



Myanmar: A Violent Push to Shake Up Ceasefire Negotiations

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What's new? On 15 August, an alliance of ethnic armed groups staged coordinated attacks against strategic targets in northern Myanmar. The offensive left up to fifteen people dead, and clashes reportedly continue in the northern part of Shan State, creating concerns for civilians' safety.

Why did it happen? The three ethnic armed groups behind the attacks have been largely excluded from the peace process for the past five years. In recent months, the government has proposed bilateral ceasefires to the groups but has set unrealistic demands and accompanied the offers with military pressure.

Why does it matter? The attacks mark a serious escalation in Shan State's conflict. They represent a rejection of bilateral ceasefire terms that the Myanmar government has proposed to the armed groups. While the Myanmar military has not yet responded with significant force, the brunt of mounting violence will inevitably fall on civilians.

What should be done? Both the Myanmar military and the armed groups should exercise restraint, allow humanitarian agencies to safely provide assistance and pursue ceasefire talks. The military and government should review their earlier ceasefire proposal, while China should continue to use its influence in Myanmar to encourage an end to the fighting.

I. Overview

On 15 August, a trio of ethnic armed groups calling themselves the Brotherhood Alliance staged coordinated attacks on targets in Myanmar's Mandalay Region and Shan State, killing up to fifteen people, mostly soldiers and police officers. Clashes have recurred daily across northern Shan State since then, resulting in combatant deaths on both sides as well as civilian fatalities. The alliance – comprising the Arakan Army (AA), Ta'ang National Liberation Army (TNLA) and Myanmar National Democratic Alliance Army (MNDAA) – said it mounted the attacks in response to military aggression in both Rakhine and northern Shan States. The three groups had been negotiating bilateral ceasefires with the government that would have brought them into the broader peace process for the first time. However, unrealistic demands from Naypyitaw have undermined those negotiations, and the attacks represent a rejection of the government's proposed terms. The government and military should

moderate those terms, notably by abandoning their insistence that the groups give up territory they have acquired over the past five years.

The attacks on 15 August hit a Myanmar military training academy, a bridge and police outpost on an important highway, a military battalion and a narcotics control checkpoint. Myanmar's military has alleged that they were payback for a recent raid on a drug production lab in northern Shan State. It says the key target was a narcotics control unit situated on the main highway running from Mandalay, Myanmar's second largest city, to the border with China.

In truth, the attacks reflect longstanding tension over the status of Brotherhood Alliance members within Myanmar's national peace process. Only signatories to the nationwide ceasefire agreement introduced in 2015 can take part in political negotiations with the government aimed at ending Myanmar's civil conflicts. For most of the past five years, the Myanmar military (and, to a lesser extent, the civilian government) have excluded the three groups from this process, by setting stringent preconditions for talks toward signing the nationwide ceasefire.

More recently, the military and government have shifted their position, opening negotiations with each group aimed at individual bilateral ceasefires (they have also adopted this approach with a fourth ethnic armed group that does not have an existing bilateral ceasefire, the Kachin Independence Organisation). The bilateral negotiations, supported by neighbouring China, commenced in December 2018, when the three groups issued a statement pledging to stop "military actions" and expressing a desire for dialogue. The Myanmar military responded by announcing a unilateral ceasefire. Progress toward bilateral ceasefires had stalled in recent months, however. The government's peace team put forward terms that were unfavourable to the insurgents – notably, a demand that they give up territory – while the Myanmar military continued to exert pressure on them in Rakhine and Shan States. Increasingly, the ethnic armed groups view both the unilateral ceasefire and the bilateral ceasefire negotiations as ploys to allow Naypyitaw to gain the upper hand rather than a genuine attempt to end the conflict.

An immediate goal of the attacks appears to have been to relieve pressure on AA forces in Rakhine State – an area not covered by the military's unilateral ceasefire and that has seen significant fighting since January 2019 – by forcing the Myanmar military to shift forces to northern Shan State. But the Brotherhood Alliance members' broader objective is to compel the Myanmar military and government to accept ceasefire terms that grant the groups political recognition, cement their territorial gains and potentially give them access to new economic opportunities. Toward these ends, the attacks appear aimed at forcing stronger intervention from China on the groups' behalf.

Myanmar's military has not retaliated in the heavy-handed way many observers expected, given the attacks' provocative nature. Instead, it has focused on securing key infrastructure and reopening the highway to the border with China. Contrary to most expectations, the military has also extended its unilateral ceasefire from 31 August to 21 September. The government negotiating team has moved quickly to resume talks with the groups, with meetings held on 31 August and 17 September. On 9 September, the Brotherhood Alliance announced a one-month ceasefire but also warned that it would retaliate if attacked. China, which wields strong influence in the

border areas and over some of the groups, has also been encouraging dialogue and de-escalation.

