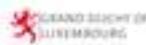




# LIFT ANNUAL REPORT 2016



## Livelihoods and Food Security Trust Fund





## **ACKNOWLEDGEMENTS**

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## **DISCLAIMER**

This document is based on information from projects funded by LIFT in 2016 and supported with financial assistance from Australia, Denmark, the European Union, France, Ireland, Italy, Luxembourg, the Netherlands, New Zealand, Sweden, Switzerland, the United Kingdom, the United States of America, and the Mitsubishi Corporation. The views expressed herein should not be taken to reflect the official opinion of the LIFT donors.

Exchange rate: this report converts MMK into USD at 1300:1, which was the average exchange rate during the year.

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This report builds on LIFT's previous annual reports, which can be found at [www.lift-fund.org/publications](http://www.lift-fund.org/publications)

LIFT is managed by the United Nations Office for Project Services



## Abbreviations and acronyms

ADB	Asian Development Bank
ASEAN	Association of Southeast Asian Nations
CBO	community-based organisation
CSO	civil society organisation
DAR	Department of Agricultural Research
DC	Donor Consortium
DoA	Department of Agriculture
DoF	Department of Fisheries
DRD	Department for Rural Development
DSW	Department of Social Welfare
FMO	Fund Management Office
FB	Fund Board
FDI	foreign direct investment
FRD	Financial Regulatory Department
FSWG	Food Security Working Group
GRET	Group de Recherches et d'Echanges Technologiques
IDP	internally displaced person
IFC	International Finance Corporation
HHS	Households
INGO	international non-governmental organisation
IP	implementing partner
LBVD	Livestock Breeding and Veterinary Department
LEARN	Leveraging Essential Nutrition Actions To Reduce Malnutrition
MADB	Myanmar Agriculture Development Bank
MCCT	maternal and child cash transfer
MEAL	monitoring and evaluation for accountability and learning
MFI	microfinance institution
MMK	Myanmar Kyat
MoAI	Ministry of Agriculture and Irrigation
PGMF	Pact Global Microfinance Fund
PoVAW	Prevention of Violence Against Women Law
QSEM	Qualitative Social and Economic Monitoring
SPPRG	Social Policy and Poverty Research Group
SRI	system of rice intensification
UNOPS	United Nations Office for Project Services
VDC	village development committee
VSLA	village savings and loan association
WASH	water, sanitation, and hygiene
WHH	Welthungerhilfe

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## Working for inclusive and transformative change

The multi-donor **Livelihoods and Food Security Trust Fund (LIFT)** has been operating in Myanmar since 2010, helping rural people to reach their full economic potential through improved nutrition, income diversification and skills development.

We support the growth and modernisation of Myanmar's rural economy by increasing the profits of farmers, encouraging diversification in agriculture and skilling people for new jobs with higher wages. This is providing opportunities for smallholder farmers and landless people to take part in Myanmar's development.

Research funded by LIFT and conducted in 2016 provides clear evidence of the structural transformation occurring in Myanmar's economy. Rural wages are increasing significantly in real terms, which encourages farmers to mechanise operations and grow crops that are more profitable than rice. Aquaculture, especially in Ayeyarwady and Bago regions, is also growing quickly, because it is more profitable than rice farming. Aquaculture employs nearly four times more labour per acre than rice farming, which further increases rural wages through increased demand for labour and increased demand for feed and fish processing services. In research sites in Ayeyarwady and Bago, the number of non-farm jobs in rural areas has increased rapidly since 2012.

In this changing environment LIFT provides new knowledge, technologies and access to finance and markets. In addition, we generate evidence to back the development of policies that will improve the lives of rural poor people.

LIFT support, amounting to USD 266 million, has reached around 7.2 million rural people, roughly 20 per cent of the country's rural population.

Projects are implemented by partners, who are local and international non-government organisations, UN agencies, civil society actors, academic and research bodies, and the private sector. LIFT provides technical support and guidance to the government of Myanmar.



*Families Reached by LIFT 2010 - 2016*

In 2016, LIFT started new activities in the Delta, Dry Zone, Rakhine and Uplands geographic areas, as well as for financial inclusion, migration and civil society engagement programmes. These programmes put the LIFT strategy 2014-2018 into operation, by helping target beneficiary groups to **'step up'** into commercial value chains, **'step out'** of marginalised farming and into more profitable agricultural and non-farm support jobs, and to **'hang in'**, gaining better nutrition and skills that will enable them to later 'step up' or 'step out'.

There are many factors at work in Myanmar's structural transformation that are contributing to changes for people in rural areas. In 2016, mechanisation, microfinance and migration had significant impact on the rural population in Myanmar across the four geographic areas where LIFT works.

Migration from rural areas continued to increase as jobs in urban areas attracted rural people looking to **'step out'** of agriculture. LIFT is responding to the migration, expected in a country's structural transformation, with a USD 16 million migration programme that was designed and contracted in 2016. The migration programme will contribute to safe and rewarding migration for people who move from rural areas. LIFT's partners work with migrants and aspiring migrants to ensure they have the skills, financial literacy and support to 'step out' safely to new opportunities that deliver the employment and financial goals they have for themselves and their families.

Migration is not the 'stepping out' solution for everyone. People also choose to stay in their rural communities and take advantage of new economic opportunities in agriculture and the rural non-farm economy. In 2016, LIFT invested USD 9 million in the Agribusiness Finance Programme, which resulted in more than 3,000 lease contracts worth USD 56 million for tractors, combine harvesters and other machinery that smallholder farmers are using to improve their land and labour productivity. Rural entrepreneurs are building businesses in machinery rental services. Mechanisation is helping smallholder farmers **'step up'** agriculture productivity and helping others **'step out'** and generate income through the non-farm activities.

By the end of 2016, LIFT was funding 56 financial institutions active in 222 townships and client growth increased by 22 per cent. The majority of clients use their loans for agriculture production in crops, livestock and aquaculture. A total of USD 400 million of agriculture loans have been disbursed. Access to credit provides rural households with opportunities to **'step up'** their agriculture productivity and to 'step out' and create non-farm income-generating activities.

In 2016, LIFT also worked on nutrition, resilience, gender and social protection initiatives that support rural people in Myanmar's economic transformation across the geographic areas where LIFT works. Nutrition programmes, particularly focussed on improving the nutrition for mothers and their children in the first 1,000 days of life by providing nutrition education and maternal and child cash transfers, were expanded in 2016, reaching communities in the Delta, Dry Zone and Rakhine. A nutrition programme for the Chin State was designed and implementation will begin in 2017. Nutrition initiatives help people **'hang in'** and build the capacity of the next generation to **'step out'**.

LIFT is supported by United Kingdom, European Union, Australia, Denmark, France, Ireland, Italy, Luxembourg, the Netherlands, New Zealand, Switzerland, Sweden, and the United States of America. From the private sector, the Mitsubishi Corporation is a donor. Funds are pooled for aid effectiveness. Under the management of UNOPS, the Fund's mandate has been extended, and activities are expected to continue to the end of 2018, at least.

# 1. EXECUTIVE SUMMARY

## 1. 2016 marked the Livelihoods and Food Security Trust Fund's (LIFT) seventh year of operations in Myanmar and its seventh year of growth in terms of the people LIFT's programmes reach

In 2016, LIFT worked in 222 townships across the country, more than double the number of townships at the end of 2015. At the end of the year, 7.2 million rural people – or roughly 20 per cent of Myanmar's rural population - were receiving LIFT support. This represents a 22 per cent increase on the year before. Growth was driven mainly by LIFT's investment in jump-starting the microfinance capital market in Myanmar, which enabled a significant increase in the outreach of microfinance institutions.

## 2. The growth in LIFT's reach included areas significantly affected by conflict

In 2016, LIFT was able to expand to the conflict-affected areas of Kayin, Kayah and Thantharyi with new partners and new stakeholders. LIFT undertook conflict assessment missions to ensure these projects have robust conflict management mechanisms in place. Also, in spite of the challenges in Rakhine, LIFT was able to expand its work; LIFT now covers 14 out of 17 townships of Rakhine with a portfolio of projects of USD 60 million. New projects were launched in Rathedaung and Maungdaw, both in northern Rakhine.

## 3. LIFT continued to deliver good results

In 2016, LIFT met or exceeded its targets for 24 of the 27 outcome indicators for which data was collected, including all indicators of its purpose-level outcomes of improved rural incomes, resilience, nutrition and policy developments. Over the life of LIFT, these results translate to an estimated 2.2 million people living in households with increased incomes, 2.3 million people living in households with increased assets, 2 million people with strengthened resilience, and nearly 326,000 households with improved diets. Farm-based production by smallholder farmers increased, as did safe employment opportunities in non-farm activities. There was a sharp increase in the capacity of national entities to manage LIFT funds. LIFT continues to support women, particularly through improved maternal nutrition; increased financial literacy and access to credit - 94 per cent of LIFT-supported financial services clients are women, and by reducing abuse and trafficking of women and children.

## 4. LIFT's new geographic programmes are now in place

LIFT made excellent progress during the year in awarding, negotiating and signing grants for its new programmes. The table below shows that 24 new grants were signed in the reporting period. As of 31 December 2016, LIFT had a total of 71 ongoing projects.

Table 1.1: Progress towards establishing LIFT's new geographic programmes

Programme	Original CFP amount (USD in mil)	Proposals selected	Grants signed in 2015	Grants signed in 2016	Value of grants signed (USD in mil)
Delta 3	16	9	5	4	17.9
Rakhine	22	7	6	1	44.5
Dry Zone	21	10	5	5	32.3*
Uplands	42	7	5	7	16.8
<b>Totals</b>	<b>149</b>	<b>32</b>	<b>16</b>	<b>17</b>	<b>111.5</b>

\*Note: this amount includes the Pump Irrigation Project Infrastructure component implemented by UNOPS

## 5. These new geographic programmes are all strongly linked to LIFT's overall strategy, but tailored to each area's specific conditions

In the Ayeyarwady Delta, a major rice-producing region, supporting farmers to improve their productivity is an important focus of LIFT activities. In 2016, progress was made on improving the availability of quality rice seed to farmers by increasing the number of seed growers and establishing linkages between producers and suppliers. This is one of the activities helping Delta households to 'step up'. In the Dry Zone, social protection initiatives work to ensure that the economic transformation is as inclusive as possible and that vulnerable households 'hang in' and are not left behind. LIFT's old

age pension pilot in the Dry Zone led to close collaboration between social protection committees and government staff, building the capacity of government staff to manage the expected rollout of national-level cash transfers schemes in 2017/18. In the Uplands, LIFT began implementing programme initiatives that will provide a range of agriculture, nutrition and socio-economic-related services alongside existing projects on financial inclusion and private sector engagement. Six of these newly-contracted projects with village-based interventions are expected to reach 16,000 households in 340 villages in 15 townships. In Rakhine, one of the least developed areas of Myanmar, improving nutrition, agricultural production and food security remain the priorities for LIFT. In 2016, 182 villages participated in the maternal and cash transfer nutrition initiative and almost 3,500 pregnant women and mothers received cash transfers and education on nutrition.

#### **6. Although LIFT is working in an improving rural economy, there are good reasons to believe that LIFT's activities are making a real difference**

In 2016, new analysis of LIFT's survey data showed that participants in LIFT-funded activities were more likely to improve their incomes and resilience than households in the same areas that did not participate in similar activities. For example, households that received agricultural training from LIFT partners were 4.2 times more likely to increase their crop yields and 2.1 times more likely to increase their incomes, compared to households that did not receive training. Households that received livestock training were 2.5 times more likely to indicate their income had increased. LIFT households that received agricultural and livestock training were 2.1 and 2.5 times more likely, respectively, to increase assets and wealth over the past two years, compared with LIFT households that did not receive training.

#### **7. Across all four agro-ecological zones, access to rural financial services plays a key role in LIFT's approach**

The enormous gap in the supply and access to financial services remains one of Myanmar's most pressing development challenges and financial inclusion is now LIFT's largest programme. By the end of 2016, LIFT was supporting 56 financial institutions (up from 40 in 2015) that collectively reached 1.6 million clients in 15,000 villages countrywide<sup>1</sup>. This was 62 per cent of the total microfinance market in terms of clients served by all microfinance institutions in Myanmar. In 2016, LIFT-supported microfinance institutions' available capital for financial services increased by USD 52 million – USD 13 million from LIFT, USD 12 million from the Yoma Bank's placement fund, USD 11 million from retained earnings, and USD 16 million from savings mobilised.

#### **8. LIFT's financial inclusion programme continues to evolve from an exclusive focus on microfinance to a model that supports rural financial services in the wider context of structural transformation in Myanmar**

In addition to agricultural finance through microfinance providers, LIFT started a new agricultural hire purchase programme in partnership with Yoma Bank in order to enable smallholder farmers to access mechanised farm services from small businesses. The Yoma Bank Partial Risk Guarantee project was officially launched in January 2016. As part of the project, Yoma has reduced the down payment size from 30 per cent to 10 per cent of the value of the machinery, has increased the length of the lease agreement from one year to up to three years, and has eliminated the need for farmers to use their land use certificates as collateral. By the end of 2016, the total number of lease contracts exceeded 3,000 with a value of USD 56 million. Tractors are the most popular product financed under the programme, followed by trucks and combine harvesters. Almost half of the sales (48 per cent) were in the Delta and 37 per cent of the sales were in the Dry Zone. Additional research shows, at least in the rural townships around Yangon, that the pace of farm mechanisation has accelerated rapidly in the last year and that all farmers, regardless of farm size, are mechanising at more or less the same rate. This indicates that smallholder farmers are taking advantage of the increased access to mechanised services that Yoma Bank clients are providing by renting the newly-purchased machinery. The new farm machinery purchased through the project is providing land preparation services to approximately 55,000 households covering 350,000 acres of farmland. LIFT funds were leveraged by a factor of five times, meaning that five times as much capital was invested by Yoma Bank in the programme than was invested by LIFT.

<sup>1</sup> See Annex 5 for a list of LIFT-funded financial inclusion partners and details of their achievements.

### **9. LIFT introduced major new nutrition interventions to reduce stunting in the under-five age group**

In June, LIFT organised a high-profile event in Labutta to launch the Bright SUN nutrition project that features maternal and child cash transfers (MCCT). The launch included senior officials from the National Nutrition Centre, the Department of Social Welfare, local and regional governments, donor representatives and the press. The project in the Delta builds on the successful maternal and child cash transfer (MCCT) pilot in Rakhine, which has already demonstrated a reduction in stunting in children under five years. In 2016, LIFT delivered a combined total of 45,936 cash transfers to 9,125 beneficiaries. The LIFT-funded PATH project received approval from Myanmar's Food and Drug Authority for its fortified rice kernels as well as for three fortified rice production facilities. Fortified rice is currently distributed through 28 supermarkets, 218 retailers in Yangon and Ayeyarwady Regions and 19 retailers in seven other townships across the country. PATH also established the government-led Rice Fortification Working Group in March 2016.

### **10. LIFT established a new migration programme with an emphasis on improved migration management by making migration safer and more rewarding**

With USD 16 million of funding, the programme is the largest funding window for migration in Myanmar. In 2016, LIFT entered into partnerships with 15 migration stakeholders representing the government, UN agencies, the private sector, microfinance institutions, job-matching platforms, academia, civil society organisations, mass media, and INGOs, to make the migration experience of women and men safe and empowering. One of the flagship projects works with the garment industry in Yangon where one of the largest factory workforces in Myanmar is employed, a workforce predicted to grow from 400,000 workers to 1.5 million by 2020. The programme will also reach three and four million people through mass media with safe migration messages.

### **11. An increasing proportion of LIFT funds are being managed by local entities in all geographic zones**

In 2016, LIFT increased its efforts to strengthen local capacities, including those of government, civil society organisations and private enterprises. LIFT signed 24 new contracts during the year, of which nine were directly with national NGOs. Of the other 15 contracts signed in 2016, four included seven national sub-implementing partners. The 2016 budget managed by all national entities was USD 23.1 million, which is 39 per cent of LIFT's 2016 total grant expenditure. This is a substantial increase from the 14 per cent in 2015. With this increase, LIFT achieved 195 per cent of its 2016 target. In 2016, LIFT opened three new small grants windows – one each in the Delta, Dry Zone and Uplands – for township level CSOs that work on livelihood system strengthening with civil society, government and private sector actors.

### **12. 2016 was a strong year for learning, exchange and uptake**

In early 2016, LIFT dedicated more resources to the generation, communication and uptake of knowledge. Programmes and projects refined theories of change in 2016, which explain the programmes' rationale and the coherence of projects. LIFT, its programmes and projects also developed evaluation and learning questions that identify the areas in which LIFT aims to learn and generate knowledge. LIFT also improved how knowledge is communicated to its stakeholders by establishing a physical learning library at the LIFT office and by reviewing and restructuring the website. In 2016, a series of legacy papers were designed that will bring to life what LIFT has learned since 2010 but has not always been communicated outside of the Fund. The first of these will be published in 2017. LIFT's learning was leveraged to inform policy and a notable success was the use of LIFT's research and experience to shape a proposal for government-led provision of a universal maternal and child nutrition cash transfer in Chin State.

### **13. During 2016, LIFT increased its commitment to gender equality and women's empowerment**

LIFT developed a new gender strategy and action plan in 2016 and allocated approximately USD 100,000 to support the strategy's implementation, to fund studies, workshops and employ gender experts. LIFT continued to support women's empowerment and fight for gender equality in Myanmar; achieving many notable successes in its geographic programmes. For example, in Rakhine, women's empowerment has advanced by strengthening women's skills and potential to become leaders in their communities. LIFT also supported women's empowerment and wellbeing through scaled-up nutrition, migration and vocational training programmes.

**14. LIFT continues to adapt its governance structure as the context evolves. In March 2016, after the election of the new government, LIFT donors agreed to invite the newly-formed Ministry of Agriculture, Livestock and Irrigation to join the Fund Board**

The government accepted the invitation and is now a full Fund Board member. The first meeting with government representation occurred in September 2016. The government's participation in the LIFT Fund Board eliminates the primary function of the Senior Consultation Group and alternative mechanisms for bringing civil society and private sector inputs to the Fund Board are being considered.

**15. LIFT established new mechanisms of support for the Ministry of Agriculture, Livestock and Irrigation (MoALI)**

LIFT supported the establishment of an agriculture policy unit in the Department of Planning to support the development and implementation of the Ministry of Agriculture, Livestock and Irrigation's (MoALI) new Agriculture Development Strategy. The agriculture policy unit was initially formed with six MoALI staff and two international advisers. The first activity assigned to the unit by MoALI was an analysis of potential research and extension reforms to realise potential agricultural productivity gains. LIFT also collaborated with the ADB and FAO to support MoALI's proposal for substantial grant funding from the Global Agriculture and Food Security Program (GAFSP). The proposal was approved and MoALI was awarded a USD 27 million grant from GAFSP, which triggered an ADB concessional loan of USD 35 million.

**16. LIFT continues to engage with government policy across its entire programme and many of its projects, with particular emphasis on policy areas of most relevance to LIFT's objectives**

LIFT also continued to support government efforts to operationalise the National Land Use Policy by providing technical expertise and strengthening institutional capacities at all levels of government for land management and administration. In the area of social protection, LIFT's partner HelpAge International worked closely with the Ministry of Social Welfare, Relief and Resettlement to strengthen institutional capacities in support of legislation on ageing and government financing for elderly pensions. In the area of nutrition, LIFT began working directly with government to support the Department of Social Welfare's provision of MCCTs in Chin State for a two year period (2017-2019), after which government will assume full financial and management responsibility. In the area of gender, LIFT support enabled Gender Equality Network to contribute to the development of a Prevention and Protection of Violence Against Women Law, advocate for the implementation of the National Strategic Plan for the Advancement of Women, and participate in the first meeting of the Myanmar National Committee for Women's Affairs.

**17. LIFT began using value-for-money measures and is now reporting on them for the first time in order to assess and improve LIFT's economy, efficiency and effectiveness**

Most of the projects (84 per cent) in the geographic programmes that were contracted or extended in 2016 provided value-for-money considerations in their proposals. All projects operated with identified cost drivers and controls. Based on 2016 expenditure reports, it is estimated that the cost of providing LIFT services was USD 36 for each household reached, or USD 8 for each individual within those households. This suggests LIFT is relatively cost-effective when compared with other projects that have similar development objectives and scale in the region<sup>2</sup>. Analysis was also conducted on the relative cost of different LIFT interventions to inform learning and future programming decisions. The cost of providing agricultural support was USD 154 per household, which includes training on health and nutrition and material inputs, and USD 78 for MCCT, which includes a cash transfer and information on health and nutrition. In regard to microfinance, LIFT's cost per active client, assuming one active client per household, was USD 14.50.

**18. LIFT's interim review concluded that LIFT was delivering results that aligned well with the strategy**

An independent interim review of LIFT was commissioned by the Fund Board in November 2016 to evaluate LIFT's performance at the mid-point of the current funding period against its current strategy. The review concluded that LIFT was performing well and that LIFT's results aligned well with the LIFT strategy, including the objectives of helping people 'step up', 'step out' and 'hang in'. The independent review reinforces numerous donor reviews in recent years. For example, in 2016 DFID's annual review of LIFT gave it an A+ rating for the third consecutive year, meaning that LIFT's overall outputs moderately exceeded expectations.

<sup>2</sup> Consider, for example, the Philippines Rural Development Programme (USD 354 per person), the Vietnam Poverty Reduction Project (USD 318 per person), and the China Integrated Modern Agriculture Development Project (USD 206 per person).

### 19. In 2017, LIFT will continue to expand its reach and enhance its policy engagement on nutrition, rural development and sustainable agriculture

The number of people benefiting from LIFT assistance is expected to increase further in 2017, driven by continued growth of LIFT’s financial inclusion activities as well as new activities in nutrition, vocational training and safe migration. These are all areas that the new government has prioritised, providing momentum to LIFT’s policy and implementation support. LIFT will expand its technical assistance to the Government of Myanmar as well as its support for local civil society. LIFT donors confirmed in 2016 that a successor programme or fund should be designed during 2017 to ensure that LIFT’s key functions in fund management, knowledge generation and policy engagement continue after this phase of the Fund ends in 2019. This will be a big focus for the coming year.

### The LIFT Strategy in Action: ‘Stepping Up’, ‘Stepping Out’ and ‘Hanging In’

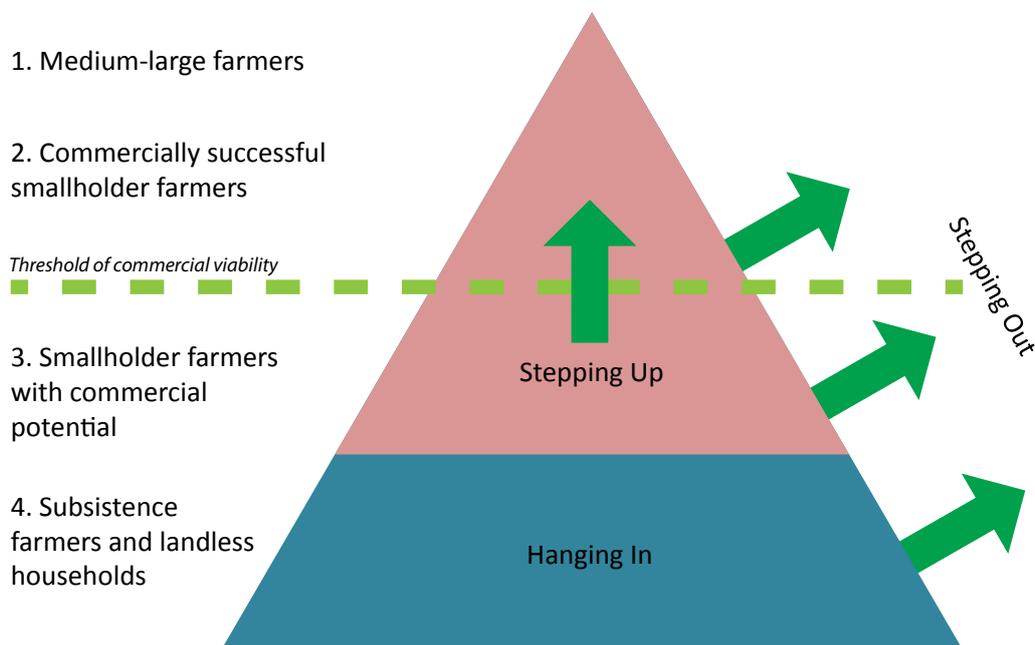
LIFT’s household surveys show that rural life in Myanmar is changing rapidly in line with political reforms and new opportunities, and LIFT has also changed - updating its strategy at the end of 2014 to maximise its impact and relevance.

This report uses some of the language of the strategy, as explained below. The primary beneficiaries of LIFT’s programmes are rural households, including the rural landless.

