

	digital entrepreneurship job creation digital skills/literacy digital services		<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>
	Connectivity @ Tags: transport people2people energy digital connectivity	<input checked="" type="checkbox"/>	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>
	Migration @ (methodology for tagging under development)	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Reduction of Inequalities (methodology for marker and tagging under development)	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	COVID-19	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
BUDGET INFORMATION				
12. Amounts concerned	Budget line: B2021-14.020131-C1-INTPA Total estimated cost: EUR 15 000 000 Total amount of EU budget contribution EUR15 000 000			
MANAGEMENT AND IMPLEMENTATION				
13. Type of financing⁸	Direct management through: - Grants Indirect management with the entity(ies) to be selected in accordance with the criteria set out in section 4.3.1			

1.2. Summary of the Action

The seizing of power by the military on 1 February 2021 brought a sudden halt to Myanmar's democratic transition and returned the country to military rule. In the new context, the Council Conclusions of February 2021⁹ stress the need to avoid legitimising the coup or the military.

COVID-19 and the military coup have had a serious impact on poverty and human development in Myanmar. The UN, the World Bank and others have provided evidence of increasing poverty rates in the country. A recent UNDP report¹⁰, published in April 2021, estimates that the number of poor people in Myanmar could double as a result of the combined impacts of the COVID-19 pandemic and the ongoing political crisis. The World Food Programme has indicated that up to 3.4 million more people will struggle to afford food in 2021 due to food prices rise and limited access to cash, including in urban areas affected by job losses in manufacturing, construction and services.

The military coup may lead to a reversal of the progress witnessed in the private sector over the past decade. The private sector has changed in Myanmar in the last decade with the emergence of SMEs across many sectors since 2011, offering decent jobs and another economic model to the military's capture of the country's natural resources. This private sector that has no links to the military provides jobs and livelihoods to Myanmar people. **Supporting responsible business in the wake of the coup will be essential to maintaining good practices, for the benefit of**

⁸ Art. 27 NDICI

⁹ Adopted at the Foreign Affairs Council on 22 February 2021

¹⁰ UNDP report 'COVID-19, Coup d'état and Poverty: Compounding Negative Shocks and their Impact on Human Development in Myanmar', April 2021, available at https://www.asia-pacific.undp.org/content/rbap/en/home/library/democratic_governance/covid-19-coup-d-etat-and-poverty-impact-on-myanmar.html