The Myanmar military could still decide to strike back, however. A counteroffensive would have dire consequences for the area's civilian population, particularly ethnic Ta'ang (also referred to as Palaung), whom government forces suspect of providing support to the TNLA. Myanmar's military and, to a lesser extent, the three ethnic armed groups have a history of human rights violations. Already, there are reports of indiscriminate shelling and mortar fire, as well as attacks on local aid groups' vehicles and civilian cars and trucks on the highway. Thousands of residents have fled their homes, some pre-emptively out of fear of being targeted by forces on either side. Humanitarian access, which is already constrained, is likely to become more difficult.

Further clashes can and should be avoided. The Myanmar military's extension of its unilateral ceasefire and the Brotherhood Alliance's announcement of its own unilateral ceasefire are welcome steps. Both sides should continue to exercise restraint and also pursue negotiations aimed at reaching a bilateral ceasefire. Beyond that, the following steps could reduce civilian harm, reduce the likelihood of further violence and improve prospects for progress in the peace process:

- ❑ All sides should allow humanitarian aid to reach those in need and ensure aid workers are not targeted or unnecessarily put at risk.
- ❑ Naypyitaw should drop its insistence that the three groups return to their places of origin and abandon territorial gains. This demand is unrealistic and will hinder progress on bilateral ceasefires. The three groups' inclusion in the peace process will be essential for future stability, if not progress toward a comprehensive peace settlement between Naypyitaw and Myanmar's ethnic armed groups.
- ❑ To enhance prospects for bilateral ceasefires, the military should broaden its unilateral ceasefire to Rakhine State and lengthen the time horizon.
- ❑ China should also use its significant influence over both sides to encourage an end to the fighting.

II. New Targets, New Objective

In the early hours of 15 August, hundreds of Brotherhood Alliance fighters – predominantly TNLA soldiers – staged coordinated attacks on targets in Pyin Oo Lwin township, Mandalay Region and Naunghkio township, in northern Shan State.¹ Targets included a battalion headquarters in Naunghkio; Pyin Oo Lwin's Defence Services Technological Academy, which was hit by three 107mm rockets; a narcotics control checkpoint; the Goktwin bridge and a neighbouring police outpost on the Mandalay-Muse highway; and a military battalion.² On 17 August, insurgents destroyed

¹The Brotherhood Alliance should not be confused with the Northern Alliance, which comprises the AA, TNLA and MNDAA, but also the northern Shan State brigades of the Kachin Independence Organisation (KIO). The formation of the Northern Alliance was announced in November 2016 prior to the groups staging a major attack in northern Shan State close to the border with China. The Brotherhood Alliance does not include the KIO.

²“Myanmar insurgents attack elite military college, other targets; 15 killed”, Reuters, 15 August 2019.

three more bridges on the route from Hseni to the border at Chinshwehaw, in Shan State's Kokang region.³

The attacks, which were successful partly because the targets were lightly guarded, have exacted a high economic toll.⁴ Though subsequent attempts to destroy bridges or attack battalions were less effective, and the assailants incurred significant casualties, the infrastructure damage and instability created have halted trade at two important border crossings, Muse and Chinshwehaw. Goods worth billions of dollars – mainly Myanmar's agricultural products – pass through these points each year.⁵

A significant attack was not unexpected. The groups had warned Myanmar's military as far back as April 2019 to halt offensives in Rakhine State against the AA or face joint military action. On 12 August, they repeated the threat and announced the creation of the Brotherhood Alliance, which they seem to have formed for the purpose of carrying out the attack three days later.⁶ Not only did the three groups perceive a need to relieve pressure on the AA in Rakhine, but tensions between them and the government had been rising for some time due to negotiations over proposed ceasefire terms. For background on the three groups, see Appendix A.

The alliance had accused the military of putting forward an unrealistic proposal and, at the same time, trying to push back their forces so as to strengthen its negotiating position. Despite the military's unilateral ceasefire, an increasing number of clashes had been reported in June and July, which the insurgents said were the result of military offensives aimed at dislodging them from areas in northern Shan State.⁷ More broadly, the three groups' exclusion from Myanmar's peace process has been a recurring source of conflict for much of the past five years, encouraging them to strengthen their forces and stage ever more dramatic attacks against targets in Shan and Rakhine States.⁸

The attacks were notable for their apparent intent as much as their scale and impact. Though they bore similarities to the November 2016 offensive in northern Shan State (both targeted infrastructure and brought overland trade with China to a halt), this time the Brotherhood Alliance did not appear to be trying to acquire territory. This distinction also sets the latest attack apart from other notable offensives, such as in the Kokang region in February 2015 and in Rakhine State since January 2019.⁹ Instead, the intention appears to have been to inflict the maximum economic, stra-

³ One bridge between Hseni and Chinshwehaw was destroyed again, just days after the government opened a temporary replacement.