LIFT focuses resources on the following target groups:

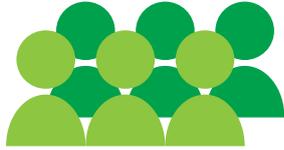
- Rural households with land, labour and/or commercial potential to **‘step up’** the value ladder and out of poverty through increases in labour and land productivity, and through enhanced capacity to market production.
- Rural households or household members to productively **‘step out’** of agriculture, and into more productive sectors of the economy over time. This could be a local ‘step out’, finding better-paid employment in local non-farm activities. It can also be a migration ‘step out’ to take advantage of opportunities further afield.
- Households without commercial potential or the ability to ‘step out’, to **‘hang in’**, using agriculture as a safety net and improving their food security and nutrition outcomes during Myanmar’s period of economic transition.

Figure 1.2: Differentiated livelihood strategies of farmers and landless people<sup>3</sup>



<sup>3</sup>This diagram is not proportionately representative.

## Selected Results 2010 - 2016



**7.2 million**  
people reached  
by LIFT



**1.6 million**  
(94% of them are women)  
people are served by LIFT-funded  
microfinance institutions



**2.1 million**  
people have increased  
their food security by  
more than one month



**2 million**  
people have improved resilience



**491,000**  
households reported  
increased incomes



**326,000**  
households have  
improved diets



**434,000**  
members of civil society took  
part in LIFT-funded training



**277,000**  
households increased  
their income from  
non-agricultural activities



**522,000**  
households have  
increased assets

## 2. LOGRAME INDICATOR RESULTS

### 2.1 Introduction

As part of its new strategy, LIFT developed a monitoring and evaluation for accountability and learning (MEAL) framework with the express functions of:

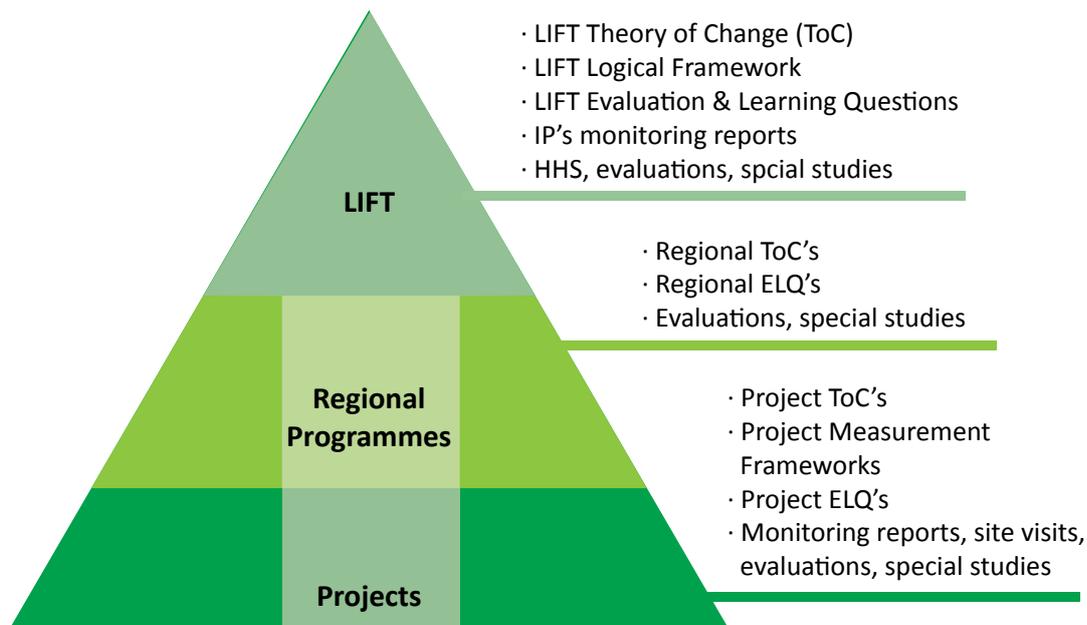
- **Accountability (proving):** showing that activities are leading to certain outputs, outcomes and a goal, and that this was achieved efficiently, effectively and with good value for money
- **Evidence-based learning (improving):** building knowledge and evidence about the extent to which certain strategies, interventions, approaches, and activities have been effective, or not, in their respective contexts and why; and using it to improve the design and implementation of programmes
- **Policy support (guiding):** generating and using policy and practice-relevant evidence to inform government policies, and the design and implementation of government programmes

To fulfil these purposes, the LIFT MEAL Framework consists of three levels:

- **LIFT FMO:** The FMO is responsible for delivering against LIFT’s current theory of change (ToC) on the basis of indicators set out in a corresponding logical framework and by answering a set of LIFT-level evaluation and learning questions (ELQ).
- **Regional programmes:** Regional programmes have detailed ToCs indicating how various programme components are expected to come together to achieve LIFT programme and purpose level outcomes. They also have detailed evaluation and learning questions setting out the key questions that regions seek to answer through their projects and special studies.
- **Project/implementing partners:** Projects have detailed ToCs indicating how they intend to contribute to specific aspects of their respective regional programme ToC. They also have evaluation and learning questions and detailed measurement plans that specify what data they will collect and how.

See LIFT’s Theory of Change at Annex 8. The figure below shows the relationship between each of these levels and lists the different MEAL components at each level.

Figure 2.1: Overview of MEAL Framework



As mentioned above, LIFT’s overall accomplishments are reported against the indicators and targets listed in its current logical framework, which follow.

## 2.2. LIFT's New Logical Framework

In consultation with Fund Board members, LIFT and IP staff, and other technical experts, LIFT revised its logical framework in 2015 to reflect LIFT's updated strategy. Based on the new strategy and its corresponding theory of change, LIFT's logframe now consists of four purpose-level outcome statements, each measured by two to four indicators. These purpose-level indicators capture income levels, income diversity, asset ownership, resilience, food security, diet diversity, child stunting, and public policy and budget allocation/spending changes.

The new logframe also has eight programme-level outcome statements, each measured by two to six specific indicators that include both outreach and outcome-type indicators. LIFT captures a wide range of programme-level indicators including use of improved agricultural practices, agricultural productivity, establishment of enterprises, use of financial services, awareness of women and children's nutritional needs, child diet diversity, exclusive breastfeeding, use of improved sanitation facilities and water sources, and policy-oriented events and publications.

## 2.2 LIFT's Indicator Results and Achievements

The data for most outreach indicators is provided by LIFT's implementing partners every six months. The outreach data listed below is cumulative from 2010 to June 2016.

Most of the outcome indicator data below is derived from the LIFT 2016 household tracking survey, which consists of a representative sample of 2,012 households. Of the households surveyed, 15 per cent were female-headed.

To obtain the number of households for relevant outcome indicators, household survey results are extrapolated to the total number of households LIFT reached in 2016. In recognition of the growing importance of LIFT's quickly expanding financial inclusion programme, the sample size and sample selection for the 2016 tracking survey was doubled, so survey results could be disaggregated by the "core" programme area<sup>4</sup> (tier 1) and the areas where only financial inclusion activities are operational (tier 2), and then extrapolated to the appropriate number of households reached in each tier. Tier 1 and tier 2 achievements are then added together to obtain the achievement of 2016, which is then added to LIFT's 2015 achievement from previous programme areas. For 2016, the number of households reached in tier 1 is 159,000 households and in tier 2 is 1,202,286 households<sup>5</sup>. To obtain the number of female-headed households for an indicator, the gender-specific survey data was extrapolated to 15 per cent of the total number of households reached in 2016.<sup>6</sup>

To better detect levels of change related to LIFT's programmes, and for indicators that include a score or a level, average percentages for 2016 and 2015 (baseline) are subtracted from one another and the resulting differences extrapolated to the number of households reached as of 2016. To do this, we assume that the 2015 baseline results apply to the newly sampled areas in the 2016 tracking survey.

<sup>4</sup> These are areas where LIFT is implementing a range of activities to implement its strategy. For example, in the Dry Zone, the tier 1 area includes six "core" townships: Mahlaing, Myingyan, Natogyi, Taungtha, Pakokku, Yesagy.

<sup>5</sup> To avoid possible double counting, tier 2 consists of all microfinance active clients in 2016 minus tier 1 active clients and estimated duplication.

<sup>6</sup> All extrapolations were calculated using the appropriate proportional weights.

## Purpose-level indicators

Table 2.1: Purpose-level indicators, Results and Achievements

Indicator	Achievement 2015 (previous areas)	Achievement 2016	Cumulative achievement 2015+2016	Milestone 2016	% achieved	Data source
<b>PO 1: Increased incomes of rural households</b>						
PO 1.1: Number of households in LIFT villages with increased income	154,238 hhs 127,612 males 26,626 females	336,926 hhs 295,977 males 40,949 females	491,164 hhs 423,589 males 67,575 females	250,000hhs	196%	HHTS
PO 1.2: % of households in LIFT villages below the poverty line*	13%	NA	NA	28%	-	HHTS
<b>PO 2: Increased resilience of rural households and communities to shocks, stresses and adverse trends</b>						
PO 2.1: Number of households in LIFT villages with increased asset ownership	200,591 hhs 165,307 males 35,284 females	321,642 hhs 284,922 males 36,720 females	522,233 hhs 450,229 males 72,004 females	250,000hhs	209%	HHTS
PO 2.2: Number of households in LIFT villages with increased income diversity score*	NA	NA	NA	100,000hhs	NA	HHTS
PO 2.3: Number of people whose resilience has been improved and ability to cope has increased	NA	1,966,012 people 1,739,091 males 226,921 females	1,966,012 people 1,739,091 males 226,921 females	1,135,000 people	173%	HHTS
<b>PO 3: Improved nutrition of women and children</b>						
PO 3.1: Number of households in LIFT villages with an acceptable dietary diversity score	196,481 hhs 145,454 males 51,027 females	129,242 hhs 114,953 males 14,289 females	325,723 hhs 260,407 males 65,316 females	250,000hhs	130%	HHTS
PO 3.2: Number of households in LIFT villages with 12 months of adequate household food provisioning	492,435 hhs 387,412 males 105,023 females	0 hhs	492,435 hhs 387,412 males 105,023 females	500,000hhs	98%	HHTS
PO 3.3: % of moderately/ severely stunted children < 5 years old in LIFT villages	29%	NA	NA	28%	NA	HHTS
PO 3.4: Proportion of children under 5 years with diarrhoea in previous 2 weeks*	NA	NA	NA	19%	NA	HHTS
<b>PO 4: Improved policies and effective public expenditure for pro-poor development</b>						
PO 4.1: Number and type of public policy and programme changes supported by LIFT	NA	20	20	8	250%	FMO, IPS
PO 4.2: Number and type of changes in public rural development budgets supported by LIFT	NA	5	5	2	250%	FMO, IPS

\* Not measured in 2016 tracker survey

## Purpose-level Outcome 1: Increased incomes of rural households

### Purpose indicator 1.1: Number of households in LIFT villages with increased income

In 2016, and in LIFT’s new programme areas, nearly 23 per cent of households surveyed reported to have increased their income in the past 12 months, which when extrapolated to both core and FI programme areas is an estimated 337,000 households. There was a marked difference between male- and female-headed households, where only 15 per cent of female-headed households reported to have increased incomes as compared to 24 per cent of male-headed households.

When combined with the number of households to have reported an increase in income in LIFT’s previous programme areas in 2015, LIFT has contributed to increasing the incomes of an estimated total of nearly 491,200 households, or **achieving 196 per cent of this indicator’s 2016 milestone.**

It is important to note that this indicator does not look at households that reported no change or a decrease in incomes. These additional results currently are being analysed in an in-depth income and assets study.

### Purpose indicator 1.2: Percentage of households in LIFT villages below the poverty line

This indicator is measured every two years as part of LIFT’s full household survey and, thus, was not included in the 2016 Tracking Survey. However, as measured in the LIFT 2015 Household Survey, 13 per cent of households surveyed were estimated to be below the international USD 1.25 per day poverty line. Because this is such a drastic drop from the 28.3 per cent measured in 2013, the 2015 result is considered as provisional and is currently being recalculated using the new international poverty line of USD 1.90 per day.

## Purpose-level Outcome 2: Decreased vulnerability of rural households and communities to shocks, stresses and adverse trends

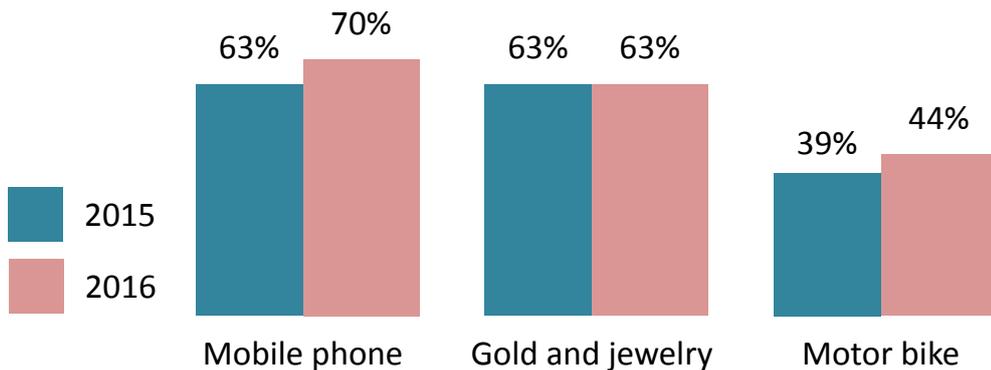
### Purpose indicator 2.1: Number of households in LIFT villages with increased asset ownership

In 2016, and when combining the results from Tier 1 and Tier 2, 22 per cent of those sampled reported that their assets increased in the past 12 months which, when extrapolated to those reached in both areas, is an estimated 321,600 households. Of these, only 15 per cent of the female-headed households reported an increase in assets compared to 23 per cent of male-headed households.

When combined with the estimated achievement in LIFT’s previous programmes, LIFT has contributed to increasing the assets of nearly 522,000 households, **which is 209 per cent of its 2016 milestone.**

The figure below shows the three most owned assets and their change in ownership over the past year:

Figure 2.2: Percentage of Household Owning Specific Assets by Year



It is important to note that this indicator does not look at households that reported no change or a decrease in assets. These results, as well as a weighted asset index, are being explored as part of an in-depth income and assets study.

#### **Purpose indicator 2.2: Number of households in LIFT villages with an increased income diversity score**

In developing LIFT's new theory of change, it was assumed that as households were trained in different livelihood options and/or obtained a loan, they would increase their number of income sources. However, the data from the 2016 Tracker Survey is inconclusive for this indicator. Although there seems to be a change in income sources, it may not be the number of income sources changing but, instead, households may be shifting or replacing income sources. This issue is being explored further in the in-depth income and assets study using detailed expenditure data, from which a more relevant indicator will be developed.

#### **Purpose indicator 2.3: Number of people whose resilience has been improved and ability to cope has increased**

As part of LIFT's new logframe, and in recognition of receiving additional funding from DFID's International Climate Fund (ICF), LIFT added the indicator, 'number of people whose resilience has been improved and ability to cope has increased'. LIFT measures this indicator by using an index consisting of combinations of perceived increases/decreases in income, assets and/or food availability in the past 12 months. In 2016, there was an overall increase of 27 per cent of all those surveyed to have increased their resilience, which when extrapolated to those reached in 2016 is nearly 447,000 households, or almost 2 million individuals. In doing so, **LIFT achieved 173 per cent of this new indicator's 2016 milestone**. However, it is important to note that there was a marked difference between male- and female-headed households, where only 20 per cent of female-headed households increased their resilience compared to 29 per cent of male-headed households.

### **Purpose-level Outcome 3: Improved nutrition of women and children**

#### **Purpose indicator 3.1 Number of households in LIFT villages with an acceptable dietary diversity score**

Beginning in 2015, LIFT shifted from measuring an average dietary diversity score to an acceptable dietary diversity score, as defined by the Food and Nutrition Technical Assistance (FANTA) Project as the average score of the top third income group. Thus, from 2015 to 2016, there was an overall 9.6 per cent increase in those surveyed having an acceptable dietary diversity score, with seven per cent of female-headed households and 10 per cent of male-headed households. When extrapolated to all those reached in 2016, there was an increase in an estimated 130,000 households having acceptable food dietary diversity scores, which, when combined with LIFT's 2015 achievement, is slightly more than 326,000 households, or **130 per cent of LIFT's 2016 milestone**. It is also important to note that the average food dietary diversity score increased from 6.1 in 2015 to 6.3 in 2016.

#### **Purpose indicator 3.2: Number of households in LIFT villages with 12 months of adequate household food provisioning**

From 2015 to 2016 and in LIFT's programme areas, there was a decrease of less than one per cent in those households surveyed having a full 12 months of adequate food. This decrease may be due to natural disasters, such as flooding or landslides. However, and despite this slight decrease, 96 per cent of all those surveyed had adequate food for a full 12 months. When combined with LIFT's achievement in 2015, **LIFT achieved 98 per cent of its 2016 milestone** with slightly more than 490,000 estimated households.

#### **Purpose indicator 3.3: Percentage of moderately or severely stunted children under 5 years in LIFT villages**

This indicator is measured in LIFT's nutrition survey, which is administered every two years and, thus, was not part of the 2016 Tracking Survey.

#### **Purpose indicator 3.4: Proportion of children under 5 years with diarrhoea in the previous 2 weeks**

This indicator is measured in LIFT's nutrition survey, which is administered every two years and, thus, was not part of the 2016 Tracking Survey.

## **Purpose-level Outcome 4: Improved policies and effective public expenditure for pro-poor development**

### **Purpose indicator 4.1: Number and type of public sector policy and programme changes supported by LIFT**

During 2016, nine implementing partners reported contributing to 20 changes in a wide range of policy and programme areas. For example, in nutrition, Save the Children played a key role in high-level working group meetings to inform the new government's decision to implement a maternal and child cash transfer (MCCT) programme in Chin States. LIFT will provide financial and technical support to this initiative for the first two years, at which time government will assume financial responsibility.

PATH has successfully advocated to the Minister of Health and Sports (MoHS) to promote the use of fortified rice as a means for improving nutrition outcomes. The Rice Fortification Working Group (RFWG) endorsed the first draft of the national rice fortification policy document in March 2016. Government has since shown increasing interest in rice fortification as a tool for tackling malnutrition.

In the area of social protection, HelpAge International (HAI), with LIFT support, maintains an office at the Ministry of Social Welfare, Relief, and Resettlement in Nay Pyi Taw. HAI has successfully promoted a social pensions pilot project that will be scaled up nationally in 2017.

LIFT is also having increased impact at the state/regional level in the area of development planning and investment. For example, in response to a request from the Rakhine State government, LIFT seconded two senior technical officers for several months to help the government develop the Rakhine Five-Year Socio-Economic Development Plan. More detailed information about these and other important policy initiatives are provided in Chapter 6. With this indicator, **LIFT has achieved 250 per cent of its 2016 milestone.**

### **Purpose indicator 4.2: Number and type of changes in public sector/rural development budget allocation/spending supported by LIFT**

During 2016, LIFT has played an important role influencing public sector and rural development budget allocations and spending in five key areas. First, LIFT FMO provided technical assistance to the Department of Rural Development at the Ministry of Agriculture, Livestock and Irrigation (MoALI) to strengthen village development planning procedures in ways that are more responsive to community needs. The technical assistance team is also providing important support for integrating village development plans into township development processes.

Second, LIFT FMO, together with ADB and FAO, has assisted MoALI to prepare a proposal to the Global Agriculture and Food Security Program (GAFSP) for an agriculture development grant. MoALI has recently received confirmation of a GAFSP grant of USD 27 million. THE ADB will complement this grant with a concessionary loan of USD 35 million.

Third, LIFT FMO has provided technical assistance to MoALI to help inform the Agriculture Development Strategy (ADS). The ADS and GAFSP are designed to complement and support one another, where the ADS will guide investment decisions by MoALI, including the GASFP grant and ADB loan investments.

Fourth, LIFT influenced an important change in public sector budget allocation for social protection through its IP HelpAge International (HAI). HAI worked closely with the Department of Social Welfare to launch a pilot programme providing social pensions for people over the age of 90. A national scale up of social pensions for the elderly is expected in 2017 with government financing.

Fifth, FAO successfully piloted a format for a livestock census. Based on the pilot, the government will conduct a complete national livestock census that will provide an evidence base for future policy decisions in the livestock sector. Government mobilised about 240 million MMK (USD 185,000) for an expanded pilot in FY 2016-2017, and has allocated 1.4 billion MMK (USD 1 million) for a national census in 2017-18. With this indicator, **LIFT has achieved 250 per cent of its 2016 milestone.**

## Programme-level Indicators Results and Achievements

### Programme Outcome 1: Increased sustainable agriculture and farm-based production by smallholder farmers

Table 2.2: Programme-level Outcome Pr1, Indicators and Achievements

Indicator	Achievement 2015 (previous areas)	Achievement 2016	Cumulative achievement 2015+2016	Milestone 2016	% achieved	Data source
<b>Pr 1: Increased sustainable agriculture and farm/based production by smallholder farmers</b>						
<b>Pr 1.1: Number of LIFT households reached by advisory services</b>	139,090 hhs 91,389 males 47,701 females	24,808 hhs 20,117 males 4,691 females	163,898 hhs 111,506 males 52,392 females	150,000hhs	109%	IPs
<b>Pr 1.2: Number of households in LIFT villages who trial and/or adopt improved practices, inputs and technologies</b>	61,473 hhs 48,564 males 12,909 females	203,755 hhs 178,689 males 25,066 females	265,755 hhs 227,253 males 37,975 females	130,000 hhs	204%	HHTS
<b>Pr 1.3: Number of households in LIFT villages with an increase in productivity - crops only</b>	96,218 hhs 79,281 males 16,937 females	105,975 hhs 95,303 males 10,672 females	202,193 hhs 174,584 males 27,609 females	130,000hhs	156%	HHTS

#### Pr 1.1: Number of LIFT households reached by advisory services

From the start of LIFT's programmes in 2010, 30 implementing partners report to have reached a cumulative total of nearly 164,000 households with advisory services, of which 32 per cent were female-headed households. In 2016 specifically, 10 IPs report to have reached nearly 25,000 households in LIFT's mostly new programme areas. For this indicator, **LIFT achieved 109% of its 2016 milestone.**

In 2016, IPs that provided advisory services included FSWG, Golden Plain, ICRAF, IFDC, IRC, LEAD, MercyCorps, Radanar Ayar Association, Save the Children, TDH, and WHH. For example:

- Golden Plain advised farmers in the use green manure fertilizer
- Mercy Corps and East West Seed field teams organised farmer outreach and extension trainings in supply chain development that included seedling trays, plastic mulching and trellis netting
- Mercy Corps and the private company, AWBA, provided technical assistance to farmers through demonstration plots, as well as through on-call services and a mobile app
- Radanar Ayar Association trained farmers in seed and gram production through extension services
- Terre des Hommes (TdH) trained farmers in hydroponic systems, drip irrigation systems and pest management
- TAG provided advanced bee keeping trainings to commercial bee keepers
- In the Tat Lan programme, IRC and Save the Children provided advisory services to farmers through on-call services and demonstration plots in seed production and multiplication, and in the production and use of natural fertilisers

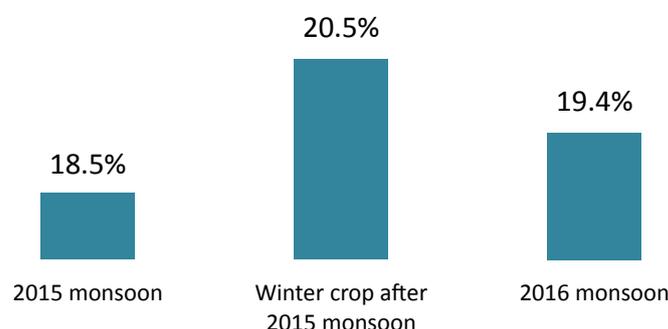
#### Pr 1.2: Number of households in LIFT villages who trial and/or adopt improved practices, inputs and technologies

Of those surveyed in both tier 1 and tier 2 programme areas in 2016, 15 per cent overall reported to have trialled (for less than a year) and/or adopted (for more than one year) improved practices, inputs and technologies, with 16 per cent for male-headed households and 10 per cent for female-headed households. When extrapolated to all households reached in 2016, 204,000 households are estimated to have trialled and/or adopted, which when combined with LIFT's 2015 achievement, means that **LIFT has achieved 204 per cent of this indicator's 2016 milestone.**

**Pr 1.3: Number of households in LIFT villages with an increase in productivity – crops only**

In the 2016 Tracking Survey, an average of 43 per cent of households in tiers 1 and 2 reported to have grown a major crop in the past 12 months. Of these households, the following percentages reported to have an increase in crop productivity in the past three growing seasons:

*Figure 2.3: Percentage of Households growing annual crops reporting increase in crop productivity by growing season*



Averaging these rates for all three seasons and for both programme areas, 19.5 per cent of households reported an increase in crop productivity, with 13 per cent of female-headed household reporting an increase and 20 per cent of male-headed households reporting an increase. When extrapolated to those reporting to be growing crops, nearly 106,000 households are estimated to have had an increase in crop productivity in 2016. When combined with LIFT’s achievement in its previous programme areas, **LIFT achieved 156 per cent of its 2016 milestone.**

**Programme Outcome 2: Improved market access and market terms for smallholder farmers**

*Table 2.3: Programme-level Outcome Pr2, Indicators and Achievements*

Indicator	Achievement 2015 (previous areas)	Achievement 2016	Cumulative achievement 2015+2016	Milestone 2016	% achieved	Data source
<b>Pr 2: Improved market access and market terms for smallholder farmers</b>						
<b>Pr 2.1: Number of LIFT households who are members of functional producer groups</b>	49,620 hhs 32,139 males 13,481 females	7,762 hhs 5,928 males 1,834 females	53,382 hhs 38,067 males 15,315 females	54,000 hhs	99%	IPs
<b>Pr 2.2: Number of LIFT households adopting new marketing practices</b>	NA	10,868 hhs 9,983 males 885 females	10,868 hhs 9,983 males 885 females	6,473 hhs	168%	HHTS
<b>Pr 2.3: Number of households in LIFT villages securing higher returns (profit) from agriculture/livestock/fishery activities</b>	NA	185,674 hhs 169,547 males 16,127 females	185,674 hhs 169,547 males 16,127 females	130,000 hhs	143%	HHTS

**Pr 2.1: Number of LIFT households who are members of functional producer groups**

IPs reported that over 53,000 households were, or had become, members of producer groups since 2010, of which 15,000, or roughly 29 per cent, were female-headed households. Of these totals, 7,762 households were members in 2016. By far the most common type of groups are agricultural and livestock producers. The IPs reporting the highest numbers include Mercy Corps (14,000 households), Oxfam (8,000 households), ActionAid (6,000 households), CESVI (3,500 households) and Proximity Design (3,000 households). With this indicator, **LIFT achieved 99 per cent of its 2016 milestone.**

**Pr 2.2: Number of LIFT households adopting new marketing practices**

By the nature of LIFT’s programmes, this indicator applies only to tier 1. From 2015 to 2016, there was a 7 per cent increase in households reporting to have adopted new marketing practices in the previous 12 months, with 3.7 per cent for female-headed households and 7.4 for male-headed households. When extrapolated to households reached in 2016 in tier 1, nearly 11,000 households are estimated to have adopted new marketing practices, **which is 168 per cent of the 2016 milestone.**

When designing LIFT’s new logframe, it was originally thought to apply this indicator only to those households belonging to LIFT-supported producer groups. However, given the expanding nature of LIFT’s programmes, plus possible spillover effects, this indicator is now applied to all of tier 1 households. Nonetheless, it is interesting to note that of the 3 per cent of the total sample who are members of producer groups, 67 per cent reported to have adopted new marketing practices.

