State (total grant: 1.5 billion Yen (Approx. 13.4 million USD))

In June 2018, the United Nations High Commissioner for Refugees (UNHCR), United Nations Development Programme (UNDP) and the Myanmar Government signed a Memorandum of Understanding to support the return of displaced persons from Bangladesh. In September 2018, based on this MoU, UNHCR and UNDP began conducting needs assessments in the most affected communities in northern Rakhine State. UNHCR and UNDP have completed assessments in some communities and have formulated draft Quick Impact Projects (QIPs) that would respond to those communities' needs.

This project builds on their work so far, and aims to provide, through the UNHCR and the UNDP, humanitarian and development assistance, including the distribution of commodity goods to IDPs who live in camps (about 110,000 beneficiaries), provision of vocational training for women in agriculture etc. (about 750 beneficiaries), and the restoration of existing shelters. The project will also help the Myanmar Government's efforts to improve the living conditions there and to create conditions conducive to the repatriation of displaced persons, through conducting needs assessments in the areas where those displaced originally resided and building necessary basic infrastructures.

(3) Supporting Settlements in Rakhine State: Reconstruction of Houses and Small-Scale Community Infrastructures for Returnees and Displaced People

(total grant: 0.54 billion Yen (Approx. 4.8 million USD))

This project aims to prepare for and implement a community-driven, owner-led rebuilding of settlements for returning refugees in Northern Rakhine or for Internally Displaced Persons (IDPs) in the camps in Central Rakhine. It aligns with the agreed key principles of safe, voluntary and dignified return to places of origin or near the places of origin of their choice; and builds on UN-Habitat's 30-years of experience gained from its programmes in Asia-Pacific, including Myanmar, working with communities in rebuilding settlements, often after disasters and conflict, and resulting displacements.