⁴ Crisis Group interview, security analyst, Yangon, August 2019.

⁵ Ministry of Commerce figures show that bilateral trade through Muse, the country's busiest border crossing, is worth around \$6 billion a year, of which approximately 70 per cent is exports to China. Chinshwehaw is Myanmar's third biggest licit trade point by value and sees commercial exchange worth around \$600 million annually, of which about 90 per cent is exports to China.

⁶ "Why war will never end in Myanmar", *Asia Times*, 20 August 2019.

⁷ Crisis Group interview, security analyst, Yangon, August 2019. See also, "Ethnic conflict escalation: NA-B raids in Pyin Oo Lwin and Nawngkhio", BNI, 21 August 2019.

⁸ For a detailed discussion, see Crisis Group Asia Briefing N°149, *Myanmar's Peace Process: Getting to a Political Dialogue*, 19 October 2016, pp. 7-10.

⁹ For full details of the November 2016 attack, see Crisis Group Asia Report N°287, *Building Critical Mass for Peace in Myanmar*, 29 June 2017, pp. 5-6.

tegic and psychological damage on government security forces with the minimum use of force.¹⁰

The attacks were also deliberately provocative. The firing of rockets at the military academy in Pyin Oo Lwin – a garrison town on the edge of the Shan plateau, not far from Mandalay, Myanmar’s second-largest city – is the closest that fighting has come to lowland Myanmar in many years. That the rockets hit the academy, killing one civilian and wounding a soldier, was surely a source of considerable embarrassment for the military.

The Tatmadaw, as the Myanmar army is called, has alleged that the attacks were revenge for a raid on drug production facilities in northern Shan State’s Kutkai.¹¹ It claims that the key target was the narcotics control checkpoint, where soldiers were using drug detection equipment purchased from abroad.¹² These allegations should be treated with caution, however. While the armed groups, particularly the AA, almost certainly have some connection to – indeed, may even be heavily involved in – the drug trade, the area in which the raids took place is also home to pro-government militias with long histories of drug production, against whom the military has rarely taken action.¹³ The military has put forward no solid evidence that would implicate any of the Brotherhood Alliance members in drug production at the raided factories, and the attacks would have been planned well in advance of the raids. Linking the attacks to the narcotics trade also serves the military’s interest in denigrating ethnic insurgents as criminals.

More likely, the Brotherhood Alliance’s goals were to relieve pressure on the AA in Rakhine State, by forcing the Myanmar military to shift troops to northern Shan State, and to reset recent bilateral ceasefire negotiations. The three groups have been unwilling to agree to conditions put forward by Naypyitaw, which they consider to be punitive. Their previous efforts to reshape the peace process by capturing territory have largely failed, however, because they have been unable to hold that territory when the military inevitably counterattacks. The operation that began on 15 August seems intended to underline that the Brotherhood Alliance is capable of inflicting significant damage, even in apparently peaceful areas of the country, and that the groups are too dangerous to be left out of the peace process.

The Brotherhood Alliance most likely aimed this message not only at the Myanmar government and military but also at China, which is a significant stakeholder in the peace process. The attacks occurred along a corridor where Beijing plans to build roads and railways, as well as border trade zones, as part of its Belt and Road Initiative. In May 2019, China Railway Eryuan Engineering submitted a technical report to the Myanmar government for the \$9 billion project following a ground survey

¹⁰ Crisis Group interview, security analyst, Yangon, August 2019.

¹¹ According to the Commander-in-Chief’s Office, police seized 750kg of crystal methamphetamine (or “ice”) along with 9,000 of the methamphetamine pills containing caffeine that are known as *yaba*. See, for example, “Drug lab raids in Myanmar’s meth capital met with artillery fire”, *Frontier Myanmar*, 1 August 2019.

¹² See, for example, “The death toll from Northern Alliance attack reaches 15”, *Mizzima*, 16 August 2019.