**Pr 2.3: Number of households in LIFT villages securing higher returns (profit) from agriculture<sup>7</sup>**

When households were asked about the change in their profits from agriculture, livestock and fishery activities over the previous 12 months, the overall averages of households reporting an increase from both core and FI only programme areas are as follows:

Livelihood activities	% of households reporting higher returns
Agriculture	7.4%
Livestock	5.8%
Fisheries	2.6%

Thus, 14 per cent of households overall reported to have secured higher returns in the past 12 months from any of these livelihood activities, with 15.6 per cent for male-headed households and 7.1 per cent for female-headed households. When extrapolated to all those reached by LIFT in 2016, 186,000 households are estimated to have secured higher returns, which is **143 per cent of LIFT’s 2016 milestone.**

**Programme Outcome 3: Increased and safe employment in non-farm activities for smallholders and landless**

Table 2.4: Programme-level Outcome Pr3, Indicators and Achievements

Indicator	Achievement 2015 (previous areas)	Achievement 2016	Cumulative achievement 2015+2016	Milestone 2016	% achieved	Data source
<b>Pr 3: Increased and safe employment in non-farm activities for smallholders and landless</b>						
<b>Pr 3.1: Number of LIFT households supported in non-agricultural skills development</b>	15,346 hhs 1,841 males 13,505 females	17,719 hhs 10,717 males 7,002 females	33,065 hhs 12,558 males 20,507 females	32,000 hhs	103%	IPs
<b>Pr 3.2: Number of trained people who establish their own enterprises or become employed</b>	74,034 hhs 42,940 males 31,094 females	4,965 hhs 2,881 males 2,084 females	78,999 hhs 45,821 males 33,178 females	80,000 hhs	99%	IPs
<b>Pr 3.3: Number of households in LIFT villages with an increase in income from non-agricultural activities</b>	18,765 hhs 14,824 males 3,941 females	258,468 hhs 226,906 males 31,562 females	277,233 hhs 241,730 males 35,503 females	150,000 hhs	185%	HHTS

**Pr 3.1: Number of LIFT households supported in non-agricultural skills development**

From 2010 to the end of 2016, 21 implementing partners reported training or supporting a total of 33,065 individuals in non-agricultural skills development, where one individual represents one household. Sixty-two per cent of those supported were women. Of the total, nearly 18,000 households were supported in 2016. The support has been mostly in the form of vocational

<sup>7</sup>Agriculture includes crop production, livestock and aquaculture

training in areas such as tailoring, hairdressing, mechanics, food processing and, more recently, the introduction and expansion of modern beekeeping and honey production. For this indicator, **LIFT has achieved 103 per cent of its 2016 milestone.**

### Pr 3.2: Number of trained people who establish their own enterprises or become employed

From 2010 to the end of 2016, 19 implementing partners reported supporting a total of nearly 79,000 people who established their own enterprises or become employed, of whom 42 per cent were women. Of the highest contributors, MARC reported 51,867 people, UNDP 6,544 people, and PACT 3,165 people. Other reporting IPs include IERG, ActionAid and TAG. The most common enterprises established were small rice, pulse and cereal mills, fisheries, bee keeping, handicrafts, weaving and woodwork. With these accomplishments, **LIFT has achieved 99 per cent of its 2016 milestone.**

### Pr 3.3: Number of households in LIFT villages with an increase in income from non-agricultural activities

In 2016, an average of 17 per cent of households surveyed in tier 1 and tier 2 reported that their income had increased from non-agricultural activities, with 18 per cent for male-headed households and 13 per cent for female-headed households. When extrapolated to all those reached by LIFT in 2016, 258,000 households are estimated to have increased their non-agricultural income. When combined with LIFT's achievement in 2015, **LIFT has accomplished 185 per cent of its 2016 milestone.**

## Programme Outcome 4: Increased access to adequate and affordable financial services

Table 2.5: Programme-level Outcome Pr4, Indicators and Achievements

Indicator	Achievement 2015 (previous areas)	Achievement 2016	Cumulative achievement 2015+2016	Milestone 2016	% achieved	Data source
<b>Pr 4: Increased access to adequate and affordable financial services</b>						
<b>Pr 4.1: Number of LIFT MFIs financially self-sustaining</b>	6 MFIs	6 MFIs	12 MFIs	8	150%	IPs
<b>Pr 4.2: Number of LIFT households with access to financial services (active clients)</b>	1,269,666 hhs* 88,877 males 1,180,789 females	366,266 hhs** 14,094 males 352,172 females	1,635,932 hhs 102,971 males 1,532,961 females	1,500,000 hhs	109%	IPs

\* Adjusted from number reported in LIFT 2015 Annual Report

\*\* Denotes new active clients in 2016

### Pr 4.1: Number of LIFT MFIs financially self-sustaining

In 2016, LIFT continued to support 42 microfinance partners, including nine local microfinance organisations, 24 credit cooperatives, three international microfinance NGOs, and four international microfinance companies. Of these 42 microfinance partners, 12 are now considered to be financially self-sustaining, i.e. covering operational costs by income after adjusting for financial costs and inflation. See Chapter 4.1 on financial inclusion for more detail. For this indicator, **LIFT achieved 150 per cent of its 2016 milestone.**

### Pr 4.2: Number of LIFT households with access to financial services

Since 2011, LIFT's assistance to households through its microfinance partners, at both the financial and institutional levels, has grown rapidly. By the end of 2016, MFI partners had provided financial services, primarily in the form of loans, to 1,635,932 clients, of whom 94 per cent were women. This is an increase of more than 366,000 clients since the end of 2015, for an **achievement of 109 per cent of LIFT's 2016 milestone.**

## Programme Outcome 5: Improved nutrition, sanitation and hygiene practices

Table 2.6: Programme-level Outcome Pr5, Indicators and Achievements

Indicator	Achievement 2015 (previous areas)	Achievement 2016	Cumulative achievement 2015+2016	Milestone 2016	% achieved	Data source
<b>Pr 5: Improved nutrition, sanitation and hygiene practices</b>						
Pr 5.1: Number of LIFT households reached with nutrition sensitive information	65,842 hhs 23,288 males 42,554 females	62,002 hhs 9,935 males 52,067 females	127,844 hhs 33,223 males 94,621 females	150,000 hhs	85%	IPs
Pr 5.2: Number of people with awareness of the nutritional needs of women and children*	NA	NA	NA	60,000 people	NA	HHTS
Pr 5.3: Number of children 6-23 months with "acceptable" dietary diversity*	NA	NA	NA	18,000 children	NA	HHTS
Pr 5.4: Number of infants (0-5 months of age) who received only breast milk during the previous 24 hours*	NA	NA	NA	30,000 children	NA	HHTS
Pr 5.5: Number of households in LIFT villages using safely managed sanitation services	202,000 hhs 159,580 males 42,420 females	17,850 hhs 14,643 males 3,207 females	219,850 hhs 174,223 males 45,627 females	225,000 hhs	98%	HHTS
Pr 5.6: Number of LIFT households in LIFT villages using safely managed and protected drinking water services	162,847 hhs 109,252 males 53,595 females	2,997 hhs 2,296 males 701 females	165,844 hhs 111,548 males 54,296 females	220,000 hhs	75%	HHTS

\* Not measured in 2016 Tracking Survey

### Pr 5.1: Number of LIFT households reached with nutrition sensitive information

From the start of LIFT's programmes in 2010, 20 IPs report reaching nearly 128,000 households with nutrition-sensitive information, mostly through health and nutrition training sessions that have evolved over time to focus less on general health and more on nutrition. It is assumed that one participant represents one household. Nearly 74 per cent of the participants were women. Of this total, IPs report that in 2016 alone nearly 7,000 households received maternal and child cash transfers (MCCTs) and approximately 55,000 households participated in health and nutrition training sessions. The most active IPs in health and nutrition training are IRC in the Tan Lan programme and HelpAge in the Dry Zone. The MCCT programmes are being delivered by Save the Children in the Dry Zone, the Delta, and Rakhine. With these numbers, **LIFT has achieved 85 per cent of this indicator's 2016 milestone.** This underachievement is due to the slow start up of some of LIFT's new nutrition projects.

### Pr 5.2: Number of people with awareness of the nutritional needs of women and children

### Pr 5.3: Number of children 6-23 months with "acceptable" dietary diversity

### Pr 5.4: Number of infants (0-5 months of age) who received only breast milk during the previous 24 hours

These three indicators are measured as part of LIFT's nutrition survey, which is administered every two years and, thus, was not part of the 2016 Tracking Survey.

### Pr 5.5: Number of households in LIFT villages using safely managed sanitation services

By the nature of LIFT's programmes, this indicator applies to only tier 1. From 2015 to 2016, there was an average 11 per cent increase in households reporting to be using safely managed sanitation services, with 11 per cent of male-headed households and 13 per cent female-headed households. When extrapolated to the number of households reached in tier 1, an increase of nearly 18,000 households are estimated to be using safely managed sanitation services, which, when combined with LIFT's 2015 achievement, is **98 per cent of LIFT's 2016 milestone.**

### Pr 5.6: Number of households in LIFT villages using safely managed and protected drinking water services

By the nature of LIFT’s programmes, this indicator applies to only tier 1. From 2015 to 2016, there was an average 2 per cent increase in households reporting to use safely managed and protected drinking water services, with 1.7 per cent of male-headed households and 2.9 per cent of female-headed households. When extrapolated to the number of household reached in tier 1 in 2016, 3,000 households are estimated to be using safely managed and protected drinking water services, which, when combined with LIFT’s 2015 achievement, is **75 per cent of LIFT’s 2016 milestone**. A possible reason for LIFT’s underachievement may be related to the delay in some projects providing nutrition sensitive information, including information about water and sanitation.

## Programme Outcome 6: Safeguarded access to and sustainable use of natural resources for smallholders and landless

Table 2.7: Programme-level Outcome Pr6, Indicators and Achievements

Indicator	Achievement 2015 (previous areas)	Achievement 2016	Cumulative achievement 2015+2016	Milestone 2016	% achieved	Data source
<b>Pr 6: Safeguarded access to and sustainable use of natural resources for smallholders and landless</b>						
<b>Pr 6.1: Number of LIFT villages where common property resource management is taken up</b>	171 villages	438 villages	609 villages	370 villages	165%	VP of HHTS
<b>Pr 6.2: Number of households in LIFT villages benefitting from protected/managed natural resources</b>	37,914 hhs 29,952 males 7,962 females	932 hhs 932 males 0 females	38,846 hhs 30,884 males 7,962 females	45,000 hhs	86%	HHTS

### Pr 6.1: Number of LIFT villages where common property resource management is taken up

By the nature of LIFT’s programmes, this indicator applies to only tier 1. In the village profiles, which were done as part of the tracking survey, 30 per cent of the villages interviewed reported to be implementing different types of natural resource management (NRM). When extrapolated to the number of core programme or tier 1 villages (the only area in which LIFT directly supports NRM activities), 438 villages are estimated to have taken up resource management. When combined with LIFT’s 2015 achievement, **LIFT has accomplished 165 per cent of this indicator’s 2016 milestone**.

As part of natural resource management, BLO, CARE, ICRAF, and IRC reported to be working with communities on community forests, wind break plantations, grazing lands, mangroves, wild fisheries, watersheds and embankments.

### Pr 6.2: Number of households in LIFT villages benefitting from protected/ managed natural resources

By the nature of LIFT’s programmes, this indicator applies to only tier 1. From 2015 to 2016, there was a half a percent increase in survey respondents reporting to have benefitted from community-managed natural resources. When extrapolated to households reached in tier 1 in 2016, 932 households are estimated to have benefitted from community-managed natural resources. When combined with LIFT’s 2015 achievement, **LIFT accomplished 86 per cent of this indicator’s 2016 milestone**. A probable reason for this underachievement is the underestimated lag time between setting up natural resource management activities and when community members begin to experience the benefit.

## Programme Outcome 7: Strengthened capacity of communities, local government, CSOs and enterprises to support food and livelihoods security

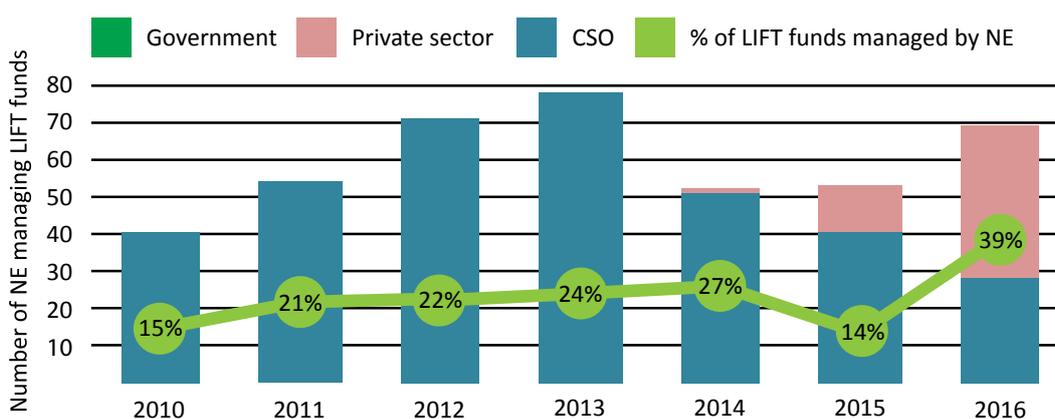
Table 2.8: Programme-level Outcome Pr7, Indicators and Achievements

Indicator	Achievement 2015 (previous areas)	Achievement 2016	Cumulative achievement 2015+2016	Milestone 2016	% achieved	Data source
<b>Pr 7: Strengthened capacity of communities, local government, CSOs and enterprises to support food and livelihoods security</b>						
Pr 7.1: % of LIFT funds managed by national entities (by type of entity)	14%	39%	NA	20%	195%	FMO
Pr 7.2: Number and type of local groups and institutions supported to promote food and livelihood security	206 groups	1,766 groups	1,972 groups	1,800 groups	110%	IPs

### Pr 7.1: Percentage of LIFT funds managed by national entity

A major focus of LIFT's new strategy is the strengthening of local capacities, including those of government, CSOs and private enterprises. The amount of funding budgeted to such entities demonstrates, in part, LIFT's commitment to this objective, as well as levels of access and engagement. In 2016, LIFT signed 24 new contracts, of which nine were directly with national NGOs. Of the other 15 contracts signed in 2016, four included seven national sub-IPs. The 2016 budget to be managed by all national entities is over USD 23.1 million, which is 39 per cent of LIFT's 2016 programme expenditure of around USD 59 million. This is a substantial increase from the 14 per cent in 2015. With this increase, **LIFT achieved 195 per cent of its 2016 milestone.**

Figure 2.4: Percentage of LIFT Funds Managed by Type of National Entity by Year



### Pr 7.2: Number and type of local groups and institutions supported to promote food and livelihood security

Since the start of LIFT, 20 IPs report supporting 1,972 local groups and institutions to promote food and livelihood security. The sharp increase in 2016 is due to a change in definition, where 'local groups and institutions' now include a wide variety of groups such as village organisations, producer and marketing groups, mother-to-mother support groups, and savings and loans groups. The IPs supporting the largest number of local groups include IPs in the Tat Lan programme (477 groups), Save the Children in the Bright SUN programme (262 groups), HelpAge (181 groups), MercyCorps (169 groups) and ActionAid-SEDN (120 groups). For this indicator, **LIFT has achieved 110 per cent of its 2016 milestone.**

## Programme Outcome 8: Generation of policy-relevant evidence regarding pro-poor development

Table 2.9: Programme-level Outcome Pr8, Indicators and Achievements

Indicator	Achievement 2015 (previous areas)	Achievement 2016	Cumulative achievement 2015+2016	Milestone 2016	% achieved	Data source
<b>Pr 8: Generation of policy-relevant evidence regarding pro-poor development</b>						
<b>Pr 8.1: Number of LIFT-supported policy oriented events organised</b>	54 events	49 events	103 events	70 events	147%	FMO, IPs
<b>Pr 8.2: Number of LIFT policy-oriented publications published and disseminated to stakeholders</b>	NA	49 publications	49 publications	40 publications	123%	FMO IPs

### Pr 8.1: Number of LIFT-supported policy oriented events organised

During 2016, LIFT convened 49 policy-oriented events, of which IPs organised 47 and FMO organised two. As examples, the ILO project held consultations with parliamentarians (e.g., Committee on Local and Overseas Employment, International Relations Committee, and Women and Children Committee) on labour migration management in Nay Pyi Taw to increase awareness and capacity concerning migration. An IOM-led research project also conducted six pre-study consultation workshops in Shan State, Mandalay Region, Rakhine State, Ayeyawady Region, Yangon, and Nay Pyi Taw.

Under the Learning and Innovation programme, the Food Security Working Group (FSWG) conducted three events addressing improving fishery governance and smallholder inclusive growth. Under the Strengthening Civil Society programme, the Gender Equality Network (GEN) organised several policy events, including a Prevention and Protection of Violence Against Women Law. UNESCAP convened a series of agriculture policy dialogues in Nay Pyi Taw.

LIFT partners also organised several high level consultations concerning household and community resilience (SSPRG) and land tenure policy (Land Core Group), in which Union and State/Regional officials and LIFT Fund Board members participated. LIFT-funded consultants also participated in high level consultations, including workshops concerning the development of the Agriculture Development Strategy (ADS) and the Global Agriculture and Food Security Fund (GAFSF).

When combined with the events conducted prior to 2016, LIFT FMO and IPs have conducted a total of 103 policy-oriented events or **achieved 147 per cent of LIFT's 2016 milestone**.

### Pr 8.2: Number of LIFT policy-oriented publications published and disseminated to stakeholders

During 2016, LIFT's implementing partners published and disseminated to stakeholders 49 policy-oriented publications. Publication highlights include a GEN report on CEDAW. LEARN (Save the Children) published a two-part report concerning undernutrition in Myanmar: *A Critical Review of Literature and A Secondary Analysis of LIFT 2013 Household Survey Data*. ILO published an *Analysis of the Myanmar Law Relating to the Overseas Employment from 1999*.

In the area of financial inclusion, LIFT published *Smart Money Management: A Basic Financial Literary Booklet*. Micro-credit Ratings International Limited (MCRIL) also published LIFT microfinance projects evaluations as well as a study *Cooperative Approaches to Farmer Organisations and Cooperatives in LIFT Partner Projects*.

GRET published several reports, including a land tenure study *Land Dynamics and Livelihoods in Peri-Urban Yangon: the Case of Htantabin Township*. They also completed a draft report on the traditional land resource tenure arrangements in Chin State. The Land Core Group (LCG) also commissioned a land tenure rapid assessment in Pyapon and Maubin townships in the Delta.

LIFT's FMO also supported several important publications. Michigan State University, in collaboration with the Center for Economic and Social Development and the International Food Policy Research Institute, published six analytical reports concerning the dynamics of rural transformation, agriculture development, land tenure, and migration. The World Bank published an analysis of farm production economics.

A more detailed summary of LIFT-commissioned publications can be found in Annex 7.

In 2016, **LIFT achieved 123 per cent of this indicator's 2016 milestone.**

### 2.3 Summary of LIFT's 2016 Results

Of the 27 indicators for which data exists, LIFT met or exceeded 24 or 89 per cent of its 2016 milestones.<sup>8</sup> All of LIFT's purpose-level outcomes were met or exceeded, including increased household incomes, assets, resilience, diet diversity and food provisioning. Over the life of LIFT, these results translate to an estimated 2.2 million and 2.3 million people living in households that increased their incomes and assets respectively, nearly two million people with strengthened resilience, and nearly 326,000 households with improved diets.

Achievements in other major outcomes include increased farm-based production by smallholder farmers, as seen by LIFT meeting or exceeding its 2016 milestones in providing advisory services to nearly 164,000 households, more than 265,000 households trialing and/or adopting new practices, inputs, and/or technologies, and an estimated 200,000 households experiencing an increase in crop productivity. In addition, an estimated 186,000 households experienced increased profits from agriculture activities. LIFT also met or exceeded its 2016 milestones in increasing safe employment opportunities in non-farm activities, by LIFT partners providing 33,000 households with non-agriculture skills development and an estimated 280,000 households experiencing an increase in income from non-agriculture activities.

The overachievement on so many indicators is driven by the rapid expansion of LIFT's financial inclusion activities. LIFT now supports 42 microfinance partners who, in turn, provide financial services to over 1.6 million active clients. In addition, in 2016, LIFT doubled the number of microfinance partners who are now financially self-sufficient, from six in 2015 to twelve in 2016.

Another area of achievement includes strengthening the capacities of national entities, as seen by the sharp increase from 14 per cent in 2015 to 39 per cent in 2016 of LIFT funds being managed by CSOs and more recently by private sector actors. In 2016, LIFT and its partners supported nearly 1,700 local groups and institutions.

Lastly, LIFT achieved considerable success in the policy realm, by far exceeding its 2016 milestones in supporting 20 changes in government policies and programmes and five changes in government budget allocations. This was achieved, in part, by LIFT and its partners supporting over the last several years more than 100 policy-oriented events and nearly 50 policy-oriented publications.

Although these indicator results cannot be attributed all to LIFT, LIFT has contributed to these numerous

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<sup>8</sup> As is common in some donor agencies, a programme is considered to meet a target if 90%-110% of that target is achieved, to exceed a target if more than 110% is achieved, and to not meet a target if less than 90% is achieved.

improvements in significant ways. In addition to providing technical assistance, capacity development, and various types of material inputs, by making responsible financial services more available, LIFT and its partners have provided a large segment of Myanmar's rural population with choices and the means by which they can improve their lives. By doing so, the provision of financial services has had a multiplier effect on various parts of Myanmar's rural economy, as seen through several of LIFT's other indicators.

Because the number of microfinance clients grew faster than anticipated and FMO at times underestimated the financial services multiplier effect, LIFT significantly exceeded several of its 2016 milestones. As a result, LIFT increased several of its targets, as part of its efforts to improve evidence-based planning.

Of the 27 indicators for which results exist, LIFT underperformed in meeting three or 11 per cent of its 2016 milestones. This includes reaching the planned number of households with nutrition sensitive information (85 per cent of the milestone achieved), the expected number of households in LIFT villages using safely managed and protected drinking water services (75 per cent of the milestone achieved), and the expected number of households in LIFT villages benefitting from protected/managed natural resources (86 per cent of the milestone achieved). These underachievements are most likely related to the delayed start-up of several nutrition and natural resource management-related projects.

In nearly all of the household-related outcome indicators for which data exist, female-headed households benefited considerably less than male-headed households. The gap between the proportion of male- and female-headed households ranged from nine to 1.2 percentage points, with an average of five percentage points between the two. The indicators with the largest differences were increased income (nine percentage points), increased assets (eight percentage points), resilience (nine percentage points) and increase in income from agriculture activities (8.5 percentage points). Those indicators where female-headed households fared slightly better than male-headed households were using safely managed sanitation and drinking water services, with two and 1.2 percentage point differences respectively. The discrepancies between male- and female-headed households and how these gaps change over time will be explored further in an in-depth gender study.

## 2.3 Activity Monitoring

Every six months, LIFT partners report the results of their specific interventions against a set of activity-level indicators. Below is a summary of this monitoring data by year and with a 2016 cumulative total.

Table 2.10: Activity monitoring 2010 to 2016

Description	Achievements							Cumulative 2010-2016
	2010	2011	2012	2013	2014	2015	2016	
Total number of direct beneficiary HHs	155,808	69,421	149,299	138,977	116,922	193,668	159,227	981,322
Number of female-headed HHs	-	3,691	16,940	19,733	14,637	42,511	15,251	112,763
Number of HHs with disabled persons	-	1,064	2,354	3,111	1,508	1,580	2,200	11,817
<b>Agricultural production (crops)</b>								
No. HHs supported in agricultural production	43,454	15,701	42,854	52,310	20,659	14,887	7,723	197,588
No. HHs benefiting from market information and linkages	-	3,324	21,523	3,177	10,691	4,064	122	42,901
<b>Livestock production</b>								
No. HHs supported in livestock production	7,931	1,813	6,653	3,958	1,447	1,174	1,630	24,606
<b>Fishery production</b>								
No. HHs supported in wild capture fishery	4,799	-	3,177	1,956	1,654	3,948	277	15,811
<b>Other IGA (not agriculture)</b>								
No. HHs supported in other IGA	11,635	3,700	2,620	6,157	2,636	752	1,403	28,903
<b>Revolving funds</b>								
No. HHs supported through revolving funds	-	2,112	17,211	8,021	4,133	877	572	32,926
<b>Training</b>								
No. participants trained in total	21,491	39,237	70,914	84,679	84,438	26,588	52,128	379,475
No. trained - agriculture related (incl. livestock and agriculture)	10,443	8,530	41,231	32,367	37,171	9,348	24,803	163,893
No. trained - other IGAs (not agriculture)	6,293	4,038	3,116	3,272	5,490	2,402	8,454	33,065
No. trained - wild capture fishery related	-	-	195	121	283	2,504	2,650	5,753
No. of extension workers trained	3,801	56	1,422	6,921	3,018	2,143	792	18,153
No. trained in environmental protection/conservation/rehabilitation	954	1,580	6,477	7,223	6,976	271	108	23,589
No. trained in skills to strengthen CBO management	-	25,033	18,473	34,775	31,500	9,920	15,321	135,022
<b>Cash for work (CFW)</b>								
No. person - days of CFW provided	-	374,469	671,116	588,506	301,957	209,650	15,165	2,160,863
No. person - days of CFW for women	-	164,191	246,821	269,937	120,281	125,730	6,779	933,739
Total no. of HHs supported through CFW	33,493	31,410	43,227	38,488	74,598	20,103	2,641	243,960
<b>Community based organizations</b>								
No. CBOs established and strengthened	1,682	1,785	2,924	2,998	1,644	640	3,492	15,165
<b>Nutrition</b>								
No. of participants receiving MCCTs	NA	NA	NA	NA	NA	NA	6,967	6,967
No. of participants trained in nutrition trainings/workshops (community)	NA	NA	NA	NA	NA	65,842	55,035	120,877
<b>Migration</b>								
No. of participants trained in migration awareness trainings/workshops	NA	NA	NA	NA	NA	NA	2,457	2,457
<b>Water</b>								
No. of beneficiary HHs for drinking water	NA	NA	NA	NA	NA	NA	3,068	3,068
<b>Sanitation</b>								
No. of HHs with improved latrine	NA	NA	NA	NA	NA	NA	492	492

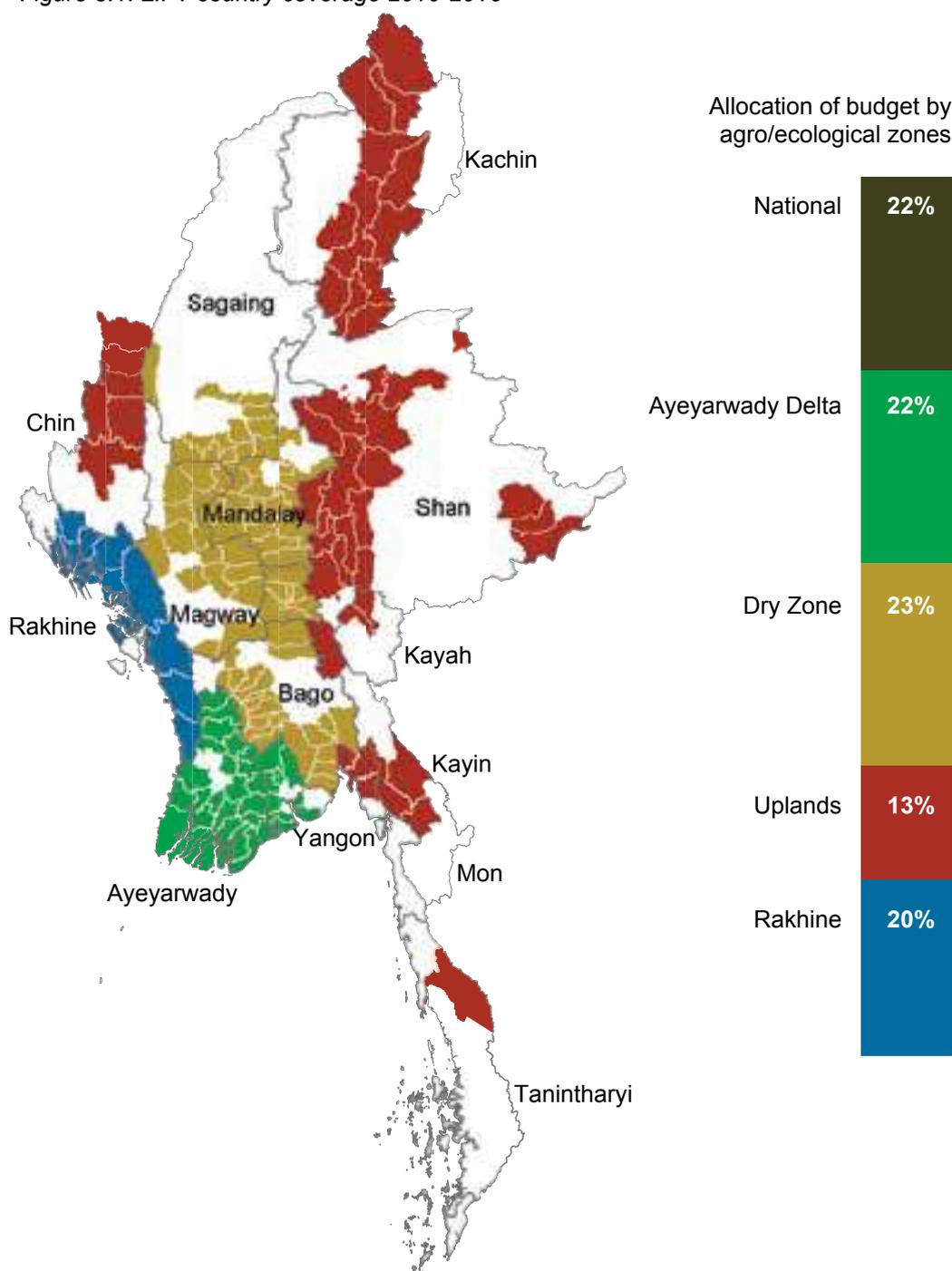
### 3. GEOGRAPHIC AREAS

This chapter highlights LIFT’s progress during 2016 in each of the four geographic zones where LIFT is active: the Ayeyarwady Delta, the central Dry Zone, Rakhine State and the Uplands region of Chin, Kachin, Shan, Kayah and Kayin States, and Mon and Tanintharyi Regions. New projects were contracted in all geographic regions in 2016. LIFT now has 71 ongoing projects and is working in 222 townships across the country, more than double the number of townships at the end of 2015.

The pathways to resilient and inclusive growth differ across the different agro-ecological zones. LIFT has designed programmes for each zone to demonstrate how the right combination of conditions and activities can improve livelihoods, nutrition and resilience outcomes in cost-effective and scalable ways.

Important updates on the projects in these zones are available in Annex 4. Financial inclusion, private sector engagement, migration and civil society programmes, which work across the zones are detailed in Chapter 4. LIFT’s work on nutrition, resilience, gender and social protection are detailed in Chapter 5 and LIFT’s policy work is detailed in Chapter 6.

Figure 3.1: LIFT country coverage 2010-2016



AYEYARWADY DELTA



### 3.1 Ayeyarwady Delta

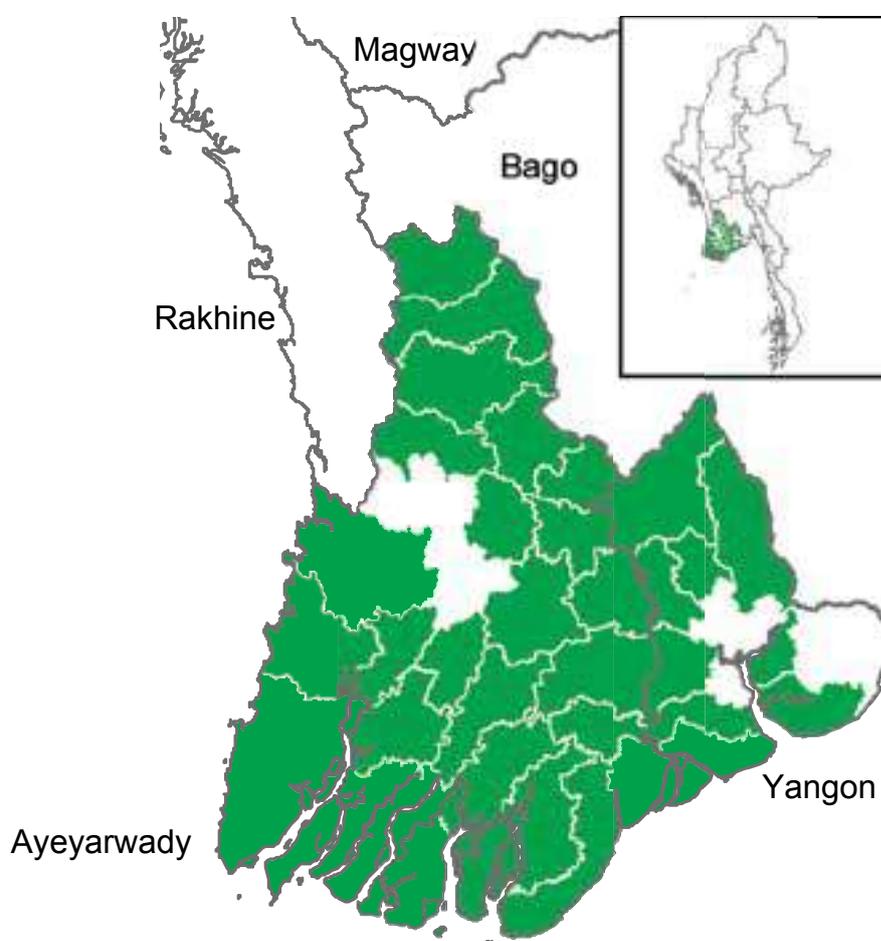
#### OVERVIEW

The Ayeyarwady Delta is a major rice-producing region, accounting for around one quarter of national rice production.<sup>9</sup> The region has recovered much of its agricultural potential after the damage caused by Cyclone Nargis in 2008, but significant work remains to reduce poverty, particularly among the landless.

The Delta region has a high poverty rate (26 per cent)<sup>10</sup> and high levels of malnutrition: stunting prevalence is 26 per cent<sup>11</sup> and wasting prevalence is 9.4 per cent.<sup>12</sup> Two-thirds of the population is landless.<sup>13</sup> There is a lack of sustainable, regular employment in the region, but economic opportunities are emerging. Increased investment in rice milling and agricultural input supply businesses are creating more small and medium enterprises that can provide employment.

Migration from the Delta to urban labour opportunities has increased significantly since 2011, particularly among landless households who make up 66 per cent of the Delta population and mostly rely on small-scale fishing<sup>14</sup> or agricultural labour for their livelihoods. Approximately 25 per

Figure 3.2: LIFT activity in the Delta 2016



<sup>9</sup> 'Myanmar Rice Sector Development Strategy', May 2015

<sup>10</sup> 'LIFT Household survey 2013'

<sup>11, 13, 14</sup> 'LIFT Household survey 2015'

<sup>12</sup> LEARN, 'Undernutrition in Myanmar, Critical Review', March 2016

<sup>15</sup> WBG, 'A Country on the Move: Domestic Migration in Two Regions of Myanmar', 2016

cent of households in the Ayeyarwady Region have been affected by this migration boom.<sup>15</sup>

Labour migration to urban areas results in labour shortages in rural areas and rising agricultural wages. Wages increased by 32 per cent between 2013 and 2016.<sup>16</sup> Farmers, who have more access to financial services and lower cost farm machinery, are mechanising their farms, starting machinery-hire businesses and making agriculture more productive and profitable.<sup>17</sup>

Infrastructure development and moves towards permanent cultivation are other factors producing positive results. Agricultural productivity has increased in the Ayeyarwady Region, in part due to targeted NGO assistance and improved access to credit.<sup>18</sup>

Aquaculture activity has grown rapidly in the Ayeyarwady Delta; now 90 per cent of the country's inland fish pond area is located in this region.<sup>19</sup>

All these factors - migration, mechanisation, access to credit, infrastructure development - are part of the structural transformation occurring in the rural economy.

The Delta 3 programme, LIFT's third phase of activities in the region, has four priorities:

1. Strengthening the smallholder farmer position in the rice value chain - **'stepping up'**
1. Improving access to new economic opportunities: off-farm income generation, vocational training, and support for migration - **'stepping out'**
1. Addressing vulnerabilities: social protection measures, improved nutrition, reduced indebtedness, climate change adaptation - **'hanging in'**
2. Providing support to pro-poor policies and stakeholder coordination

Delta 3 implementing partners are now at the end of the first year of implementing interventions focused on the intensification and commercialisation of smallholder rice farming, and ensuring support to landless and vulnerable households.

Figure 3.3: LIFT's investment in the Delta by sector for 2016-2018<sup>20</sup>

Allocation of budget by agro/ecological zones

Rural Finance	Rice value chain	Off farm employment	Strengthening civil society	Nutrition	Pro-poor policy	Social protection
<b>8.0 \$M</b>	<b>7.6 \$M</b>	<b>7.5 \$M</b>	<b>4.0 \$M</b>	<b>3.8 \$M</b>	<b>2.3 \$M</b>	<b>0.8 \$M</b>
<b>24%</b>	<b>22%</b>	<b>22%</b>	<b>12%</b>	<b>11%</b>	<b>7%</b>	<b>2%</b>

## Highlights 2016

### Improving nutrition to address vulnerabilities

The Delta 3 programme works to address the immediate causes of stunting, including inadequate food intake and disease at the individual level,<sup>21</sup> as well as some of the underlying drivers such as awareness of the associated risks of stunting, knowledge of prevention methods, and resource allocation to improve dietary practices, especially during key life stages.<sup>22</sup>

<sup>16, 17</sup> Michigan State University, USAID, LIFT, CESD, IFPRI, 'Agricultural Mechanization and Structural Transformation in Myanmar's Ayeyarwaddy Delta'

<sup>18</sup> 'Livelihood and social changes in rural Myanmar, QSEM 2016 QSEM Series Round Five Report'

<sup>19</sup> Michigan State University, USAID, LIFT, CESD, IFPRI, 'The Myanmar Aquaculture E-Agriculture Survey 2016'

<sup>21</sup> The diets of infants 6 to 11 months of age in the Delta Zone are extremely poor. In fact, almost no children in this age group have an adequately diverse diet (IDDS 2.5) and prevalence of diarrhoea is 15 per cent: LEARN, 'Undernutrition in Myanmar', March 2016.

<sup>22</sup> Prevalence of exclusive breastfeeding of children under six months of age is 41 per cent, with only 20 per cent of children between 6 and 24 months with minimum acceptable diet (MAD) and 17.5 per cent of mothers with acceptable dietary diversity score: 'LIFT Household Survey 2015'.

Table 3.1: LIFT-funded projects in the Delta 2016

	Implementing partners	Location	Focus
1	IOM	Bogale, Labutta, Mawlamyinegyun	Research and support on migration and development
2	Mercy Corps Ar Yone Oo Swisscontact	Labutta	Support to farmer producer enterprises and landless households through vocational, business and life skills development and migration-related information and linkages to Yangon-based employers
3	Welthungerhilfe (WHD)	Bogale, Mawlamyinegyun	Support to farmer groups; support for landless and vulnerable households and small scale businesses for off-far livelihood activities. Promotion of improved nutrition and basic hygiene practices.
4	Save the Children	Labutta	Delivery of maternal cash transfers and behavior change communication to mothers during a child's first 1,000 days
5	WorldFish	Bogale, Dedaye, Kyaiklat, Pyapon	On-farm research and development, and scaling-up of homestead-based aquaculture
6	World Vision International Myanmar	Bogale	Support for the development and diversification of livelihood options
7	Metta Development Foundation	Mawlamyinegyun, Labutta	Increasing rice production, quality and value through farm advisory services, post-harvest management, collective storage and marketing and farmers organisations
8	Link Emergency Aid & Development (LEAD)	Labutta	Livelihood support for income diversification mainly in the rural non-farm economy
9	Radanan Ayar	Mawlamyinegyun, Bogale	Support to local seed production, improvement of post-harvest practices, farmer-led extension services, collective marketing and contract farming with private sector
10	GRET	Eight townships	Small grant delivery and capacity building to township based CSOs
11	ACCU	Bogale, Danuphyu, Dedaye, Einme, Hinthada, Ingapu, Kangyidaunt, Kyaiklat, Kyaunggon, Labutta, Lemyethna, Mawlamyinegyun, Myaungmya, Napudaw, Nyaungdon, Pantanaw, Pathein, Pyapon, Wakema, Yegyi, Zalun	Financial literacy, financial management, cooperatives management training, savings and credits
12	ECLOF	Kyonpaw	Agricultural, small business and social loans, savings, financial literacy, and beneficiary welfare
13	Fullerton	Dawbon, Hinthada, Maubin, Meiktila, Myaungmya, Pathein	Agricultural, small business and social loans, savings, financial literacy, and beneficiary welfare
14	PGMF	Bogale, Danuphyu, Dedaye, Einme, Hinthada, Ingapu, Kangyidaunt, Kyaiklat, Kyaunggon, Labutta, Lemyethna, Mawlamyinegyun, Myaungmya, Napudaw, Nyaungdon, Pantanaw, Pathein, Pyapon, Wakema, Yegyi, Zalun	Agricultural, small business and social loans, savings, financial literacy, and beneficiary welfare
15	Proximity Designs	Bogale, Danubyu, Dedaye, Einme, Hinthada, Ingapu, Kangyidaunt, Kungyangon, Kyaiklat, Labutta, Maubin, Mawlamyinegyun, Myaungmya, Nyaungdon, Pyapon, Wakema, Zalun	Agricultural, small business and social loans, savings, financial literacy, and beneficiary welfare
16	VisionFund	Einme, Hinthada, Myaungmya, Pathein, Wakema	Agricultural and livestock loans, financial literacy
17	YMCA	Maubin	Agricultural, small business and social loans, financial literacy, and beneficiary welfare fund

<sup>20</sup>This include also the aquaculture support to WorldFish under the Learning and Innovation Window

The main components of the nutrition programme that began in 2016 are: maternal and child cash transfers (MCCT) for pregnant women and mothers with children under two years, nutrition awareness campaigns, and social behaviour change communication (SBCC) activities focusing on the 1000-days window of opportunity. Not only mothers but also fathers, grandparents, village leaders and health staff are targeted with nutrition-related information and activities.<sup>23</sup>

The MCCT programme is one of the eight 'flagship' programmes addressing vulnerabilities along the life cycle outlined in Myanmar's National Social Protection Strategic Plan. The major aim of the programme is to achieve improved nutritional outcomes for mothers and children during the first critical 1,000 days of life, from pregnancy to when a child is aged two.

The Delta programme seeks to learn what are the most effective, most cost effective and sustainable ways of improving the nutritional status of children and pregnant women. Save the Children is LIFT's main partner contributing to this question, with learning priorities around the impact of MCCT and SBCC on reducing stunting in children, and the efficacy and efficiency of delivering SBCC through existing health systems alongside cash transfers provided to mothers.

During 2016, a baseline study was conducted in intervention villages and control villages of Ngapudaw Township. The study investigated the prevalence of stunting and contextual characteristics of the two groups including environmental sanitation, agricultural zone, and wealth profiles of targeted and control communities. The main findings regarding stunting are:

- Sixteen per cent of all children under two years of age, and 25 per cent of children between one and two years are stunted.
- The prevalence of stunting is higher among children whose mothers did not attend primary school, whose approximate household income over the last month is less than MMK 90,000 (USD70), whose household monthly food expenses are below MMK 50,000 (USD38), whose households do not use appropriate ways of treating water, and whose households do not have access to improved sanitation facilities.
- The prevalence of stunting is higher among children whose mothers did not receive the recommended antenatal care, delivered without a skilled attendant, and did not seek advice or treatment during a child's recent illness.
- Food insecurity and poor feeding practices of infants and young children are risk factors for stunting. There is a high prevalence of stunting among children living in households facing moderate hunger. Between 90-98 per cent of stunted children aged 6-23 months in the treatment area did not receive foods from the recommended number of food groups, or a minimum acceptable diet in the day preceding the survey. There is a medium prevalence of stunting among infants whose mothers are not aware of the recommended age for introducing complementary foods or liquids.

Save the Children's Bright SUN project in Labutta Township works with government health systems and a 3MDG-funded project across 200 villages. It delivers maternal cash transfers and behaviour change activities to an estimated 10,000 pregnant and breastfeeding women with children under two years. The project also tests the feasibility of delivering services sustainably through Ministry of Health structures.

During the first year of the programme, MCCT focal groups were established and trained in the 202 villages in the catchment of the five rural health centres involved in the intervention. These groups, which are an extension of the existing village health committees integrate health volunteers into transfer and behaviour change interventions. Together with Save the Children and the rural health centre teams, the MCCT focal groups identified and enrolled 2,200 pregnant women who received monthly cash transfers. In total, almost 12,000 cash transfers were made in the Delta and nearly 8,900 women and village members attended SBCC activities.

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<sup>23</sup> Only 10.1 per cent of men and women have awareness on of the Nutritional Needs of Women and Children. 'LIFT Household Survey 2015'.

Other implementing partners' nutrition interventions include WHH/GRET's project that aims to reach approximately 10,000 households in 118 villages in Bogale Township with awareness campaigns on appropriate nutrition practices. They directly targeted households in 45 villages with interventions based on lessons from a previous EU-funded project piloting the *Link Agriculture, Natural Resource Management and Nutrition* (LANN) methodology in the Delta.<sup>24</sup> During 2016, more than 1,700 people in 51 villages were reached with nutritional information.

World Vision's Growing Livelihoods in Bogale project works with health providers to engage communities through education, demonstrations, growth monitoring and promotion of good nutrition for children under five years. During 2016, the project conducted training on basic nutrition and hygiene for 37 village health workers, and 1,650 were reached with nutritional information and activities.

The WorldFish-led consortium aquaculture project also includes a nutrition behaviour change component and has an explicit objective of increasing dietary diversity. Training manuals were developed with LEARN support and visits to target villages conducted to understand cultural attitudes to nutrition and the nutritional value of fish; women's perceptions and experiences of feeding fish to their children, and their access to nutrition education.