¹³ See Crisis Group Asia Report N°299, *Fire and Ice: Conflict and Drugs in Myanmar’s Shan State*, 8 January 2019, pp. 6-11.

started in December 2018.¹⁴ Both Muse and Chinshwehaw are to host economic cooperation zones, with ground surveys already completed and a draft framework agreement nearing completion.¹⁵ By closing highways and halting trade, the attacks have caused significant economic damage and underlined risks to Chinese ambitions. The three groups appear to be trying to force Beijing to take a more active role in the peace process in the hope that this will tilt negotiations in their favour.¹⁶

Despite the impact of the 15 August attacks, the immediate response from the Myanmar military has been subdued. The military has shifted some forces to northern Shan State to reinforce those already on the ground, but it has not yet committed large numbers of troops. There has been no sign of a major counteroffensive or counter-insurgency operation, and when military forces have repelled subsequent attacks they have not pursued retreating Brotherhood Alliance fighters. Instead, the military has concentrated on reopening the roads, particularly the Mandalay-Muse highway.¹⁷ Though a senior Myanmar military official described the attacks as “terrorism” and “a war crime”, he also underlined that the military was prepared to engage in peace talks.¹⁸ On 31 August, the military extended its unilateral ceasefire for a further three weeks.¹⁹

The lack of a counteroffensive may be a delaying tactic rather than a conciliatory gesture, however. The three-week extension could serve as a window for the military to prepare for a major retaliation. Some analysts also speculate that the military may be waiting to see whether the insurgents are planning further attacks before committing forces.²⁰

The fighting has inflicted a heavy toll on the local population, particularly around the town of Kutkai. At least 7,000 people have been forced to flee their homes since 15 August, and while many have returned, the situation remains fluid, with new displacement on a near-daily basis.²¹ It is unclear how many civilians have been killed or injured, but at least one died in a mortar attack on 18 August, while five were killed by artillery fire near Kutkai on 31 August.²² Humanitarian workers have not been spared: on 17 August, the leader of a Lashio-based volunteer group was killed when

¹⁴ “Initial technical report on Muse-Mandalay railway project submitted”, *The Myanmar Times*, 29 May 2019.

¹⁵ The permanent secretary of Myanmar’s Ministry of Construction told a journalist just before the attack that the government would soon send a draft framework agreement back to Chinese authorities. “Myanmar set to ink pact with China on border cooperation zones”, *The Irrawaddy*, 15 August 2019.

¹⁶ Crisis Group interview, Yangon-based diplomat, August 2019.

¹⁷ Crisis Group interviews, security analyst and Peace Commission member, Yangon, August 2019.

¹⁸ “Myanmar army warns of full-blown war in Shan, deploys aircraft in Rakhine”, *Radio Free Asia*, 23 August 2019.

¹⁹ “Myanmar military extends non-operation period against armed groups”, *Xinhua*, 31 August 2019.

²⁰ “TNLA, MNDAA and AA Launch Coordinated Attacks, Conflict Likely to Escalate”, Myanmar Institute for Peace and Security, 24 August 2019.

²¹ “Weekly Regional Humanitarian Snapshot”, UN Office for the Coordination of Humanitarian Affairs, 26 August 2019.

²² “Five Myanmar civilians including toddler killed by mortars in Shan State as peace talks held”, *The Irrawaddy*, 31 August 2019.

his vehicle, though marked as an ambulance, was hit by RPG and sniper fire attributed to the Brotherhood Alliance.²³

III. Unfinished Business

For the past five years, the status of the AA, TNLA and MNDAA has been a key – if not the most important – fault line in Myanmar’s peace process. For most of that time, the Myanmar military and government have sought to isolate the groups and, at times, exclude them from the national peace process, including the nationwide ceasefire agreement.²⁴ Naypyitaw has chosen this course mainly because the three groups are fairly new. Though they have links to earlier armed groups, the AA and TNLA formed under the aegis of the Kachin Independence Organisation (KIO) in the late 2000s and were intended as proxy forces.²⁵ The Myanmar authorities’ concern was that acknowledging the groups – and any territory they had acquired – would only encourage more ethnic armies to form. At the same time, the authorities have allowed groups with almost no armed forces, such as the Arakan Liberation Party and Pa-Oh National Liberation Organization, to sign the nationwide ceasefire agreement and participate in dialogue aimed at ending Myanmar’s conflicts.

Both the AA and TNLA have responded to this exclusion by strengthening their forces and expanding their territory so that they essentially become too significant and dangerous to ignore. Attention-grabbing attacks such as those that commenced on 15 August are important for demonstrating this capability. As one Yangon-based diplomat observed, “The AA was told back in 2014 that it was too small [to sign the nationwide ceasefire]. The Tatmadaw is essentially reaping what it has sown by shutting people out of the peace process”.²⁶

Though the MNDAA has a longer history, it suffered defeat at the Myanmar military’s hands in 2009 and only re-emerged in 2015.²⁷ From February of that year it led efforts (with the support of the AA and TNLA) to retake control of the Kokang region in northern Shan State. These were mostly unsuccessful, but the fighting led to heavy casualties within the Myanmar military and strained Myanmar’s relationship with China. Following the Kokang campaign, the military labelled the three groups “terrorists” and refused to negotiate with them.

As a result, the peace process splintered. Eight armed groups based along the border with Thailand signed the nationwide ceasefire in October 2015, and, in the following year, they began political negotiations with the government and military through the

²³ “One killed, 4 hurt as rescue team hit by RPG, sniper in Myanmar’s Shan State”, *The Irrawaddy*, 17 August 2019.