### Improving the production and distribution of high quality rice seed to farmers

The Delta Programme has a strong focus on the rice sector and assists farmers to increase profitability, with a focus on smallholders with less than 10 acres. Improving the availability of rice seed is a priority because the availability of high-quality paddy seed is well below farmers' requirements and less than 10 per cent of farmers use certified seeds.<sup>25</sup> Access to, and use of, quality seeds of well-adapted and farmer-preferred varieties is a key bottleneck to further modernising the rice sector. One of the central objectives of the Delta 3 programme is to test models of seed multiplication and distribution.

In 2016, LIFT commissioned a study, *The Rice Seed Supply and Demand System in Ayeyarwady Delta, Myanmar*, that will inform how future investments can improve the rice seed sector's performance in an integrated and sustainable way. This study is a key programmatic tool and will be used to drive engagement with actors in the agricultural development sector and with regional government. The study will be published and shared with stakeholders in March 2017. It provides learning and recommendations around five building blocks of sector transformation<sup>26</sup>:

1. Strengthening of demand
2. Organisation of the production base
3. Organisation of the service sector
4. Public sector governance
5. Sector alignment and accountability

In 2016, LIFT's implementing partners in the Delta worked on **strengthening demand and improving production**.

The number of seed growers LIFT works with increased from 90 in 2015 to 164 in 2016. Farmers' demand for quality seed increased, motivating more seed growers to join LIFT's projects. Farmers are increasingly recognising that quality seed results in increased profits. Growers were supported to produce improved rice seed and the result was locally-produced high quality seed that, in some cases, delivered increases in yield from 16 per cent to 30 percent.

<sup>24</sup> LANN is a community-based innovative approach to improve the nutritional status of vulnerable communities by linking agriculture, natural resource management and nutrition in remote areas where there is limited access to public health services.

<sup>25</sup> World Bank Group, 'Myanmar: Analysis of Farm Production Economics', February 2016.

<sup>26</sup> Molenaar and co-workers, 2015

In total, 90 metric tonnes of quality certified seed was produced, which could grow 2,000 acres of rice crops. This was lower than in 2015, when 161 metric tonnes was produced, despite the increase in the number of seed growers. The decline was caused by unusually heavy and prolonged rain during October and November.

To strengthen demand, LIFT partners created linkages between suppliers and buyers. Radanar Aye brokered a contract farming agreement between the cooperative Ayeyar Aung Dagun Co-op and Shwe Zarchi Agro-CO that committed to procuring 3,000 baskets (63 metric tonnes) of certified seeds at an agreed price. Contract farming of certified seeds that flow directly to farmers is a new development in the Delta. Contract farming for certified seeds has been a closed value chain in which specialised rice companies produce certified seed for their own grain production.

On seed production, certification and training LIFT partners work closely with the Department of Agricultural Research and the Department of Agriculture's Seed Division. Both government departments work on early generation seed production of open pollinated varieties at a time when this is not yet a profitable enough activity to attract the private sector. In 2017, LIFT will continue to support the government and will continue to develop local seed businesses that can respond to demand as it increases.

## Supporting Delta producers

### Extension services

Delta 3 programme's extension services focus on the safe and economic use of inputs such as fertilisers and pesticides; post-harvest management of crops, and a more sustainable approach to extension services that works through private and public advisory services. Delta 3 works with partners WHH, GRET and Mercy Corps to find the most effective, cost effective and sustainable model for providing inclusive access to advisory services, credit, inputs and mechanisation in the Delta region. In 2016, Mercy Corp began exploring this question by comparing three models for providing extension services (farmer organisations, private sector and individual support). Economic analysis by WHH/GRET and Mercy Corps in 2017 will provide data that can be used to begin determining which models will be most effective, cost effective and sustainable.

During 2016, the Delta 3 programme delivered extension services to around 4,000 farmers in three townships with different methodologies and approaches, resulting in increased involvement of the private sector; particularly millers, input suppliers and equipment dealers. Key achievements in 2016:

- A joint WHH/GRET farmer-led extension approach was fine-tuned for Delta 3 based on previous experience. Agricultural extension services reached around 2,000 farmers in 118 villages in Bogale Township through demonstration plots and learning centres. The promotion of a mixed approach to soil fertility management using chemical fertilisers and agro-ecological practices, resulted in high adoption and replication rates due to the process's simplicity, low labour cost and impact on yield (from 17 per cent to 34 per cent).<sup>27</sup>
- Mercy Corps' project piloted innovative partnerships with agribusiness companies. The project established a partnership with Myanmar Awba to deliver a training package. The service agreement was finalised for seven Farmer Producers Enterprises (FPEs) that will reach 147 members, in collaboration with one miller, to cover the 2017 summer and monsoon seasons.

### Farmer and producer organisations

Farmers' organisations are instrumental to agricultural development. They play roles in policy advocacy, the delivery of services to farmers, the enforcement of farmers' rights, farmers' education and business development.<sup>28</sup> Several implementing partners in the Delta have been working with farmer groups formed during previous interventions and are applying what they learned when establishing new groups. LIFT and its implementing partners are working to determine the most effective and sustainable arrangements for farmer organisations and how such arrangements can be achieved.

<sup>27</sup>Stephane Fayon, 'Consultancy service-support to agriculture extension services development Project: DELTA RISE- Support mission no 3', October 2016

During 2016, the Delta programme supported more than 200 farmers groups at different stages of organisational development. Strong and viable groups, particularly at the village and village cluster level, offer a wider range of extension and advisory services, including access to production inputs, access to credit, collective post-harvest management and marketing. Cooperatives and similar associations are a key core element of agricultural and rural development in communities consisting predominantly of smallholder farmers.<sup>29</sup>

WHH and GRET support 70 producer organisations and are testing two models – a cooperative village-based model and an association model. It was too early in 2016 to draw conclusions about which model may be the most effective and sustainable but it was clear that different models are required for different services. For example, the village-based model works best for economic services relating to inputs, and associations are more effective for seed growers because of their broader geographic reach.

Mercy Corps supports 100 Farmer Producer Enterprises (FPEs), with a membership of 2,850 farmers in 173 villages in Labutta Township, that operate as market actors, generating growth for member enterprises and delivering services such as: collective paddy buying and selling, access to seed on credit from millers or traders, access to fertiliser on credit from local dealers, access to farm equipment rental, and access to training from input supply companies. In 2016, Mercy Corp finalised FPE guidelines describing organisational structures, the types of services FPEs can provide to members, and how to introduce them.

The business performance of the FPEs in terms of profitability and return on investment is essential for their sustainability. At the end of 2016, an assessment of 18 FPEs that had received investment funds during the previous Mercy Corps LIFT-funded Beyond Recovery-LD2 project indicated an annual average return on investment of 12 per cent, which is on target and a healthy result.

In 2017, the Delta programme will commission a study on the institutional framework for farmers' economic associations, cooperatives and farmer unions that will contribute to LIFT's learning on effective, sustainable farmer organisations.

### **Building employment opportunities for migrants**

The Delta is close to Yangon and its urban labour opportunities. Migration has been increasing from the Delta since 2011, particularly among landless households.

IOM conducted a baseline survey in 2016 that showed migration was an important source of income for migrant-sending households in the Delta. Three-quarters of people surveyed said migration was necessary and desirable because of the impact remittances had on increasing household incomes. Around 80 per cent of migrant-sending households benefit from remittances.<sup>30</sup>

LIFT and implementing partners want to learn to what extent migration and employment interventions enable people to access better paid and safer employment. In 2017, implementing partners will conduct research to investigate migration outcomes for people who leave and people who stay, and the impact of different employment opportunities.

The Mercy Corps/Swisscontact project supports the rural landless to develop occupations with commercial potential locally, and access better paid employment opportunities in Yangon. It focuses on supporting occupational skills that are verifiable and meaningful, resulting in real employment and occupational outcomes. Five priority occupations were identified in 2016: mechanics, carpentry, masonry, garment manufacturing and hospitality. Swisscontact developed curricula and training plans in 2016 and trained 200 students. More students will receive training in 2017 now that curricula and training plans have been established. The project aims to train 1,400 students.

<sup>28</sup> FSWG and GRET, 'The Emergence of Farmers' Organizations in Myanmar A Mapping Study', December 2015

<sup>29</sup> AFC Consultants International, GmbH, 'Study on Extension and Farm Advisory Service', May 2015

<sup>30</sup> IOM, Migration as Livelihood Diversification Strategy Project's baseline study

Of the 200 graduates in 2016, 91 (46 per cent) found employment in Yangon, Patheingyi, and other areas outside of Labutta Township in garment manufacturing, hospitality, carpentry, mechanics, seafood processing, restaurant work and printing. Another 85 graduates remained in Labutta Township. Among these, 17 per cent began new work in mechanics or carpentry, and 25 per cent resumed the occupations they were engaged in before participating in the project. In 2017, the project will conduct research with graduates to compare the outcomes for people who stay and people who migrate to new employment opportunities.

### Mechanisation improving productivity and income sources of rural entrepreneurs

The increase in migration from the Delta since 2011 has led to labour shortages in rural areas and wage rises, which has driven a demand for mechanisation in agriculture.<sup>31</sup> LIFT's engagement with the private sector in 2016 has contributed to meeting this demand for agricultural farm mechanisation. The Agribusiness Finance Programme (AFP) implemented by Yoma Bank provides hire purchase financing for farm machinery to farmers on terms requiring a lower deposit and longer loan terms. The deposit is reduced from 30 per cent to 10 per cent, land title deeds are not required as collateral and loan terms are increased from one year up to three years. In 2016, 456 rural entrepreneurs in the Ayeyarwady Region purchased tractors, combine harvesters, trucks and threshers through this programme. About 66 per cent of purchased items were two-wheel and four-wheel tractors with an average loan amount of MMK 15 million Kyat (USD 11,500) for tractors ranging in price from MMK 1.5 million to 78 million (USD 1,150-60,000). Eighteen per cent of hire purchase agreements in the Delta were for trucks, with a loan amount of MMK 7 million (USD 5,500); and 16 per cent were for combine harvesters, with an average loan amount of MMK 29 million (USD 23,000).

Mechanisation improves labour and agriculture productivity and leads to the creation of small businesses that rent the machinery to other smallholder farmers, spreading the impact of the mechanisation and providing additional incomes.

In 2017, LIFT will analyse the ownership and management of agriculture service businesses to investigate how women are benefitting from the Yoma Bank AFP programme. Anecdotal evidence suggests that although few women hold Yoma Bank hire purchase loans in their own names they are involved in running the machinery rental businesses that result from the purchase of machinery.

Table 3.2: Financial inclusion in the Delta

Name of IP	Project area	Loans disbursed (USD)	Total clients	Female clients
<b>PGMF</b>	21 Townships including LIFT's Delta Area	113,878,769	433,154	424,491
<b>Proximity Design</b>	17 townships including LIFT's Delta area	5,758,889	29,686	11,281
<b>Vision Fund International</b>	Einme, Hinthada, Myaungmya, Patheingyi, Wakema	11,879,450	27,278	21,816
<b>Fullerton</b>	Hinthada, Maubin, Myaungmya, Patheingyi	4,242,327	24,699	22,476
<b>ECLOF</b>	Kyonpaw	649,523	7,596	7,545
<b>ACCU</b>	Patheingyi	709,740	6,597	3,299
<b>Yoma Bank</b>	Delta	5,383,014	458	32
<b>Total</b>		<b>142,501,712</b>	<b>529,468</b>	<b>490,940</b>

<sup>31</sup> Ben Belton, Michigan State University, 'Myanmar's Rural Transformation'

### Improving access to new non-farm economic opportunities

People in rural communities of the Ayeyarwady Region are increasingly balancing income from a variety of sources including non-farm businesses, as well as from agriculture and migration. Households that cannot diversify, either through a lack of capital or productive labour, risk falling behind.<sup>32</sup> GRET's small producer credit services project and the village revolving funds in WHH-supported villages show that finance is being used by landless and smallholder farmers for livestock, trading and machinery repair and rental businesses, as well as agriculture. In 2016, 67 per cent of the loans provided by GRET were used for livestock rearing.

The WorldFish project supports the development of small-scale aquaculture activities to produce fish. In 2016, 648 aquaculture farmers from 73 villages were organised into groups and provided with the equipment to start small-scale aquaculture activities. The success and the sustainability of the project will rely on the demonstrated capacity of small scale aquaculture to improve farmers' livelihoods. An evaluation of the activity's profitability will be key for the scale-up phase. A first consultancy mission conducted in 2016 found that the cost of feed supply, at 70-90 per cent of operational costs, was the main challenge. It was recommended that a specific loan product be developed that suited the production cycle. In 2017, WorldFish will analyse the first production results, calculate profitability and then liaise with financial services providers to develop a special loan product for aquaculture activities. WorldFish will also approach savings groups as they can be more flexible in matching loan terms to the phases in the aquaculture production cycle.

### Looking ahead

LIFT's Delta Programme is working towards increased coordination and knowledge sharing with regional government, private sector, and civil society organisations as part of LIFT's overall sustainability effort. Coordination with regional and township governments has been established through the different project launches and Delta team events and the new regional government has requested LIFT's support for its pilot initiative on land redistribution and allocation. This has opened up an opportunity for dialogue, collaboration and endorsement of LIFT's Delta programme from relevant government departments and local members of parliament.

During 2017, LIFT will support the government's plan for land allocation in Pyapon with the provision of complementary extension and financial services to the area's rural population, through an extension of the current project Delta RISE, implemented by WHH and GRET. Additional independent land tenure assessments will be also conducted by the LIFT-funded GRET land research project for other potential sites under the government plans.

During the last quarter of 2016, strategic proposals with Metta Foundation and Network Activity Group (NAG) were designed, and in early 2017 were approved by LIFT's Fund Board. Metta will build a social enterprise model conducive to rural poverty reduction and equitable economic growth and take a leadership role in advocating for livelihoods policies and laws that enhance sustainable agriculture in Myanmar. NAG will focus on key policy areas such as fishery community rights, natural resource protection, land use allocation and livelihood development, and is in line with the Ayeyarwady regional government's priorities for the development of the fishery sector.

IOM's project, Migration as Livelihood Diversification Strategy in the Delta, will implement activities encouraging people in Delta townships to consider migration in the context of strategic livelihood planning. In addition to direct support to target townships, the project proposes to support LIFT stakeholders more broadly in an effort to deepen understandings of the nexus of migration and development. Sixteen civil society and religious organisations will cooperate to implement activities promoting safe migration and enhancing benefits from migration and 10 implementing partners will collaborate with IOM for support on migration-sensitive programming.

<sup>32</sup> 'Livelihood and Social Changes in Rural Myanmar, QSEM 2016 QSEM Series Round Five Report'

## Stepping up with mechanisation



In Kyar Kan Taunt, a village in the Ayeyarwady Delta, Yin Hlaing, 70, lives with his wife, six children and nine grandchildren. The family lives on 57 acres of land passed down from Yin Hlaing's father, which he now shares with his sons.

Annually, the family sets out to produce rice and black gram. The crop is highly time sensitive – if planting is not completed on time, farmers could lose up to 60 per cent of their potential yields.

Since childhood, Yin Hlaing has worked the farm, helping look after the cows used to plough the land. The farming methods used were labour intensive and time consuming and the family had to work tirelessly through Myanmar's annual monsoon season. Yin Hlaing said that before they had the tractor the family spent three months or more working to prepare the land for the rice crop. This can now be achieved in five days using the tractor.

In 2016, the family's farming practices changed dramatically. After trying to save money and researching tractors for years, Yin Hlaing and his family had the opportunity to buy a tractor through the **LIFT-funded Yoma Bank Agribusiness Finance Programme** in early 2016. Under the Programme, Yin Hlaing purchased the USD 18,000, 47-horsepower tractor by paying a deposit of 10 per cent, rather than 30 per cent, with repayment terms spread over two years, rather than one year. The quarterly installments made it possible for the family to buy the tractor.

Quickly, the family benefitted. What used to take three or more months is now done in five days. Labour productivity has improved and they achieve better yields. Min Htike, the youngest son, and all of his brothers went with their father to purchase the tractor and sign the contract. He said it was a very happy day: "This tractor was ours. My dream had come true."

Now, his ambitions have grown. Min Htike wants to have a well-structured farm, and roads and electricity in the village. He hopes to one day buy a combine harvester, purchase more land and develop a farm demonstration plot on their land for farmers' education.

Yin Hlaing’s wife, Daw Than Than, recalls how hard it was to watch her family working so hard in the rice fields, trying to finish the work in time for the crop’s season. When her children were young, the family struggled a lot. They could not afford to have all of the children stay in school – they needed them to stay back and work on the farm. She feels that her grandchildren are now in a different era. The possibility of them finishing school and getting an education feels more real. The eldest granddaughter is already attending university in Patheingyi, approximately 30 minutes from their village.

The mechanisation of the farm means the entire family has more time for social activities in the village, religion and more free time to spend with one another.

### The village benefits

Min Htike’s neighbours who do not have farm machinery benefit also. Neighbouring landowner, U Ma Saw, and his nephew, Hpa Nyant, pay 20,000 Kyat (approximately USD 15) for the use of the tractor, which is less than what it costs them to do the same work manually. Work completed in one hour would have taken two days with cows and two farm workers.

About 20 other farmers have rented Yin Hlaing’s tractor in the past eight months. All the farms in the village that plant black gram are now prepared – and Yin Hlaing says he feels confident the village will have a good season, and is proud knowing his tractor played a part in achieving this.

The family’s eldest son, Hla Moe Khaing, discusses the labour shortages in the area, and how the village farms have been affected, with workers leaving the fields for the better-paying garment industry. Without the tractor, he feels him and his family would have been left behind.

Now, with more confidence in what the future holds for his family, Yin Hlaing appreciates the simple things in life – like his daily walk to the village school to collect his granddaughter.



## DRY ZONE



### 3.2 Dry Zone

#### OVERVIEW

The new Dry Zone Programme began field operations by the end of 2015. Six of seven component projects are now being implemented. The programme’s overall objective is to achieve equitable growth and sustainable results that help farmers, businesses and government departments improve their knowledge and experience and apply it in their work with communities.

The results of the *LIFT Household Survey 2015* are evidence that food security in the Dry Zone has improved significantly.<sup>33</sup> In 2011, 72 per cent of households did not have enough food in the last 12 months to meet household needs. In 2015, the figure dropped to 2.2 per cent. Dietary diversity is also up, indicating improved understanding of nutrition, and higher incomes to afford a variety of food.

The survey confirmed that in many Dry Zone regions draught animals have been replaced by tractors in agricultural production. A recent study on agricultural mechanisation found that the political and market environment is supportive of economic transformation in agriculture. There are no import restrictions on agricultural machinery and the market is highly competitive.<sup>34</sup> The main drivers for

Figure 3.4: LIFT activity in the Dry Zone 2016



<sup>33</sup> 'LIFT Household Survey 2015'

<sup>34</sup> B. Belton (MSU), Myat Thida Win (CESD) and Xiaobo Zhang (IFPRI), 'Briefing note: Myanmar's mechanization revolution', May 2016

mechanisation in the Dry Zone are: 1) shortages of labour at key times, 2) high rates of return on investment in tractors and harvesters, and 3) availability of financial services from banks. As a result, mechanisation has enabled farmers to expand their cropping area. In Mandalay Region, the crop area was expanded by 21 per cent over the period 1989 to 2012.

LIFT supports agricultural modernisation through assistance in advisory services, finance, irrigation and seed availability to allow households to step up agricultural production.

The 2016 LIFT-funded World Bank migration study *A Country on the Move - Domestic Migration in Two Regions of Myanmar* highlighted the Dry Zone’s labour migration trends. The Magway region has experienced high levels of out-migration in recent years, especially since the economic transition began in 2011. One in five households in Magway has a family member migrating for work. Migrants from the Dry Zone tend to be young, male and have migrated for jobs with more regular income than farm labour.

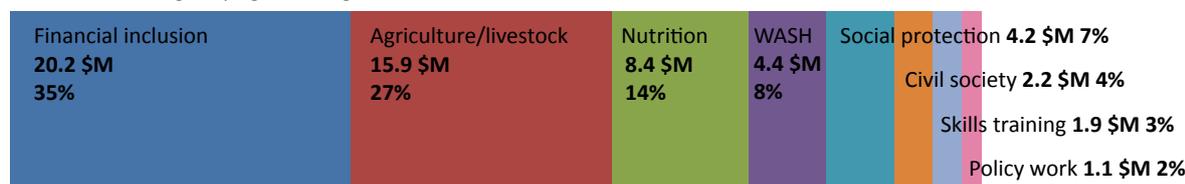
Low birth weight and the stunting of children have repeatedly been identified as severe nutritional challenges across the Dry Zone, where 31.2 per cent of children are stunted and 36.6 per cent have low birth weight.<sup>35</sup> The availability of nutritious food for mothers and children and support to overcome cultural nutrition taboos have been identified as the key areas of need. LIFT addresses nutrition through a maternal and child cash transfer programme that includes messaging delivered to communities about nutritious diets as well as hygiene and maternal and children's health.

*LIFT Household Survey 2015* found that in the Dry Zone more than 90 per cent of respondents wash their hands before and after eating, but only 44 per cent wash their hands before feeding a baby. Only 58 per cent of Dry Zone households have access to improved water sources and only 3 per cent have access to safe piped water. The household survey showed that open defecation is currently at 13.8 per cent. The overall goal of the WASH component is to use education to drive that down to zero by 2019.

LIFT is also committed to supporting the rural poor with sustainable village-based social protection schemes and pilots for flagship government social protection programmes.

Figure 3.3.2: LIFT’s investment in the Dry Zone by sector for 2016-2019

Allocation of budget by agro/ecological zones



## Highlights from 2016

### Support for agricultural mechanisation and off- farm job opportunities in the Dry Zone

To boost the rural economy in the Dry Zone, LIFT supports microfinance institutions and private banks to promote agricultural mechanisation and off-farm job opportunities. During 2016, LIFT’s financial inclusion partners reached 710,000 households in more than 5,600 villages in the Dry Zone and disbursed USD 91 million in loans – 50 per cent for livestock or small business, 37 per cent for crop production, 8 per cent for equipment loans, 4 per cent for enterprise loans and 1 per cent for social loans and others. Equipment loans are new financial products developed and provided by Pact Global Microfinance Fund (PGMF) and Yoma Bank in different forms.

<sup>35</sup> Save the Children, WFP and MoALI, 'A Nutrition and Food Security Assessment of the Dry Zone of Myanmar in June and July 2013', 2014

Table 3.3: LIFT-funded projects in the Dry Zone 2016

	Implementing partners	Location	Focus
1	ActionAid	Nyaung-U, Myaing, Pakokku	Providing disadvantaged women with vocational training, jobs and access to social services
2	Terre des Hommes (TdH)	Natmauk, Yenangyaung, Myingyan, Taungtha	Water-efficient technologies allow landless and marginalised farmers to grow nutrient-rich vegetables, improving incomes and nutrition in remote villages in the Dry Zone
3	International Fertilizer Development Center (IFDC)	Mahlaing, Myingyan, Natogyi, Taungtha, Pakokku, Yesagyo	Supporting local inputs and service providers, government extension officers to deliver agricultural advisory services to farmers
4	UN Food and Agriculture Organization (FAO) Livestock	Mahlaing, Myingyan, Natogyi, Taungtha, Pakokku, Yesagyo	Policy level work in improving animal health services and livestock trade; establishing micro-projects through co-investment with farmers
5	Golden Plain	Pakokku, Yesagyo	Restore unproductive soil to get sustainable yield by green manuring; introduce modified cropping systems and early maturing improved variety seeds
6	United Nations Economic and Social Commission for Asia and the Pacific (UNESCAP)	Across the Dry Zone	Technical reports and training workshops on agricultural mechanisation, seed production and farmer led innovations
7	HelpAge International	Mahlaing, Myingyan, Natogyi, Taungtha, Pakokku, Yesagyo	Implementation of existing village-based social protection schemes, and pilot of two government programmes to provide old age social pensions and support for people with disabilities
8	Alliance	Mandalay, Pyinoolwin, Patheingyi	Agricultural, small business and social loans, savings, financial literacy, and beneficiary welfare
9	Are Yone Oo	Kale	Agricultural, small business and social loans, savings, financial literacy, and beneficiary welfare
10	Border Development Association	Myonwa	Agricultural, small business and social loans, savings, financial literacy, and beneficiary welfare
11	Fullerton	Mandalay, Kyaukse	Agricultural, small business and social loans, savings, financial literacy, and beneficiary welfare
12	GRET	Budalin, Monywa, Yinmabin	Agricultural, small business and social loans, savings, financial literacy, and beneficiary welfare
13	PGMF	Aunglan, Ayadaw, Chauk, Chaung-U, Kyaukpadaung, Magway, Mahlaing, Meiktila, Minbu, Myaing, Myaung, Myingyan, Myothit, Natmauk, Natogyi, Nyaung-U, Pakokku, Pwintphyu, Salin, Sinbaungwe, Taungdwingyi, Taungtha, Yesagyo, Yenangyaung	Agricultural, small business and social loans, savings, financial literacy, and beneficiary welfare
14	Proximity Designs	Aunglan, Chaung-U, Magway, Mahlaing, Minbu, Monywa, Myingyan, Myothit, Natmauk, Natogyi, Pakokku, Pale, Pyawbwe, Shwebo, Taungtha, Thazi, Wetlet, Yesagyo, Yinmabin	Agricultural loans, livestock loans, financial literacy
15	Save the Children	Pakokku, Yesagyo, Mahlaing	Randomised Control Trial (RCT) trialing the effectiveness of maternal cash transfers to mothers with children within the 1000-Days window
16	Vision Fund	Mandalay, Kyaukse, Madaya, Patheingi, Pyinoolwin, Sintgaing, Monywa, Sagaing, Shwebo, Chauk	Agricultural, small business and social loans, financial literacy, and beneficiary welfare fund
17	Social Vision Service	Wundwin	Agricultural, small business and social loans, savings, financial literacy, and beneficiary welfare
18	MPSWA	Myingyan, Natogyi, Taungtha	Improving the nutrition practices of young children, pregnant, breastfeeding mothers and mothers of young children through behaviour change communication
19	UN-Habitat	Mahlaing, Myingyan, Natogyi, Taungtha, Pakokku, Yesagyo	Providing quality hygiene education and improved sanitation focused on zero open defecation

Figure 3.5: 2016 Loan disbursement by LIFT financial inclusion partners in the Dry Zone

50.53% Livestock 36.56% Crop loan and agriculture 7.89% Hire purchase loan 4.11% Enterprise loan 0.91% Other loans (top up, staff, migrations, social)



The Yoma Bank Agribusiness Finance Programme (AFP) has already achieved significant results in the Dry Zone. Equipment purchases requiring more capital are covered by the LIFT partial risk guarantee fund provided to Yoma Bank in the AFP. This facility enables Yoma Bank to reduce the minimum cash down payment from 30 per cent to 10 per cent, and increases loan terms from one year to up to three years, making repayments more affordable for clients. In 2016, the Yoma Bank AFP provided loans for equipment leasing to 963 rural entrepreneurs in the Dry Zone at an average loan amount of MMK 19.5 million (approximately USD 14,400). Sixty per cent of these clients purchased tractors and provided rental services to an estimated 11,600 farmers. These rental services allowed small-scale farmers in the Dry Zone to benefit from mechanisation, save on land preparation costs and improve labour productivity.

By the end of 2016, the programme had financed 431 trucks, 630 tractors and 52 combine harvesters for a total value of MMK 27.7 billion (USD 21.3 million) in Mandalay, Magway and Sagaing. Based on figures from LIFT field-monitoring visits each four-wheel tractor can prepare 400 acres of land for planting and each harvester can harvest 300 acres of crops per season.

PGMF provided lease financing to 204 clients at an average loan amount of USD 2,500. Although lease financing products target access to agricultural equipment, clients also bought other productive assets such as mini-trucks, motorised weaving looms, three-wheel motorbikes, and electric fuel pumps from which they earn daily income. The equipment loans provide rural entrepreneurs with increased access to non-farm job opportunities, such as providing farm machinery rental services, operating gasoline shops with solar-powered gasoline pumps, renting motorised weaving looms to other small businesses, and offering a variety of transport services such as door-to-door groceries delivered by three-wheel motorcycles, and cargo and passenger transport services.

### Public and private sector collaboration for improved farm advisory services

In 2016, the International Fertilizer Development Center (IFDC) project trained 55 input retailers and service providers, 170 extension officers, and 4,129 farmers (over 1,000 of whom were female) to engage farmers in conservation agriculture, and encourage retailers to provide better advisory services and develop other services for the private sector to deliver. The project organised 68 demonstration plots and 15 field days. One retailer initiated a demonstration plot and field day with a mechanisation show and farmer training session on good agricultural practices. The event was attended by 593 local farmers, of whom 78 were female.

A mechanisation field day in collaboration with a New Holland machinery distributor attracted 93 farmers and 15 Department of Agriculture extension workers. The project team also conducted technical training on services to encourage retailers to invest in mechanisation services.

Department of Agriculture extension officers participated in farmer training (107 department staff, 45 per cent female) and in the establishment of demonstration plots and field days (99 staff, 55 per cent female). As a result of this collaboration in training and field days between farmers, the Department of Agriculture and retailers the project is beginning to see evidence of more interaction between these three beneficiary groups. This is an important step forward as before the project only a few retailers were in contact with government extension services. The fact that 51 per cent of the trained farmers were new clients to their local businesses demonstrates how little farmers

and retailers had interacted in the past. The farmers received vouchers totalling MMK 68.88 million (USD 53,000) for their participation in the training. These vouchers triggered additional purchases of MMK 15.71 million (USD 12,000) from participating retailers. The project is still trying to identify opportunities for unsecured loans from the banking system. Other private sector entities have already approached retailers supported by the project about financing and leasing opportunities.

Implementing partners, IFDC and Golden Plain conducted soil tests, which indicated that soil fertility was a major production obstacle.<sup>36</sup> The Dry Zone sandy soils do not have enough organic matter to prevent the early washing away of nutrients from the soil. In the past, LIFT partners attempted to increase organic matter with compost, but the approach was too labour intensive. Golden Plains manages 84 demonstration sites in 42 villages showing the effect of green manure (e.g. sunn hemp) on soil fertility and productivity. On average, 2.1 tonnes/acre of organic matter was ploughed under, delivering 21.5 kilograms of nitrogen per acre and 15.4 kilograms of potassium per acre. Due to unexpected rains in parts of the Dry Zone the harvest results of the first crop were not conclusive. Further testing is necessary to identify crops with easy accessible seeds and a high biomass yield after 45 to 60 days.

The IFDC demonstration plots resulted in increased returns on investment for farmers. The main effect came from the use of improved seed varieties and applying the Department of Agriculture's recommendations on fertiliser rates for green gram, sesame and cotton. For groundnut and paddy there was a positive economic return from improved seed varieties but the return on department-recommended fertiliser rates did not always justify the input costs. Farmer interest in field days and demonstration plots is high and spreading beyond the farmers who were trained by the project.

### Nutrition

In 2016, Save the Children, the Myanmar Nurses and Midwives Association and Innovation for Poverty Action began delivering maternal and child cash transfers (MCCT) and social and behaviour change communication on nutrition to pregnant and breastfeeding women with children aged under two in Pakokku, Mahlaing and Yesagyo townships.

The LEGACY project delivers cash transfers through two different structures to determine the value that social behaviour change communication has on nutrition outcomes of children and mothers receiving cash transfers.

For the first phase of the randomised control trial 248 villages were selected. In 40 villages cash transfers are delivered through Ministry of Health channels. Social behaviour change communications are not delivered face-to-face to these beneficiaries, although they do receive printed information about nutrition from midwives. In the other 208 villages, cash is delivered by Pact Global Microfinance Fund (PGMF) and half of these beneficiaries participate in intensive social behaviour change communication sessions delivered through mother-to-mother support groups. Maternal and child cash transfer focal groups were formed in all villages and these groups assisted in enrolling beneficiaries – 4,062 women were enrolled in the PGMF model and 261 women were enrolled in the Ministry of Health distribution model. In 2016, a total of 18,521 cash transfers were disbursed to 4,116 pregnant and breastfeeding women with children under two years.

In villages where social behaviour change communication sessions were held, 1,372 women attended sessions conducted through 130 mother-to-mother support groups. Family members and the wider community also participated in nutrition education sessions and by the end of 2016 7,389 people (669 males and 6,720 females) had attended sessions.

<sup>36</sup> IFDC reports: "The majority of the samples tested very low in organic carbon (78.1%) and low or very low in total nitrogen (87.75%). As for exchangeable cations, the majority of samples tested low for calcium (90.6%), medium to high in magnesium (71.9%), low to very low in potassium (62.5%), low in available phosphorous (78.1%) and low in available K<sub>2</sub>O (65.6), although 34.4% of the samples did test medium to high for available K<sub>2</sub>O. All of the samples tested low or not detected for water soluble sulfate."

LIFT also funded the Myanmar Professional Social Workers Association (MPSWA) to improve nutrition practices of around 15,000 households in another 90 villages in Mingyan, Natogyi and Taungtha townships targeting pregnant and breastfeeding women with children under two years. In 2016, the project formed 64 community-based nutrition promotion groups who were trained to deliver nutrition knowledge to communities.

### **Social protection**

HelpAge's project in the Dry Zone implements two programmes with the Department of Social Welfare to ensure that economic transformation is as inclusive as possible and that the most vulnerable households are not left behind. In 30 villages in each of the six townships social protection emergency funds enable the poorest families to access low-interest loans for three to six months. Villages participate in taking loans from these emergency funds, if needed or not, to ensure the continuous flow of interest payments that provides money to support the poorest families. The interest rate is high enough to continue to support older people and people with disabilities if government schemes have not started once the project closes.

A portion of the funds, between MMK 100,000 (USD 77) and MMK 500,000 (USD 385), is kept in cash in the villages for emergencies. These funds can be accessed interest free for two months in an emergency, such as an unexpected health emergency requiring hospitalisation or medication. When an eligible person does not have a national registration card, and therefore cannot receive a payment according to government rules, the village social protection fund covers these payments. The Union Government has acknowledged the importance of old age pensions and will start the countrywide implementation of pensions in the 2017/18 fiscal year. Other social protection initiatives, like grants for the poorest families and people with disabilities, have not yet been scaled up to showcase the effectiveness of government programmes. HelpAge's Dry Zone project pilots old age pensions and grants for people with disabilities.

By the end of 2016, the project delivered cash to 627 older people in close collaboration with the local General Administration Department in the townships. Village authorities and local government participated in the project and became the key people delivering the cash transfers. The activity has led to close collaboration between village social protection committees and public service staff. The objective is to engage public sector staff at all levels so they gain experience to manage the expected national-level cash transfer schemes.

In close collaboration with the government, the project is currently designing cash transfer eligibility requirements that will be as consistent as possible with future government eligibility requirements. An unexpected result of the activities is people's increased interest in obtaining national registration cards, a key citizenship and identification document. Most of the HelpAge villages in the six townships are also covered by WASH activities, implemented by UN Habitat, and nutrition behaviour change education, implemented by Save The Children and Myanmar Professional Social Worker Association. Their activities complement the social protection initiatives, improving the food security and nutrition of the villages.

### **Migration**

LIFT's Dry Zone migration activities reveal there is a need to discuss migration issues among stakeholder organisations and communities to establish common ground in understanding migration. The project run by the International Labour Organization (ILO) conducted training on labour migration management for key stakeholders in Mandalay Region and was attended by 43 participants, 34 of them women, from regional departments as well as civil society organisations. The training was welcomed and considered highly relevant, and it was suggested the training also be conducted in other states and regions.

The consultation workshops of the migration research project Capitalizing Human Mobility for Poverty and Inclusive Development in Myanmar (CHIME) implemented by IOM, Metta and the University of Sussex shows that migration affects all stakeholders and their interest in migration topics is high. However the topic has not yet been discussed in a collective and analytical manner. It is evident that it is important for there to be dialogue on the basic aspects of migration to ensure stakeholders have the same understanding of the reality of migration, based on credible evidence.

### Livestock

The close collaboration between the Union Level Government and the project run by the Food and Agriculture Organisation's (FAO) shows that any policy interventions need to be based on a comprehensive analysis of the status quo. In support of government work, the project piloted a livestock census in the six townships of LIFT's Dry Zone programme. To test a cost effective approach for the national livestock census the project trained villagers and Livestock Breeding and Veterinary Department staff to collect data and check its quality. More quality checks and data analysis will be done by the department at the national level with project support. Positive results encouraged the government to approve MMK 36 million (USD 27,700) to add eight more Mandalay Region townships to the census. The costs for the nationwide census of MMK 1.4 billion have been allocated in the 2017 government budget.

Based on the results of the livestock census, the FAO project will engage in policy discussions to overcome livestock trade restrictions and improve the effectiveness of the community-based animal health workers.

## Looking ahead

### New seed business for Dry Zone

Currently less than 1 per cent of seeds for Dry Zone crops are produced and available.<sup>37</sup> Providing tested and certified seeds to a market that currently does not differentiate between grain and seeds will make a significant difference. The seed project is a cornerstone of LIFT's efforts to support economic transformation in the Dry Zone. The LIFT seed intervention is based on the pivotal role of the private sector in the development and running of this new industry. Research and development of new varieties of the open pollinating crops will continue to be led by the Department of Agricultural Research. The project will support the new business with a seed processing plant. Business ownership will be divided between seed producing farmers and private investors from the national seed sector.

### Drip irrigation scheme

As part of the no-cost extension, Terre des Hommes (TdH) Italy will set up a one acre commercial drip irrigation scheme to demonstrate its effectiveness and commercial viability. Field days with farmers and investors will promote the approach. At the same time LIFT plans to provide access to finance for investors in groundwater-based irrigation systems through Yoma Bank's Agribusiness Finance Programme.

### Supporting local livelihoods

In 2017, The Dry Zone will host a LIFT-funded project supporting active CSOs to establish and promote local livelihoods at the township level. The project, implemented by PACT, will improve LIFT's coverage of the Dry Zone's urban areas. More details about the CSO programme are in section 4.4 of this report.

<sup>37</sup> Syngenta Foundation for Sustainable Agriculture and AgriSource, ADB, 'Innovative Financing for Agriculture and Food Value Chains - One Feasibility Study to Develop Seed Business: Opportunities for the Myanmar Seed Sector', April 2016

## RAKHINE



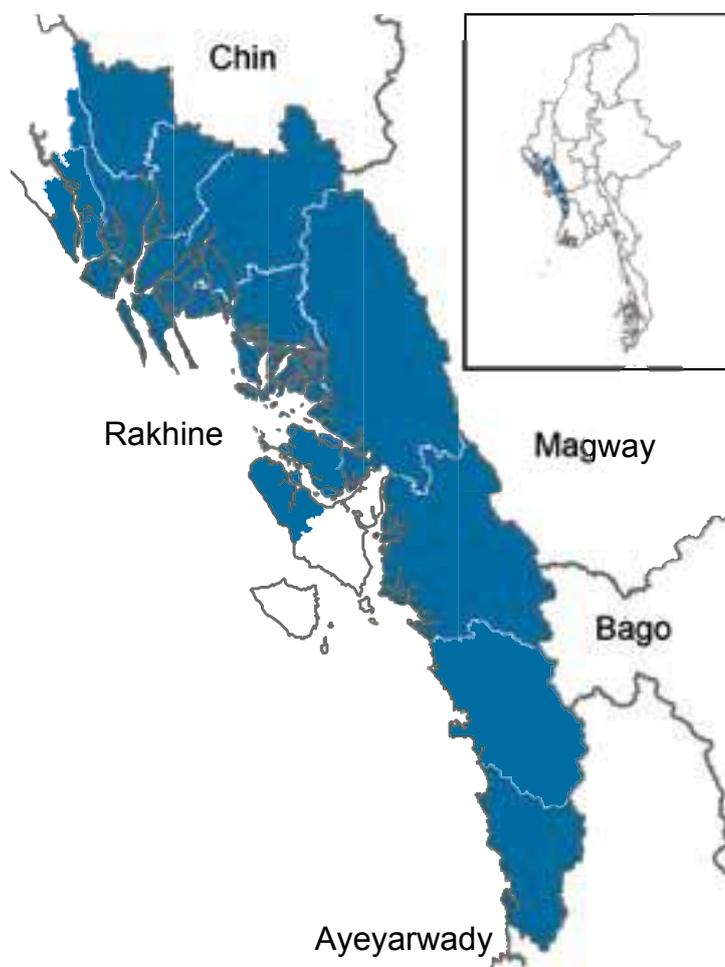
### 3.3. Rakhine

#### OVERVIEW

Rakhine State is one of the least developed areas of Myanmar, with an estimated 78 per cent of people living on less than USD 1.25 a day.<sup>38</sup> According to UNICEF, nearly 50 per cent of children under five suffer from stunting.<sup>39</sup> Unemployment rates are higher than 10 per cent and labour force participation is the lowest in the country, with just under 59 per cent of the population aged over 15 economically active, compared to 67 per cent nationally.<sup>40</sup> Rakhine’s population depends on fishing, agriculture and casual labour for their livelihoods, with 26 per cent reporting casual labour as their primary income source.<sup>41</sup> Rakhine faces two further challenges that hinder development: frequent natural disasters, such as cyclones and floods, and violent conflict between the ethnic Rakhine and Muslim communities. In October 2016, violent conflict displaced more than 70,000 people.

Rural economic transformation in Rakhine will take time, but there is potential. In 2016, LIFT supported the Rakhine State Government in the development of the Rakhine Five-Year Socio-Economic Development Plan. The National League for Democracy (NLD)-led Rakhine government requested technical support from the United Nations, and LIFT seconded two senior technical officers for several months to work with the government in Rakhine. For LIFT, this was a valuable

Figure 3.6: LIFT activity in Rakhine 2016



<sup>38</sup> World Bank Group, 'Myanmar: Ending poverty and boosting shared prosperity in a time of transition', 2014

<sup>39</sup> United Nations Children’s Fund (UNICEF), 'Rakhine State: A Snapshot of Child Wellbeing', 2013

<sup>40</sup> The Republic of the Union of Myanmar, Department of Population, Ministry of Immigration and Population, 'The Union Report: Census Report Volume 2', dop.gov.mm. May 2015, p.29, Web.

<sup>41</sup> Livelihoods and Food Security Trust (LIFT) Fund and CARE International, Myanmar, 'Tat Lan Sustainable Food Security and Livelihoods Program: Baseline Assessment', November 2014, Print.

opportunity to synthesise and share lessons learned from more than five years of development programming in Rakhine.

Improving nutrition, agricultural production and food security remain the priorities for LIFT in Rakhine.

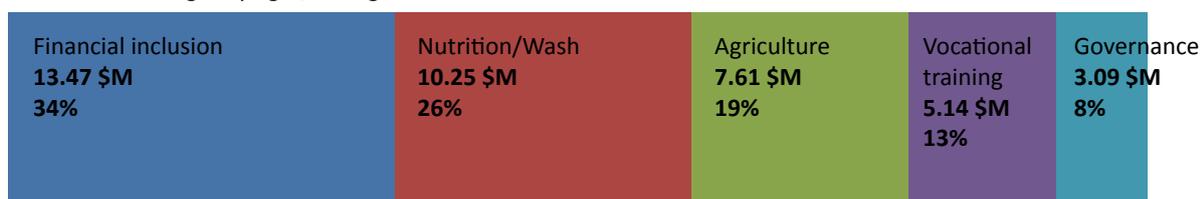
In 2016, LIFT worked towards supporting the development of small-sized businesses by providing access to financial services and vocational skills training. The establishment of a Special Economic Zone (SEZ) in Central Rakhine that can provide employment for thousands of people has been delayed. LIFT is working to assist communities, civil society organisations, government and the private sector to have transparent and constructive engagement so that a sustainable and equitable SEZ can be established.

Labour migration is a key driver of rural transformation in Rakhine. LIFT projects observe a “continuous movement of individuals in and out of villages”<sup>42</sup> while others speak of an “exodus”<sup>43</sup> of working-age villagers. Over the last five years, LIFT has observed a gradual increase in labour migration. The number of migrants from Rakhine is lower than in other regions of Myanmar, and they have less capacity to send remittances back home, but this is changing. LIFT’s Migration Programme is conducting a countrywide quantitative survey to measure migration processes and already works with the Rakhine State Government and civil society to improve the management of migration in Rakhine.

LIFT’s engagement in Rakhine follows conflict sensitive principles. Rakhine is a difficult environment for development agencies to work in because the larger, ethnic Rakhine community perceives agencies to be favouring Muslims. Most Muslims in Rakhine live as internally displaced people in camps or in the Maungdaw District bordering Bangladesh with limited, or no, freedom of movement. Tensions between the communities are high. In October 2016, an outbreak of violence led to a military operation in Maungdaw that lasted almost five months and sparked a refugee stream of more than 70,000 Muslims to Bangladesh. LIFT operations were delayed and the violence strained relationships and trust among development partners, the Rakhine State Government, and ethnic Rakhine civil society organisations.

Figure 3.7: LIFT’s Rakhine investment by sector 2016 - 2018 (in USD million)

Allocation of budget by agro/ecological zones



\* Agriculture contains embankment construction to protect paddy land from salt water intrusion (USD 4m)

## Highlights from 2016

### Expansion of LIFT’s coverage

LIFT has allocated USD 60 million of development funding to Rakhine, where LIFT is one of the largest development partners. In 2015, LIFT funding was equivalent to 12 per cent of the Rakhine State’s budget. In 2016, LIFT substantially increased its geographic and thematic coverage for Rakhine and invested USD 8.5 million. Projects now cover 14 of the 17 townships and include microfinance services, vocational skills training, and increased inclusion of Muslim beneficiaries.

LIFT’s implementing partners in Rakhine are the International Rescue Committee (IRC), Save the Children, Oxfam, Better Life Organization, CARE, Wan Lark, PGMF, the Danish Refugee Council (DRC) and the Norwegian Refugee Council (NRC).

<sup>42</sup> 'IRC Annual Report 2016'

<sup>43</sup> 'Save the Children Annual Report 2016'

Table 3.4: LIFT-funded projects in Rakhine State in 2016

	Implementing partners	Location	Focus
1	Save the Children	Pauktaw	Agriculture, financial inclusion, nutrition, WASH, governance
2	International Rescue Committee (IRC)	Minbya, Myenbon	Agriculture, financial inclusion, nutrition, WASH, governance
3	Oxfam GB, Scholar Institute	Kyaukpyu	Governance and responsible investment for the SEZ
4	Better Life Organisation (BLO)	Kyaukpyu	Governance, fisheries
5	CARE International	Kyaukpyu, Minbya, Myebon, Pauktaw	Monitoring and evaluation for the Tat Lan Programme
6	PGMF	Thandwe, Kyaukpyu, Ann, Gwa, Toungup	Agricultural loan, small business loan, social loan, savings, financial literacy, and beneficiary welfare
7	Wanlark	Sittwe, Ponnagyun	Agricultural loan, small business loan, social loan, savings, financial literacy, and beneficiary welfare
8	DRC/NRC	Sittwe, Ponnagyun	Vocational skills training

### Tackling the high demand for financial services with different models

People in Rakhine lack access to formal credit and saving services. LIFT funds village savings and loan associations (VSLAs) and formal rural finance services. VSLAs were formed when no formal financial services were available and it was predicted they would disappear once formal microfinance was available. However, in 2016, both VSLAs and LIFT-funded microfinance services operated in the same area and both models were in high demand by villagers.

An important difference between the two models is that villagers earn interest from their VSLA savings. In 2016, members received interest at a rate of 23.66 per cent. Another difference is that VSLAs require a longer time to accumulate sufficient savings to provide loans of the size provided by microfinance operators. Both models play important roles for Rakhine villagers, but there is still unmet demand for financial services.

LIFT has supported the village-based model (VSLAs) in Rakhine since 2013 and 22,000 loans have been issued, with 82 per cent of beneficiaries being women. The repayment rate is 99.9 per cent. In 2016, 293 VSLA groups were operational and reaching more than 6,000 households. Financial literacy programming was a priority for the VSLA programme in 2016 and included courses targeting children and youth using graphic novels and children's storybooks with financial education themes.

For long-term sustainability of LIFT-funded VSLAs, Save the Children trained 79 villagers to become village agents who can assist groups to run the associations, for a small fee, when the Tat Lan programme ends. By the end of 2016, Save the Children reported that 93 VSLAs were operating efficiently with no direct support from the Tat Lan project.

There are few government credit schemes available in Rakhine. The Myanmar Agricultural Development Bank provides loans for agricultural purposes, but villagers find them hard to access. LIFT's partner the International Rescue Committee (IRC) supported 1,640 farmers from 38 villages to access agricultural loans for seeds and fertilisers, by assisting them in the application process.

LIFT also supports Pact Global Microfinance Fund (PGMF) and Wan Lark, a Rakhine-based local microfinance institution that reached 34,062 households in 462 villages. USD 4.5 million of loans was disbursed in 2016, mainly to start or upgrade small businesses.

### Improved agricultural production through protection from salt water intrusion and new technologies

Rice production levels in Rakhine tend to be lower than in other regions of Myanmar for a variety of reasons. Salt water intrusion and poor surface water management are major constraints. LIFT works to protect productive land from saltwater intrusion through embankment rehabilitation and construction of sluice gates. Maintenance systems are defined prior to rehabilitation work to ensure village ownership and sustainability.