²⁴ The AA and TNLA are the only major armed groups in Myanmar that have never had a bilateral ceasefire with the military or government. The MNDAA and KIO previously had bilateral ceasefires that are no longer in effect. As a result, the four groups must first reach a bilateral agreement before they can sign the nationwide ceasefire agreement or take part in political dialogue through the Panglong-21 peace conference.

²⁵ See “Burma’s Northern Shan State and Prospects for Peace”, U.S. Institute for Peace, September 2017.

²⁶ Crisis Group interview, Yangon-based diplomat, August 2019.

²⁷ See “Military Confrontation or Political Dialogue: Consequences of the Kokang Crisis for Peace and Democracy in Myanmar”, Transnational Institute, July 2015.

Panglong-21 peace conference. But armed groups based in northern Myanmar, such as the powerful United Wa State Army (UWSA), refused to sign a nationwide ceasefire agreement, ostensibly because the AA, TNLA and MNDAA had been excluded.²⁸

In April 2017, seven groups that had not signed the nationwide ceasefire formed the Federal Political Negotiation and Consultative Committee (FPNCC).²⁹ Led by the UWSA, this coalition includes organisations that have bilateral ceasefires but have chosen not to sign the nationwide ceasefire, as well as those without bilateral ceasefires, such as the KIO and members of the Brotherhood Alliance. This new body initially rejected the nationwide ceasefire agreement outright, but it has since said that its members will consider signing once the AA, TNLA, MNDAA and KIO have reached bilateral ceasefires with the government, and are therefore eligible to consider signing the nationwide accord.

Over time, political and military realities, including China's influence over the peace process, have forced the Myanmar military and government to review their position toward the three groups. In the second half of 2018, Beijing began brokering informal meetings between them and the government's Peace Commission. These resulted in the trio issuing a statement in December pledging to stop "military actions" and expressing a desire for negotiations.³⁰

The Myanmar military responded on 21 December by declaring a unilateral ceasefire in Kachin and Shan States to last until 30 April 2019. The ceasefire was severely tested just two weeks later, when the AA staged coordinated attacks on police outposts in northern Rakhine State on 4 January, leaving thirteen officers dead and prompting heavy fighting.³¹ But the Myanmar military and government have continued to pursue talks with the Brotherhood Alliance's three members, along with the KIO. The military extended its unilateral ceasefire to 30 June, then again to 31 August and now a third time to 21 September.

For the government and military, bilateral ceasefires are a step toward the groups signing the nationwide ceasefire agreement, which is a prerequisite for participation in political dialogue aimed at reaching a comprehensive peace agreement that would end Myanmar's conflicts. For the Brotherhood Alliance, bilateral ceasefires are more a means of securing political recognition, cementing territorial gains and potentially getting access to new economic opportunities.

The terms of proposed bilateral ceasefires with the Brotherhood Alliance members have been a sticking point, however. The groups put forward proposals at talks in Muse on 30 April, pushing for a formal role for China. Two months later, at a meeting in Mong La in eastern Shan State, the government's peace team responded with its draft, which had essentially come from the military. This version removed the Chinese role and also required the groups to return to their so-called places of origin – meaning that the AA would have to leave Rakhine State and return to areas controlled by the KIO, while the TNLA and AA would also have to give up significant

²⁸ Ibid.

²⁹ For a full discussion on the FPNCC's formation, see Crisis Group Report, *Building Critical Mass for Peace in Myanmar*, op. cit.

³⁰ "Three armed groups offer to stop fighting, enter peace talks", *The Irrawaddy*, 13 December 2018.

³¹ See Crisis Group Asia Briefing N°154, *A New Dimension of Violence in Myanmar's Rakhine State*, 24 January 2019.

territory.³² For all three, but particularly the AA, these demands are non-starters, and came at a time when they were facing military pressure in both Rakhine and northern Shan States. “If the Brotherhood Alliance doesn’t see a clear path forward for negotiations and there is also military pressure, they have to focus on the military necessity”, commented one source close to the groups.³³

Following the August attacks, the government’s National Reconciliation and Peace Centre moved quickly to arrange a meeting in Kengtung, eastern Shan State, with the three groups and the KIO. The talks focused on ending the recent fighting and resuming progress toward a bilateral agreement. Significantly, they agreed to hold talks with the military on “deployment of forces, and rules and procedures to prevent outbreak of fighting”.³⁴ As a confidence-building measure, the Brotherhood Alliance also announced a one-month unilateral ceasefire on 9 September, but at the same time warned that they would defend themselves if attacked, including with artillery or from the air by plane or helicopter.³⁵

A second meeting took place on 17 September in Kengtung, this time with senior military officers and the attorney general present. Again there was no breakthrough, but the presence of the Myanmar military meant the two sides were at least able to discuss issues such as troop deployments. They have agreed to meet again, most likely in October, and the military is expected to extend its unilateral ceasefire for about another month.³⁶

These immediate efforts at dialogue are positive, but further progress will likely require the military and government to propose revised ceasefire terms. The alternatives are unpalatable: leave the groups out of the peace process, running the risk of further conflict; or seek a military victory, which would be devastating for local populations and stretch military resources. Both options would almost certainly hinder economic development, including China-backed mega-projects, in northern Shan State.