By the end of 2016, the Tat Lan programme had established over 130 miles of embankments and more than 70 sluice gates that protect more than 26,000 acres of paddy land from salt water intrusion and monsoon flooding. USD 4.8 million was invested to achieve this. On average, a farmer in Rakhine holds three to five acres, so it is calculated that the protected acres benefitted 5,200 to 8,600 households, who experienced an increased income from USD 100 to USD 300 per acre. For 26,000 acres, this translates into an increased income of USD 5.2 million for Rakhine villagers. Embankments can last up to 10 years.

LIFT projects build embankments through cash-for-work programmes. In 2016, 3,000 workers were employed and more than 50 per cent were women. Women and men receive equal pay for this work, in a community where women are usually paid less than men for the same work. LIFT provided USD 600,000 in income to rural Rakhine villagers.



“

*“Life is getting better,” says U Khin Than, a 44-year-old woman whose business has expanded this year without recourse to the money lender. U Khin Than operates a grocery business in her house, but it was a constant struggle. Repaying the high interest loans she needed to develop her business almost destroyed the viability of her grocery shop. Then, one year ago, Tat Lan introduced the concept of a village savings and loan association (VSLA). Through the year, U Khin Than has borrowed MMK 200,000, in three manageable loans, to build up her firewood business. “I keep my VSLA money in this orange tin and my grocery business money in the white tin. I happily work with the VSLA group. We help each other and I have grown in confidence with the support from the group,” says U Khin Than. She adds that she is looking forward to another year within a VSLA, growing her savings and her businesses.*

**Story by Jennifer Macintyre, Head of Communication for the Tat Lan Programme**

Farmer field schools continue to operate in cooperation with the Department of Agriculture. Field school participants have increased their yields by 63 per cent by using appropriate techniques for rice cultivation. A total of 652 farmers (464 male, 188 female) attended field schools in Myebon and Minbya in 2016.

### Improving nutrition

When Cyclone Giri hit central parts of Rakhine in 2010, LIFT made a major commitment to restoring livelihoods through the Tat Lan programme. Tat Lan's second phase was launched in 2016 with a significant scaling-up of the nutrition component. A total of 182 villages in Pauktaw, Myebon and Minbya townships participated in the 1,000-day maternal and child cash transfer nutrition initiative. The project also promotes ante-natal and post-natal health care through mother-to-mother support groups. Fathers, grandparents, village leaders and midwives are included in nutrition-related awareness raising activities.

In 2016, 3,545 pregnant women and mothers in Rakhine received maternal and child cash transfers of MMK 13,000 (USD 10) per month to spend on healthcare and nutritious food for themselves and their babies. Education on nutritious feeding practices during pregnancy and after childbirth was provided. First survey results indicate that the nutrition programme and cash transfers may have resulted in reducing stunting by 5 per cent. Stunting, or being too short for one's age, is largely irreversible and one of the most significant impediments to human development. According to World Bank estimates, a 1 per cent loss in adult height due to childhood stunting is associated with a 1.4 per cent loss in economic productivity.<sup>45</sup> Stunted children may earn 20 per cent less as adults compared to non-stunted individuals.<sup>46</sup> The estimated 5 per cent reduction in stunting and the continuing roll-out of this programme across more than 180 villages in rural Rakhine represents strong and long-term value for money for human and economic development.

In 2016, LIFT introduced substantial community-centred WASH interventions to complement nutrition activities. Rakhine communities have limited access to safe water in part because of



Every month the Hnin Htaunt villange Embankment Committee inspects their 2,500 ft sea wall, looking for slips and cracks that could allow salt water to enter their paddy fields. Built in April 2014, this Tat Lan embankment provided employment for 49 beneficiaries for 59 days' work through a Cash for Work (CfW) project. The community is proud they built it and that they have the expertise to repair and maintain it themselves.

open air defecation, which contributes to water-borne diseases. By the end of 2016, almost 2,000 household latrines had been constructed with the support of LIFT. Fifteen school latrines were built in Pauktaw Township benefiting 1,768 primary school students. Hygiene promotion and sanitation sensitisation packages complement the infrastructure component. More than 14 villages benefited from water pond renovations with filtration systems and stilling wells, and these villagers now enjoy potable water for the first time. Diarrhoea caused by poor sanitation, lack of hygiene, and unsafe drinking water, is a leading cause of child death<sup>47</sup> and possibly of stunting.<sup>48</sup> Research demonstrates that children in households with proper sanitation are less stunted<sup>49</sup>, handwashing with soap can reduce incidence of diarrhoea by 42 per cent,<sup>50</sup> and access to safe drinking water further substantially decreases the incidence of diarrhoea. WASH, particularly when delivered in combination with a nutrition component, is another long-term value for money effect of LIFT funding.

### Managing responsible investment for the Special Economic Zone in Rakhine

At the end of 2016, the government reiterated its plans for the Special Economic Zones (SEZs) to form a central part of Myanmar's industrialisation plan. One of the three planned SEZs in Myanmar is in Kyaukphyu, Rakhine State. SEZs can have a large economic impact, particularly in rural areas with limited potential for other economic growth drivers. LIFT funding contributes to ensuring the economic growth is sustainable and equitable.

At the launch of the LIFT-funded Oxfam report on responsible investment and SEZs in Kyaukphyu, Ministry of Commerce Deputy Director General U Aung Soe said: "We want to see the SEZ benefit all the people of Myanmar, especially people who are part of the area where the SEZ will be built". The Director of the Myanmar Centre for Responsible Business, Vicky Bowman, added: "Getting it right at the beginning matters. For this reason, it is important to have multi-stakeholder platforms to have these discussions when the SEZ is in its early stages".



“

*With my first child, five-year-old Soe Pyin Win, I listened to my mother, who taught me to feed the baby rice mixed with breast milk at one month, and encouraged me to avoid meat and fish. Now I know new ways. My baby eagerly wants food and asks me for food if I forget. He is more developed than my daughter at this age and he does not get sick. He is very strong and has a lot of energy. Although my previous child was cared for like a flower, Hein Pyae Sone is as strong as stone.*

**Ma Than Than Win and Hein Pyae Sone, 22 months**

<sup>45</sup> The World Bank, Washington DC, 'Repositioning nutrition as central to development: a strategy for largescale action', 2006, <http://siteresources.worldbank.org/NUTRITION/Resources/281846-1131636806329/NutritionStrategy.pdf>, accessed 21 October 2014.

<sup>46</sup> Grantham-McGregor S, Cheung YB, Cueto S, Glewwe P, Richter L, Strupp B; International Child Development Steering Group, 'Developmental potential in the first 5 years for children in developing countries', *Lancet*, 2007, 369:60–70.

Land and resettlement are issues of particular concern to all stakeholders. Legal consultant Sean Bain from the International Commission of Jurists (ICJ) expects that 20,000 people could face resettlement due to the SEZ in Rakhine and that “preparations have been made for land acquisition but affected persons and the public lack access to this critical information. A resettlement plan, compliant with international standards, must come before and not after resettlement takes place.” LIFT implementing partners Oxfam and Scholar Institute run information and advocacy trainings for villagers on land issues. Both organisations have invested significant time and resources in building relationships with the government, civil society organisations (CSOs), and villagers around the SEZ in Kyaukphyu. Two Public Hearing Forums were organised in the state capital Sittwe to facilitate constructive engagement. These forums were the first of their kind in Rakhine State and securing the government’s participation required significant preparation to build trust and enable constructive dialogue between the government, CSOs, villagers, and the private sector.

### Increased resilience

In 2016, the Rakhine programme defined a set of six evaluation and learning questions, designed to encourage reflection and guide how the programme evolves and is implemented in the future. The Rakhine programme holds an annual LIFT Day in Sittwe attended by all implementing partners that provides input to reflecting on the learning questions, as do studies conducted throughout the year. In 2016, the programme held two LIFT day events – one for partners only and one for government representatives to join partners and participate.

LIFT addressed a key learning question in 2016 by reflecting on the programme’s contribution to building resilience in Rakhine: how, and to what degree, do LIFT interventions contribute to the increased resilience of rural people?



“

Myint Gar Thit village elder, 64-year-old U Thein Tun Aung who attended the Tat Lan/Save the Children WASH training is pleased to be able to teach his children and grandchildren new hygiene practices. *“Previously, everybody: boys, girls and elderly have to go to the bush even during the raining season. It is very risky and no dignity for women. Now, we have household latrines and health awareness. It is very supportive for us.”*

**U Thein Tun Aung**

<sup>47</sup> Walker, C., et al., 'Global burden of childhood pneumonia and diarrhoea', *Lancet*, 2013, 381(9875): 1405-1416.

<sup>48</sup> Prendergast, A. & Kelly, P., 'Review: enteropathies in the developing world: neglected effects on global health', *American Journal of Tropical Medicine and Hygiene*, 2012, 86(5), 756-763.

Spears, D., World Bank, USA, 'How much international variation in child height can sanitation explain?', 2013, Policy Research Working Paper 6351.

<sup>49</sup> Lin, A., et al., 'Household environmental conditions are associated with enteropathy and impaired growth in rural Bangladesh', *American Journal of Tropical Medicine and Hygiene*, 2013, 89(1), 130-137.

<sup>50</sup> Curtis, V. & Cairncross, S., 'Effect of washing hands with soap on diarrhoea risk in the community: a systematic review. *The Lancet Infectious Diseases*', 2003, 3(5), 275-281.

Development progress in Rakhine is frequently set back by natural disasters, such as cyclones and floods, or inter-communal violence. The programme was reviewed to assess how interventions contribute to building anticipatory,<sup>51</sup> absorptive<sup>52</sup> or adaptive<sup>53</sup> capacity:

- Financial inclusion provides access to credit that is predominantly used for small business investments. This new income means people have the potential to **absorb** shocks by improving households' ability to transfer between assets when shocks occur. Accessing credit is also potentially **adaptive** - investments can improve household assets or incomes and minimise exposure to future risks, and investments can create new livelihoods that are less prone to risk.
- Embankments are an **anticipatory** measure to protect agricultural land against salt water intrusion, cyclones and floods. The income earned by people who participated in the cash-for-work projects to build embankments has helped households meet basic consumption needs and **absorb** other livelihood shocks. Embankments have also helped **absorb** the impact of cyclones. Of the 92.5 miles of embankments built during Tat Lan 1, only 5.5 miles were damaged by Cyclone Komen in 2015. The protection of several thousands of acres against salt water intrusion is an example of an **adaptive** technology that can shift, or expand, rural livelihoods to boost household incomes.
- Mother and child cash transfers, accompanied by education on child nutrition, have helped to **anticipate** health risks and improve infant nutrition. WASH has led to improved health outcomes that can help households **absorb** shocks or **adapt** in a way that reduces exposure and helps households bounce back when shocks occur.
- Vocational skills training interventions aim to increase household income and assets and help people meet their consumption needs and **absorb** the impact of shocks. Training also aims to help households **adapt** their livelihoods in response to less risky and more secure practices that diversify livelihood practices away from farm-based activities.
- Village Development Committee (VDC) planning increases the capacity of households or communities to **anticipate** future risks and minimise their exposure to these risks. If communities shift the structure of community and household livelihoods based on the VDC planning, an **adaptive** response is achieved.

## Looking ahead

There was a significant evolution in the Rakhine programme in 2016 as Tat Lan expanded and new projects were launched for the LIFT 2016-2018 funding cycle. In 2017, there will be a further roll-out of project activities and continued engagement with the Rakhine State Government and ethnic Rakhine civil societies to foster transparency, dialogue, and cooperation.

Tat Lan's implementing partners had established teams and gained valuable experience from activities during the previous funding cycle. The infrastructure cash-for-work component and the mother and child cash transfers have gone particularly well. For 2017, the Tat Lan focus will be to further roll out the transfers, and to drive the work on WASH, increased agricultural yield, and voluntary savings and loan associations.

The new food security and livelihood project in Rathedaung invested considerable effort in establishing a presence, and gaining interest and trust among project villages. A strong focus on increasing the implementation rate is required in 2017. The new skills development project in IDP camps and Maungdaw district that was launched in June 2016 faced delays due to the violence in October 2016. LIFT and its implementing partners need to re-evaluate whether the project remains feasible in light of limited access to the planned project sites.

<sup>51</sup> Anticipatory capacity can be defined as the ability of households, local economies or systems to anticipate and reduce the impact of risks through preparedness and planning. It can be viewed as proactive action before a foreseen risk to avoid or minimise its impact.

<sup>52</sup> Absorptive capacity is the ability of households, local economies or systems to absorb or cope with the impact of social, economic, political or environmental shocks when they occur.

<sup>53</sup> Adaptive capacity is defined as the ability of households, local economies or systems to adapt to multiple, long-term and future risks; to take deliberate and planned decisions to achieve a desired state, even during evolving hazards and shocks; to reduce the likelihood or magnitude of future shocks; and to take advantage of a disturbance to bounce back better.

## UPLANDS



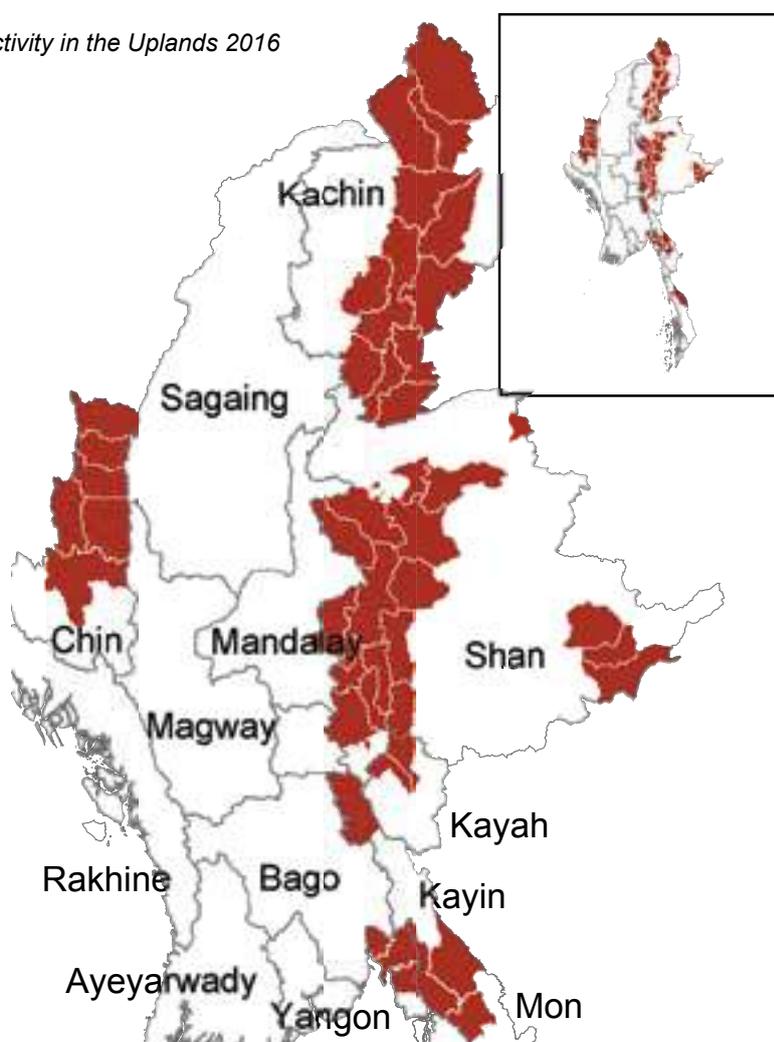
### 3.4 Uplands

#### OVERVIEW

Myanmar's Upland region covers 55 per cent of the country's land area and is home to over 13 million people.<sup>54</sup> It ranges from the mountains along the south-eastern border with Thailand to the Shan Plateau, to the Myanmar Himalayas, to the Chin and Naga hills along the Indian border. LIFT's Uplands programme operates in Chin, Kachin, Shan, Kayah, Kayin and Mon States, and in Tanintharyi region. There is significant variance across the programme area. The poverty rate ranges from a low of 11 per cent in Kayah State to a high of 73 per cent in Chin State<sup>55</sup>.

Myanmar's diverse ethnic minorities populate most of the uplands. Since independence, many of these ethnic minorities have been represented by ethnic armed groups (EAGs) that fought the Myanmar State for greater levels of autonomy. Some areas have long-term ceasefires. In others, EAGs remain engaged in armed conflict. The Uplands region includes displaced people living either in IDP camps or in displaced villages where they have limited livelihood opportunities. The current peace process is a key factor in securing livelihood improvements for these communities in the long term.

Figure 3.8: LIFT activity in the Uplands 2016



<sup>54</sup> 26 per cent of the population; this number is based on the census in 2014 considering the 'Uplands' as the following states and region of Myanmar: Chin, Kachin, Shan, Kayah, Kayin, Mon, Tanintharyi. There is a significant population in some of these states living in lowlands and coastal areas. There is also a significant population in the Uplands of other states and regions.

<sup>55</sup> Ministry of National Planning and Economic Development, SIDA, UNICEF and UNDP, 'Integrated Household Living Conditions Survey in Myanmar 2009-2010: Poverty Profile', 2011, p.16.

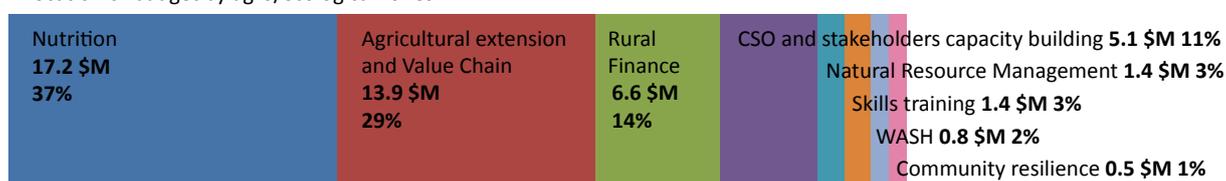
In remote mountainous and forested areas with low population density, smallholder subsistence farming dominates. Rice and maize cultivation in traditional rotating fallow systems (shifting cultivation) is common, although some communities are beginning to adopt terracing and irrigation, allowing multiple crops a year. Some smallholders are also investing in perennial crops. Households in remote areas, where infrastructure is limited, face significant challenges accessing new knowledge and skills, health, education, public services, extension services, finance and markets for agriculture products and economic development.

Investment by outsiders in perennial plantations and industrial crops is a critical issue threatening land access and the livelihoods of local people. It has generated conflict among communities, and between communities and authorities. Economic migration rates are high and communities have access to remittances.

The Uplands region also includes some of Myanmar’s most dynamic agricultural areas with favourable cropping conditions, less steep slopes, and better access to markets. These areas are market-oriented and mechanisation is increasing rapidly as farmers with access to irrigation respond to urban demand by producing higher value crops, such as wheat, garlic, potatoes, soya beans, vegetables and fruits.

Figure 3.3.1: LIFT’s investment in the Uplands by sector for 2016-2019

Allocation of budget by agro/ecological zones



## Highlights from 2016

### Expansion of LIFT’s operations

During the first half of 2016, LIFT negotiated grants with implementing partners selected during the call for proposals in late 2015. Seven new contracts were signed by July 2016, totalling USD 16.8 million. A Swissaid-led consortium, which includes Metta and GRET, was contracted as the fund manager of LIFT’s Uplands township funds, a key part of LIFT’s broader CSO engagement strategy. A project with the International Labour Organization (ILO) was contracted in early 2016 to train government officials and CSOs about labour migration management. These new projects will be implemented alongside existing projects on financial inclusion and private sector engagement.

It is expected that six newly-contracted projects with village-based interventions will provide a range of agriculture, nutrition and socio-economic-related services to approximately 16,000 direct beneficiary households in 340 villages in 15 townships for about USD 13.3 million over three years. The estimated average cost per household in the current budget is USD 830. It varies substantially between projects, from USD 600 to more than USD 1,700 per household. The main cost driver is the need for high level expertise. This is particularly true for projects with a strong institutional component.

The new projects have been in their inception period during the second half of 2016, recruiting teams, setting up offices and engaging communities. LIFT employed consultants to assist new projects to refine their MEAL plans.<sup>56</sup> LIFT also conducted conflict sensitivity assessments, and engaged with governments and ethnic armed groups to inform them about the new projects.

<sup>56</sup> Monitoring and Evaluation for Accountability and Learning

Table 3.5: LIFT-funded projects in the Uplands 2016

	Implementing partners	Location	Focus
1	<b>ICRAF World Agroforestry Centre</b> Partners: Yezin University of Forestry, Ecosystem Conservation and Community	Tedim, Chin State Pinlaung, Shan State	Supporting agro-forestry education and development
2	<b>Mercy Corps Partner: Swisscontact</b>	Kalaw, Taunggyi, Nyaungshwe, Pindaya, Pinlaung townships in Shan State	Providing agriculture extension services to vegetable farmers
3	<b>PRIME - Agri</b>	Kalaw, Heho, Pindaya, Taunggyi and Hsihseng townships in Shan State	Supporting smallholder farmers with irrigation, access to inputs, access to markets, finance and training
4	<b>TAG International</b> Partners: Department of Apiculture, Parami Development Network (PDN)	Kalaw, Lawksawk, Naungshwe, Pindaya, Taunggyi in Shan State	Vocational training for new beekeepers, introducing improved beekeeping practices and market development
5	<b>Catholic Relief Services (CRS)</b> Partner: Karuna Mission Social Solidarity (KMSS)	Falam, Matupi and Thantlang townships in Chin State	Providing agriculture extension services and nutrition education
6	<b>Choklei Organisation for Rural and Agricultural Development (CORAD)</b> Partner: GRET	Falam, Hakha, Tedim, Tonzang and Thantlang townships in Chin State	Providing agriculture extension services, nutrition education and developing agricultural value chains and natural resource management
7	<b>Karen Development Network (KDN)</b> Partners: Covenant Consult and Tanintharyi Karen Peace Support Initiative (TKPSI)	Dawei, Palaw and Thayetchaung townships in Tanintharyi Region	Establishing a vocational training centre, supporting natural resource management and strengthening the resilience of IDP communities
8	<b>Consortium of Dutch NGOs (CDN) in consortium with Cordaid and World Concern Myanmar</b> Partners: Karen Baptist Convention (KBC) and KMSS	Thandaunggyi township in Kayin State	Supporting agriculture extension, value chain development, natural resource management, land rehabilitation and irrigation. Providing nutrition education, WASH and infrastructure. Building capacity of CBO and CSO
9	<b>Metta Development Foundation</b>	Momaik, Myitkyina and Waingmaw townships in Kachin State and Lashio and Namtu townships in Shan State	Supporting agriculture extension, value chain development and natural resource management
10	<b>Myanmar Institute for Integrated Development (MIID)</b> Partners: Cornell	Hakha township in Chin State	Supporting nutrition-sensitive agriculture development, delivering nutrition education and supporting the development of women's rights and leadership
11	<b>SWISSAID</b> Partners: Metta Development Foundation and GRET	Falam, Hakha and Tedim townships in Chin, Mogaung, Mohnyin and Waingmaw townships in Kachin, Lashio, Hopong, Hsihseng, Kutkai, Hseni, Pindaya, Pekon townships in Shan, and Loikaw, Demoso townships in Kayah State	Township funds support local CSO capacity building, community-driven livelihoods interventions, advocacy and engagement with government, non-state local government authorities and the private sector
12	<b>Proximity Designs</b>	Lawksawk, Kalaw, Nyaungshwe and Taunggyi townships in Shan State	Financing for agriculture, migration, rural enterprises and equipment Providing financial literacy education
13	<b>World Vision International Myanmar / VisionFund Myanmar (VFM)</b> Partner: World Vision Australia	Lashio, Hsipaw, Kengtung townships and Tarlay sub-township in Shan State, Loikaw and Demoso in Kayah and Hpa-An in Kayin State	Providing pro-poor financial services for agricultural and off-farm livelihood development; debt financing; special loans for Small Scale Agricultural Technologies, and formal savings opportunities
14	<b>PGMF</b>	Kalaw, Kyaukme, Nawngkhio, Nyaungshwe, Pindaya, Pinlaung, Taunggyi, Ywangan townships in Shan State	Providing agricultural, small business and social loans, savings facilities, financial literacy, and beneficiary welfare funds
15	<b>Yoma Bank</b>	Taunggyi in Shan State and Myeik in Tanintharyi Region	Providing financial services for agricultural and off-farm business, hire purchase scheme, and uncollateralised and under-collateralised loans
16	<b>GRET</b>	Thantlang, Hakha, Falam, Tedim and Tonzang townships in Chin State	Supporting the legalisation of Chin MFI, which provides agricultural, small business and social loans; savings facilities; financial literacy, and beneficiary welfare funds

### Financial inclusion

GRET Chin, PGMF, Proximity Designs, VisionFund International and Yoma Bank are LIFT's partners for financial inclusion in rural communities across the Uplands programme areas. They covered 1,780 villages from 23 Upland townships, of which 13 townships (57 per cent) were LIFT-targeted townships. Loans are used for livestock and developing small businesses (51 per cent) and crop production (45 per cent). The fund leveraged USD 36.4 million for more than 160,000 households in 2016.