China has responded quickly to the attacks and may have used its influence to avoid a significant escalation. On 19 August, its foreign ministry “strongly condemned” the strikes and said it would continue to support the peace process in a “positive way”. The following day, its special envoy for Asian affairs, Sun Guoxiang, met representatives from the three armed groups, urging them to halt attacks and meet the government for fresh talks. Though the meeting took place on 31 August, China has been unable or unwilling to bring fighting to a complete halt. It is wary of becoming involved beyond its current mediator role and risking being perceived as taking sides in the conflict.³⁷

The KIO neither took part in the August attacks nor gave them its official endorsement. Previously, the KIO’s northern Shan brigades were part of the Northern Alliance,

³² Crisis Group interviews, Peace Commission member and source close to ethnic armed groups, August and September 2019. See also “Military’s draft peace deal demands retreat of Northern Alliance troops”, *The Irrawaddy*, 1 July 2019.

³³ Crisis Group interview, source close to ethnic armed groups, August 2019.

³⁴ “Joint communiqué of the National Reconciliation and Peace Centre (NRPC) and KIO, Palaung State Liberation Front (PSLF), Myanmar National Truth and Justice Party (MNTJP), United League of Arakan (ULA) representatives”, 31 August 2019.

³⁵ “Brotherhood Alliance one-month unilateral ceasefire announcement”, 9 September 2019.

³⁶ Crisis Group interview, Peace Commission member, September 2019.

³⁷ Crisis Group interview, China analyst, September 2019.

a bloc that included the AA, TNLA and MNDAA and staged the offensive in northern Shan State in November 2016. In contrast, it has not joined the new Brotherhood Alliance and did not commit troops to the attacks launched on 15 August. After eight years of warfare, the KIO is less eager to fight than the other three groups. It also has complaints about the bilateral ceasefire proposal put forward by the government but, unlike the three groups in the Brotherhood Alliance, would not have to give up territory. With its status within the peace process assured, the KIO also has different political goals; in particular, it wants to make progress on the return or resettlement of almost 100,000 internally displaced persons in Kachin State.³⁸

IV. Conclusion

The attacks launched on 15 August in northern Shan State were unusual in their boldness but should not have come as a surprise, given rising tensions over ceasefire negotiations and recent Myanmar military pressure. The Brotherhood Alliance's objectives were to underline its ability to strike at key economic infrastructure, to shift pressure off AA forces in Rakhine State and to reset bilateral ceasefire talks. The Myanmar military's response has so far been subdued. But there is no guarantee that its restraint will continue; a major counteroffensive is still possible. The willingness of both sides to engage in dialogue is promising, but given recent disagreements, a fundamental rethink of negotiations will be required to improve prospects for bilateral ceasefires.

As long as the three groups remain outside the peace process, prospects for an end to Myanmar's conflicts remain dim. Their status has been the pivotal issue in the process for the past five years, causing fragmentation among Myanmar's ethnic armed groups that has undermined efforts at dialogue. Bilateral ceasefires that bring the three insurgent groups into the peace process would be an important step forward, if only because it would mean an immediate end to fighting in large parts of Rakhine and Shan States. The insistence that the groups give up territorial gains is unrealistic, however, particularly for the AA, and Naypyitaw should abandon it. If the 15 August attacks represent a rejection of this current ceasefire proposal, they are also a push for the status enjoyed by most of Myanmar's other armed groups – many of which have far less military capacity and public support. Such recognition seems inevitable both for the parties to reach bilateral ceasefires and for the peace process to be able to move forward with credibility and legitimacy.

In the meantime, both sides should adhere to their respective unilateral ceasefires and refrain from further attacks, particularly those that might put civilians at risk. They must also allow aid to reach those in need and ensure that aid workers are not targeted or put at unnecessary risk. To give renewed impetus to bilateral ceasefire negotiations, the military should broaden its unilateral ceasefire to Rakhine State and lengthen the time horizon. Given its significant influence over both parties, China is well placed to encourage an end to the fighting and renewed dialogue.

Yangon/Brussels, 24 September 2019

³⁸ Crisis Group interview, Peace Commission member, August 2019. For a detailed discussion, see Crisis Group Asia Briefing N°156, *An Opening for Internally Displaced Person Returns in Northern Myanmar*, 22 May 2019.

Appendix A: Who's Who in the Brotherhood Alliance

The **Arakan Army (AA)** was formed in 2009 under the patronage of the Kachin Independence Organisation at its headquarters on the China border in Laiza. The group emerged as a serious force from 2015, when it began participating in attacks in Shan State together with the Ta'ang National Liberation Army, Myanmar National Democratic Alliance Army and Kachin Independence Organisation. Around this time, its fighters also began to infiltrate into southern Chin State, close to the border with Rakhine State. In January 2019, it launched major attacks in Rakhine State and has been engaged in heavy fighting with the military there for the past nine months.

The **Ta'ang National Liberation Army (TNLA)** traces its roots to the Palaung State Liberation Army formed in 1963. After the latter signed a ceasefire with the military government in 1991, remnant forces in Kayin State continued to fight against the military together with the Karen National Union as the Palaung State Liberation Front. The Front was largely inactive, however, until 2009, when it established the TNLA as its new armed wing, under the patronage of the Kachin Independence Organisation. The TNLA has fought regularly against not only the Myanmar military but also militias allied to the military, such as the Pansay militia, and the Shan State Army-South, the armed wing of the Restoration Council of Shan State.

The **Myanmar National Democratic Alliance Army (MNDAA)** was formed after forces led by Pheung Kya-Shin (Peng Jiasheng) broke away from the collapsing Communist Party of Burma in 1989. It was the first ethnic armed group to sign a ceasefire with Myanmar's military regime, which had taken power the previous year. The ceasefire held for two decades until 2009, when the Myanmar military invaded the Kokang region after the MNDAA refused to become a Border Guard Force under military control. The military ousted Pheung Kya-Shin and put a rival faction in charge of the Kokang region. In 2015, the MNDAA, with AA and TNLA support, staged a surprise offensive in an effort to retake the Kokang region. While largely unsuccessful, this operation inflicted significant casualties on the Myanmar military and reshaped the peace process.

Appendix B: Map of Shan State



Appendix C: About the International Crisis Group

The International Crisis Group (Crisis Group) is an independent, non-profit, non-governmental organisation, with some 120 staff members on five continents, working through field-based analysis and high-level advocacy to prevent and resolve deadly conflict.

Crisis Group's approach is grounded in field research. Teams of political analysts are located within or close by countries or regions at risk of outbreak, escalation or recurrence of violent conflict. Based on information and assessments from the field, it produces analytical reports containing practical recommendations targeted at key international, regional and national decision-takers. Crisis Group also publishes *CrisisWatch*, a monthly early-warning bulletin, providing a succinct regular update on the state of play in up to 70 situations of conflict or potential conflict around the world.

Crisis Group's reports are distributed widely by email and made available simultaneously on its website, www.crisisgroup.org. Crisis Group works closely with governments and those who influence them, including the media, to highlight its crisis analyses and to generate support for its policy prescriptions.

The Crisis Group Board of Trustees – which includes prominent figures from the fields of politics, diplomacy, business and the media – is directly involved in helping to bring the reports and recommendations to the attention of senior policymakers around the world. Crisis Group is chaired by former UN Deputy Secretary-General and Administrator of the United Nations Development Programme (UNDP), Lord (Mark) Malloch-Brown.

Crisis Group's President & CEO, Robert Malley, took up the post on 1 January 2018. Malley was formerly Crisis Group's Middle East and North Africa Program Director and most recently was a Special Assistant to former U.S. President Barack Obama as well as Senior Adviser to the President for the Counter-ISIL Campaign, and White House Coordinator for the Middle East, North Africa and the Gulf region. Previously, he served as President Bill Clinton's Special Assistant for Israeli-Palestinian Affairs.

Crisis Group's international headquarters is in Brussels, and the organisation has offices in seven other locations: Bogotá, Dakar, Istanbul, Nairobi, London, New York, and Washington, DC. It has presences in the following locations: Abuja, Algiers, Bangkok, Beirut, Caracas, Gaza City, Guatemala City, Hong Kong, Jerusalem, Johannesburg, Juba, Mexico City, New Delhi, Rabat, Tbilisi, Toronto, Tripoli, Tunis, and Yangon.

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September 2019

Appendix D: Reports and Briefings on Asia since 2016

Special Reports and Briefings

Exploiting Disorder: al-Qaeda and the Islamic State, Special Report N°1, 14 March 2016 (also available in Arabic and French).

Seizing the Moment: From Early Warning to Early Action, Special Report N°2, 22 June 2016.

Counter-terrorism Pitfalls: What the U.S. Fight against ISIS and al-Qaeda Should Avoid, Special Report N°3, 22 March 2017.

Council of Despair? The Fragmentation of UN Diplomacy, Special Briefing N°1, 30 April 2019.

Seven Opportunities for the UN in 2019-2020, Special Briefing N°2, 12 September 2019.

North East Asia

Stirring up the South China Sea (IV): Oil in Troubled Waters, Asia Report N°275, 26 January 2016 (also available in Chinese).

East China Sea: Preventing Clashes from Becoming Crises, Asia Report N°280, 30 June 2016.

China's Foreign Policy Experiment in South Sudan, Asia Report N°288, 10 July 2017 (also available in Chinese).

The Korean Peninsula Crisis (I): In the Line of Fire and Fury, Asia Report N°293, 23 January 2018 (also available in Chinese).

The Korean Peninsula Crisis (II): From Fire and Fury to Freeze-for-Freeze, Asia Report N°294, 23 January 2018 (also available in Chinese).

The Case for Kaesong: Fostering Korean Peace through Economic Ties, Asia Report N°300, 24 June 2019.

South Asia

Nepal's Divisive New Constitution: An Existential Crisis, Asia Report N°276, 4 April 2016.

Political Conflict, Extremism and Criminal Justice in Bangladesh, Asia Report N°277, 11 April 2016.

Sri Lanka: Jumpstarting the Reform Process, Asia Report N°278, 18 May 2016.

Pakistan's Jihadist Heartland: Southern Punjab, Asia Report N°279, 30 May 2016.

Pakistan: Stoking the Fire in Karachi, Asia Report N°284, 15 February 2017.

Afghanistan: The Future of the National Unity Government, Asia Report N°285, 10 April 2017.

Sri Lanka's Transition to Nowhere, Asia Report N°286, 16 May 2017.

Sri Lanka's Conflict-Affected Women: Dealing with the Legacy of War, Asia Report N°289, 28 July 2017.

Countering Jihadist Militancy in Bangladesh, Asia Report N°295, 28 February 2018.

China-Pakistan Economic Corridor: Opportunities and Risks, Asia Report N°297, 29 June 2018 (also available in Chinese).

Building on Afghanistan's Fleeting Ceasefire, Asia Report N°298, 19 July 2018 (also available in Dari and Pashto).

Shaping a New Peace in Pakistan's Tribal Areas, Asia Briefing N°150, 20 August 2018.

Sri Lanka: Stepping Back from a Constitutional Crisis, Asia Briefing N°152, 31 October 2018.

South East Asia

The Philippines: Renewing Prospects for Peace in Mindanao, Asia Report N°281, 6 July 2016.

Myanmar's New Government: Finding Its Feet?, Asia Report N°282, 29 July 2016 (also available in Burmese).

Southern Thailand's Peace Dialogue: No Traction, Asia Briefing N°148, 21 September 2016.

Myanmar's Peace Process: Getting to a Political Dialogue, Asia Briefing N°149, 19 October 2016 (also available in Burmese).

Myanmar: A New Muslim Insurgency in Rakhine State, Asia Report N°283, 15 December 2016 (also available in Burmese).

Building Critical Mass for Peace in Myanmar, Asia Report N°287, 29 June 2017 (also available in Burmese).

Buddhism and State Power in Myanmar, Asia Report N°290, 5 September 2017 (also available in Burmese).

Jihadism in Southern Thailand: A Phantom Menace, Asia Report N°291, 8 November 2017 (also available in Thai and Malay).

Myanmar's Rohingya Crisis Enters a Dangerous New Phase, Asia Report N°292, 7 December 2017 (also available in Burmese).

The Long Haul Ahead for Myanmar's Rohingya Refugee Crisis, Asia Report N°296, 16 May 2018 (also available in Burmese).

Myanmar's Stalled Transition, Asia Briefing N°151, 28 August 2018 (also available in Burmese).

Bangladesh-Myanmar: The Danger of Forced Rohingya Repatriation, Asia Briefing N°153, 12 November 2018.

Fire and Ice: Conflict and Drugs in Myanmar's Shan State, Asia Report N°299, 8 January 2019 (also available in Burmese).

A New Dimension of Violence in Myanmar's Rakhine State, Asia Briefing N°154, 24 January 2019 (also available in Burmese).

Building a Better Future for Rohingya Refugees in Bangladesh, Asia Briefing N°155, 25 April 2019.

An Opening for Internally Displaced Person Returns in Northern Myanmar, Asia Briefing N°156, 28 May 2019 (also available in Burmese).

The Philippines: Militancy and the New Bangsamoro, Asia Report N°301, 27 June 2019.

Peace and Electoral Democracy in Myanmar, Asia Briefing N°157, 6 August 2019.



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