Table 3.6: Financial inclusion in the Delta

Name of IP	Project area	Loans disbursed (USD)	Total clients	Female clients
Proximity Designs	Southern Shan: Lawksawk, Taunggyi, Nyaungshwe, Kalaw	630,185	3,433	2,575
VisionFund International	Kayah: Loikaw, Kayin: Hpa-An, Northern and Eastern Shan, Tarlay, Kengtung, Lashio, and Hsipaw	4,047,966	15,307	12,666
GRET Chin MFI	Chin: Thantlang, Hakha, Falam, Tedim, Tonzang	2,013,868	10,065	6,236
PGMF	Southern Shan: Kalaw, Nyaungshwe, Pindaya, Pinlaung, Taunggyi, Ywangan, Kyaukme and Nawngkhio	28,428,755	131,159	128,536
Yoma Bank	Shan	1,305,985	96	7
<b>Total</b>		<b>36,426,760</b>	<b>160,060</b>	<b>150,019</b>

### Private sector support to farmers

Private sector partners support agricultural development by providing access to training, markets and finance, and by helping farmers to organise and cooperate.

The Making Vegetable Markets Work for the Poor (MVMW) project is being implemented in five townships of southern Shan State by Mercy Corps and Swisscontact. The programme aims to grow farm incomes from vegetable production for 10,000 farming households through a range of interventions, which are expected to reach additional households indirectly as they replicate project activities. In 2016, East West Seed International Ltd reached 6,036 farming households with extension services and improved inputs. East West Seed has established 146 demonstration plots in Shan State.

MVMW also worked with eight private service providers and provided land law awareness training to 3,000 farmers and business advisory services to 791 entrepreneurs. To improve inclusive market systems, MVMW engaged with BigM, Ecoma, Asiatic Industry and Marlarmyaing companies. Sixty-nine of the 114 farmers trained by Ecoma sold USD 2,763 worth of organic chilies during 2016.

### Strengthening value chains

There are a variety of environments in Upland areas suitable for cash crops with high value. In areas with opportunities and sufficient access to markets, partners work with producer groups on value chain improvements. CORAD supports farmer groups to better understand market issues and improve crop quality and marketing practices. During the inception phase in 2016, CORAD analysed the value chain of seven crops to identify which crops offer the best potential for value chain intervention.

In Kachin and northern Shan, Metta Foundation also conducted value chain analysis. Metta supports farmer groups to set up small processing units for their organic products derived from oil and bean crops and intends to improve access to higher-value markets.

Both CORAD and Metta have long experience working on agricultural extension systems, but these projects represent their first ventures into value chain improvement. Through the contract negotiation process, LIFT ensured they will mobilise the appropriate expertise to strengthen their capacity in value chain work. LIFT will also create a community of practice group to assist these organisations exchange information on practices and tools.

The Consortium of Dutch NGOs (CDN) is negotiating to support farmers and traders in the cardamom value chain, the main cash crop in Thandaunggyi.

### **Strengthening apiculture and the honey value chain**

TAG International Development's project in southern Shan State was extended for one year in February 2016 to strengthen their work on the honey value chain. TAG shifted from its initial community-based approach to vocational training and is working with the Department of Apiculture to make appropriate training opportunities available. These include full apprenticeships for new beekeepers, who accompany experienced beekeepers during the migration period. Criteria for recruitment in the training programme are strict and trainees are required to make a long-term commitment. TAG has expanded the area from where they identify potential trainees, and trainees have been recruited from various areas along the bee pasture migratory routes, including from the Dry Zone. In 2016, 53 selected trainees received basic beekeeping training and 47 participated in apprenticeships during the migration. At the end of 2016, there were 62 full-time beekeepers.

The trainee dropout rate has dropped significantly due to this new strategy and is now at a reasonable 12 per cent. Trainees have started their own businesses and generated small incomes even from the first year of practice. New beekeepers with two years' experience are generating higher incomes from beekeeping than from average farming activities. The average monthly net income of confirmed beekeepers is MMK 158,000 (USD 120), significantly higher than median household incomes of MMK 25,000-50,000 (USD 19-38) revealed in the baseline survey.

Two elements are critical for trainees to reach this level of income: mentoring by experienced beekeepers during the migration and access to high value markets. Plan Bee honey is now available in major retail outlets in Yangon and other cities. Processes for obtaining Food and Drug Authority approval for the honey have begun. Private sector investors are engaged with the project to develop the business for international markets and obtain Fair Trade certification. Through the Apiculture Resource Business Center (ARBC), opened in Pindaya in 2015, the project is already procuring honey at a fair trade price and applying a relevant quality assurance system. In 2016, 3.7 tons of honey was processed and sold. Ten times this volume is expected in 2017 with private sector engagement.

These results improve the financial viability of the whole value chain; but the management of the ARBC and its ownership by beekeepers needs further strengthening. LIFT is exploring opportunities with TAG to extend the project and build local management and institutional capacities to ensure long-term sustainability.

### Chin farmers benefit from keeping budget records

The Choklei Organisation for Rural and Agricultural Development (CORAD) supports the adoption of sustainable farming practices and uses the Management Advice for Family Farms (MAFF) model developed by GRET in the Delta to reach farmer groups and individual farmers with farmer-led extension services. Farmers in Chin State who learned to keep budget records and kept them for more than one year discovered their annual income was much higher than they had thought. They were also better able to observe price variations of inputs and evaluate investment opportunities. The most positive outcome reported by farmers was that recording expenditures helped diffuse tensions between husbands and wives related to budget management.

### Building the capacity of local organisations

LIFT's renewed focus on engaging with local organisations is reflected in the signing of three new contracts led by national NGOs (CORAD, Metta and KDN). For CORAD and KDN, it is the first time they have signed a large grant contract directly with donors. They have begun to strengthen their management systems and are receiving support from international partners, GRET and Covenant Consult.

The township funds in the Uplands will provide opportunities for local civil society organisations to implement small livelihood activities and strengthen governance and management capacities. This will be an additional opportunity to engage with ethnic organisations active in conflict sensitive areas and to promote on-the-ground collaborations between the government and ethnic armed groups.

### Natural resource management

In 2016, two interesting studies were carried out by the Myanmar Institute for Integrated Development (MIID) and GRET on fisheries and land tenure in Chin State that inform the programme learning question: **'How to facilitate multi-stakeholder dialogue between villagers and authorities on local natural resource management?'**

#### MIID study - assessment of fisheries and aquaculture in Chin State

MIID conducted an assessment of fisheries and aquaculture practices in Chin State with a view to supporting the sector's development and promoting the nutritional benefits of eating fish.

Fish plays an important role in the diet of Upland villagers in Hakha Township. This was highlighted in data from a nutrition survey in Southern Chin: "The somewhat surprising data to emerge (...) relates to the Chin townships, where approximately 40 per cent of respondent households in Kanpetlet and 30 per cent in Mindat reported eating fish caught from rivers or streams in the past 12 months."<sup>57</sup> In Hakha Township, as in Southern Chin, wild fish from the rivers and creeks remains the main source of fish, even in villages where aquaculture is practiced.

Since the 1970s, extensive fishpond aquaculture has been established. There is no commercial fishpond aquaculture. Fish farmers report that production is low and they mostly consume the fish themselves or sell the fish within the village. The main aquaculture practice in Hakha Township is an integrated fish-rice model that uses a carp species. There are no precautionary measures to prevent fish escaping from rice fields during extreme rainfall. Consumers in the area prefer fish harvested from rice paddies because they consider it tastes better than fish from ponds or fish from the market, which is mainly supplied by lowland aquaculture producers. Fish seed production is limited despite high demand for fish fingerlings for stocking in rice paddy fields.

Fishpond farming in Hakha Township is constrained by a number of factors – a lack of suitable flat land, unreliable water supply, competitive disadvantages in seed and feed supplies compared

<sup>57</sup> Pritchard, B., et al., University of Sydney, 'Livelihoods and Food Security in Rural Myanmar: Survey Findings', 2017, uploaded from <https://feedingmyanmar.files.wordpress.com/2017/02/working-paper-final.pdf>

to lowland aquaculture, and low levels of technical knowledge. MIID will focus on supporting access to fish as a highly-nutritious source of protein and micronutrients, by improving existing fish production practices. A better understanding of current fishing practices in rivers is also necessary to improve fishery management.

There are five project initiatives proposed to address the identified issues concerning limited capacity, lack of technical knowledge and low institutional and organisational capacity in the area of aquaculture and wild fishery management. These will be explored by MIID in the next phase:

1. strengthen good aquaculture practices
2. support brood stock management and fish seed production
3. experiment with paddy field integrated production and pest management through stocking common carp
4. explore indigenous fish species for upland aquaculture with the Department of Fisheries
5. engage with existing local environmental initiatives for fishery co-management

### **GRET study - Chin land and resource tenure**

GRET conducted a survey in and around Hakha Township in Chin State on land tenure practices and food security. Their draft research report Persistence and change in Hakha Chin land and resource tenure: a study on land dynamics in urban and peri-urban Hakha provides important insights about the historical and socio-economic features of Chin people's relationship to land, and how this relationship has changed over time. The report highlights how equal access to land and natural resources is threatened by the privatisation of these resources. The study will be an important reference tool for all stakeholders involved in natural resource management in the state.

## **Looking ahead**

The focus of 2016 has been establishing the new Uplands programme - contracting new partners and setting up appropriate learning mechanisms. In 2017, project activities will begin

### **Nutrition**

LIFT's new Upland projects have a stronger focus on nutrition. The Catholic Relief Services (CRS)-led consortium will deliver nutrition education and behaviour change communication to mother-to-mother groups. In collaboration with CRS, CORAD will build its nutrition capabilities and deliver nutrition-sensitive programming. The Myanmar Institute for Integrated Development (MIID) will engage with the State Agriculture Institute and the Department of Agriculture to build understanding of the linkages between agriculture and nutrition so their curriculum and approach can be made more nutrition sensitive. The Consortium of Dutch NGOs (CDN) will support nutrition behaviour change and improved access to water and nutritious foods in Thandaunggyi Township with a focus on IDPs and on strengthening access to public services.

Late in 2016, LIFT started discussions with the Ministry of Social Welfare, Relief and Resettlements about funding a maternal and child cash transfer (MCCT) nutrition programme covering the whole of Chin State. The monthly MMK 15,000 (USD 12) cash transfer is to support pregnant women and families in buying more nutritious food and seeking healthcare. The practicalities of the programme are under discussion with the Department of Social Welfare and other potential stakeholders for a start expected in the second quarter of 2017.

MIID is working with the newly-established State Agriculture Institute and the Yezin University of Agriculture to develop the next generation of agriculture extension workers, creating a curriculum adapted to upland areas that includes nutrition and economic analysis. They will also provide opportunities for students to work with farmers on demonstration farms.

### Migration

The International Organization for Migration (IOM) was contracted at the end of 2016 to encourage rural households to position migration in the context of their larger strategic livelihood planning. IOM will deliver financial literacy and skills development training and job-matching services. This project's implementing partners - the Mon Women's Organization, Parami Development Network and Chin Human Rights Organization - will partner with local NGOs active in the South-East, Southern Shan and Chin State. These migration activities will be informed by knowledge generated from the research on migration led by IOM, Metta and the University of Sussex. See more on migration in Chapter 4.

### Vocational training

In Tanintharyi Region, the Karen Development Network (KDN) aims to establish a vocational training centre in Dawei Township. The project is implemented by the Tanintharyi Karen Peace Support Initiative, a local association that includes on its board both the regional government and the Karen National Union. The training centre will target people previously excluded from formal education due to conflict or movement restrictions; and the language, education and economic barriers in government vocational training schools. The training curriculum will be based on existing materials developed in refugee camps on the Thai border by The Adventist Development and Relief Agency (ADRA).

### Communities of Practice in 2017

The Uplands programme team held two workshops with all new partners in July and November, 2016 to discuss coordination mechanisms and how LIFT partners will learn together during programme implementation until mid-2019. The programme learning questions were collectively reviewed, discussed and agreed upon. The programme has defined five key learning areas: 1) farming system analysis and agriculture extension, 2) value chain, 3) natural resource management, 4) nutrition, and 5) conflict sensitivity.

LIFT will establish communities of practice groups for value chain, natural resource management and nutrition. Communities of practice allow for learning through exchange and discussion of experiences and issues. Participants in each of these groups have been identified and the groups will be launched in 2017. Farming System Analyses and Conflict Sensitivity will be supported with additional expertise and coordinated among the relevant projects.

## Stepping out of agriculture into beekeeping



The Uplands TAG beekeeping project is helping smallholder farmers step out of agriculture and into a new enterprise.

Khin Myo Thwe, 38, and Mu Mu Aye, 35, from Kyauk Htep village in Kalaw township in Shan State are two of the 62 beekeepers now earning their incomes full-time from beekeeping.

They were small landholder farmers before joining the TAG project's technical and vocational education training (TVET) programme in 2016. They followed the basic beekeeping training, which was reformed in 2016 to ensure that trainees received the training they needed to undertake apprenticeships and become independent full-time beekeepers.

In 2016, TAG's TVET program trained two cohorts of trainees in July and October. The first group joined during the jujube flowering season, from July to September, and the second group started in the niger flowering season from October to December. Before graduating, the two groups will continue to be mentored during the dearth season migration in early 2017. The second group will be supported until the end of the 2017 jujube season before graduating.

Khin Myo Thwe is the wife of one of Plan Bee's most successful beekeepers Zaw Myo Thein and Mu Mu Aye is his sibling. They own 20 beehives each and are following the migration route out of Shan State throughout the year under the mentoring from Zaw Myo Thein and project staff.

Khin Myo Thwe has over nine months' experience working outside of Shan State. Her income from farming activities used to be around MMK 110,00 (USD 85) per month. In 2016, Khin Myo Thwe and her husband produced over 720 viss of jujube and niger honey that they sold for about MMK 1.5million (USD 1,150). And this is just the beginning, as they expect the production to increase with the number of their hives.

Khin Myo Thwe says beekeeping has allowed her to not only improve her income, but also her relationships with others. Both Khin Myo Thwe and Mu Mu Aye say they are motivated to continue as full-time migratory beekeepers because of the benefits to their families from their increased incomes in their new enterprise.

## 4. THEMATIC PROGRAMMES

As well as funding specific geographic programmes LIFT funds thematic programmes that operate across all four geographic zones, particularly in the areas of financial inclusion, private sector engagement, migration and civil society.

### 4.1 Financial Inclusion

#### Rural finance portfolio

By the end of 2016, LIFT was funding 56 financial institutions active in 222 townships nationwide with more than 1.6 million clients. Eighty-eight per cent of all clients used their loans for agriculture production (crops, livestock and aquaculture). A total of USD 400 million of agricultural loans has been disbursed. The portfolio at risk reported by MFI is 0.5 per cent. LIFT's microfinance institutions (MFI) screen clients on their ability to service debt before supplying them with a loan.

#### Growth

Client growth has been strong in 2016 with a 22 per cent increase from 2015. This growth was driven by LIFT investment. Yoma Bank also made a significant investment to two MFIs to cover delays in accessing foreign direct investment, which allowed the MFIs to meet monsoon demand, and an estimated 500,000 rural households received loans. In 2016, MFIs' available capital for financial services increased by USD 52 million - USD 13 million from LIFT, USD 12 million from the Yoma Bank placement fund, USD 11 million from retained earnings, and USD 16 million from savings mobilised.

Table 4.1: Total growth of LIFT financial inclusion partners

Indicator	2015	2016	Comments
Total clients	1,269,666	1,635,932	22% increased
Total assets (USD)	162,443,148	240,724,881	48% increased
Total outstanding loans (USD)	139,560,710	203,839,218	46% increased
Total balance of savings (USD)	36,239,781	51,995,711	43% increased

See Annex 8.5 for more details

#### Livestock's growing economic contribution

Diversification in the agriculture sector is occurring with an increasing economic contribution of livestock, fisheries and aquaculture.

The change is evidenced in LIFT's rural finance portfolio in 2016. Nearly 65 per cent of loans from microfinance institutions (MFI) disbursed in 2016 were for livestock, and only 32 per cent were for crops. The Center for Economic and Social Development's report, Myanmar National Policy for Livestock/Meat Sector, published in 2016, states that livestock makes up 19 per cent of the economic value of agriculture, fisheries and aquaculture 11 per cent, and crops 70 per cent.

It is hypothesised that factors driving livestock growth are:

- changes in food consumption patterns that create more demand for meat (the diet diversity Index scores from the *LIFT Household Survey 2015* are higher when compared to the surveys from 2011 and 2013)
- increased reliance on livestock because it is less affected by climate change and weather events than rain-fed crops
- women's increased access to microfinance and increased ability to invest in livestock businesses

Figure 4.1: Clients' loan utilisation at end December 2016



### Sustainability

LIFT has been supporting the increase of rural financial services by supporting the institutional and financial sustainability of financial service providers. LIFT partners with 17 MFIs, 38 village cooperatives and one private bank. There are now 12 MFIs that are financially self-sufficient in 2016, compared to only six in 2015. Further, there are two more MFIs that reached operational self-sufficiency in 2016, and another two that are now at 90 percent of operational self-sufficiency. For more details see Annex 5.

Table 4.2: Financial sustainability and clients reached

Indicator	December 2015	December 2016	Progress in 12 months
Number of MFIs financially sustainable	6	12	100% increase
Number of villages	12,838	16,150	26% increase

### Gender

The microfinance providers supported by LIFT provide financial services to more than 1.6 million clients and 94 per cent are women. All receive financial literacy training. Almost 60 per cent of staff in LIFT-funded financial service providers are women.

Analysis of the MFIs' loan portfolios reveals that 58 per cent of financing is for livestock. Work segregation in rural households gives women the primary responsibility for livestock, suggesting that women, who are the primary clients for MFI loans, are not simply passing the loans to men, but are investing in a business they control. LIFT will conduct women's empowerment studies in 2017 linked to its financial inclusion programme.

Table 4.3: Gender analysis indicators

Gender analysis indicators	Women	Men	Total
Number of clients accessing financial services	1,532,961 (94%)	102,970 (6%)	1,635,932
Number of clients receiving financial literacy training	1,532,961 (94%)	16,150 (6%)	1,635,932
Number of staff working in microfinance providers	2,741 (57%)	2,091 (43%)	4,832

## 4.2 Private sector engagement

LIFT recognises that the private sector is fundamental to achieving its strategic goals and contributing to poverty reduction in Myanmar. Myanmar's biggest challenges will require the resources, expertise, technologies and sustainability that the private sector brings.

LIFT's 2016 investments in the rural financial sector were guided by the rationale that investments should:

1. overcome market failures
2. minimise market distortions
3. temporarily incentivise targeted investments
4. make a credible contribution to achieving market development and transformation
5. align incentives between commercial and development partners

The 2016 investments financed small and medium businesses engaged in agricultural mechanisation services, which are contributing to a structural transformation of agriculture, and the creation of a microfinance capital market in Myanmar. LIFT's investment of USD 19 million leveraged more than USD 120 million in private sector investment in 2016.

### Agribusiness Finance Programme (AFP) – financing agriculture mechanisation

Myanmar's agriculture is characterised by small landholdings, a high degree of land fragmentation and rising labour costs. To increase agricultural production farmers are increasingly outsourcing power-intensive stages of production, like harvesting and land preparation, to specialised mechanisation service providers who offer competitive prices.

Agricultural mechanisation is commonly perceived not to be scale neutral, implying that larger farms are better able to mechanise than smaller farms. Results from a farm survey conducted in the Delta in 2016 showed there was not a strong correlation between farm size and the adoption of farm mechanisation. Mechanisation was occurring at similar rates on farms with less than five acres as on farms with more than 10 acres.<sup>58</sup>

Mechanisation results in lower costs, higher risk-adjusted income and more timely land preparation, harvesting and threshing for smallholder farmers. This is then reflected in improved rural labour productivity that contributes directly to Myanmar's growing rural non-farm economy as farmers spend more money in rural areas.

In 2012, the Government of Myanmar relaxed policies to allow for imports of agricultural farm equipment and machinery. Dealers authorised to sell and market imported equipment appeared. Banks offered hire purchase lease financing, but the terms and conditions they offered prevented many rural entrepreneurs from accessing the finance.

LIFT worked closely with Yoma Bank to establish the Agribusiness Finance Programme (AFP) that was launched in January, 2016. Under the AFP, LIFT provides a USD 9 million partial risk guarantee to reduce Yoma Bank's exposure to the risk of delinquent hire purchase loans. The partial risk guarantee fund leverages LIFT's investment to provide an incentive for Yoma Bank to offer hire purchase financing on terms that are more attractive to rural small business owners, but were previously not commercially viable for the bank. The following table shows how terms have changed under the programme.

<sup>58</sup> Myat Thida Win and Aye Mya Thinzar, Michigan State University, 'Agricultural Mechanization and Structural Transformation in Myanmar's Ayeyarwady Delta'

Table 4.4: Yoma Bank's agricultural hire purchase programme terms (with and without LIFT's AFP financing)

Description	Normal hire purchase (without LIFT's AFP funding)	Programme's hire purchase (with LIFT's funding)
Cash down payment	Minimum 30 per cent	Minimum 10 per cent
Loan tenor	One year (12 months)	Up to three years (36 months)
Requirement	Land certificate (ownership)	No collateral required
Service charges	2 per cent on product value	1 per cent on dealer
Commission fees	Nil	1 per cent of total cost
Security deposit by dealer	10 per cent of total hire purchase capacity	10 per cent of total hire purchase capacity
Interest rate charged to buyer	12 per cent per annum	13 per cent per annum
Repayment	Every six months	Every six months

In 2016, Yoma Bank disbursed USD 43 million from its own capital under the AFP. Almost 3,000 rural small and medium businesses were financed for the purchase of tractors, combine harvesters and transportation vehicles. Seven per cent of these businesses are owned by women. The total value of agricultural equipment financed under the AFP in 2016 was USD 56 million. LIFT funds are currently leveraged by a factor of five times— five times as much capital was invested by Yoma Bank in the AFP than the current amount invested by LIFT.

Table 4.5: Number of AFP clients with type of equipment in 2016

Description	No. of clients	Total value USD million	Total hire purchase loan amount USD million	Average product price USD	Per cent of total equipment
Combine harvester	316	9.20	7.58	29,099	17
Dump truck	633	9.73	7.35	15,377	18
Harvester	58	1.02	0.83	17,608	2
Pickup truck	287	2.21	1.76	7,710	4
Tiller	261	0.52	0.44	1,982	1
Tractor	1,410	31.09	24.59	22,048	58
Others	8	0.03	0.02	3,928	0
<b>Total</b>	<b>2,973</b>	<b>53.8</b>	<b>42.56</b>	<b>97,752</b>	<b>100</b>

Exchange rate used 1 USD = 1350 MMK

Almost half of the sales (48 per cent) were in the Delta (Yangon and Ayeyarwady), 37 per cent of the sales were in the Dry Zone (Magway, Mandalay, Nay Pyi Taw, Sagaing), and 12 per cent of the sales were in Bago and Tanintharyi. Only 3 per cent of sales occurred in the upland areas in Mon and Shan States.

Financing almost 3,000 rural small and medium businesses is not the key measure of the impact of the AFP. Almost all of these businesses rent out their machinery to other farmers, as well as use it on their own farms. The rental income services the hire purchase debt. This is transforming agricultural mechanisation through the growth of mobile agricultural services providers. It is estimated that tractors financed by the AFP are providing land preparation services to approximately 350,000 acres and 55,000 households; and combine harvesters are providing harvesting and threshing services to 130,000 acres and 20,000 households.

## Looking ahead

In 2016, Yoma Bank approved a reduction of the LIFT risk buffer from 20 per cent to 15 per cent of the total hire purchase portfolio. This is expected to allow the AFP portfolio to grow to USD 75 million in 2017, with Yoma Bank financing an additional USD 60 million of agricultural equipment. The LIFT investment in the loan loss reserve will support a continued expansion into rural Myanmar even when the funding programme has officially come to an end.

In 2016, two new financial service products under the AFP were researched - accounts receivable discounting and inventory financing. These will be rolled out in 2017. AFP's **accounts receivable discounting targets larger** input dealers (seed, fertiliser, pesticides and herbicides) who distribute to farmers through a network of dealers. The current structure of financing through this supply chain limits farmer's access to credit. Yoma Bank will provide dealers with finance that is secured against sales receipts. AFP's **inventory financing** will initially target corn production in northern Shan State. The majority of Myanmar-grown corn is exported to China. Chinese buyers are aware of the pressure on farmers and traders to sell their corn quickly after harvesting. The inventory financing provides finance against stock at 50 per cent for a period of four months. The impact of the inventory financing is an increase in bargaining power for Myanmar traders and farmers.

### The Currency Exchange Fund (TCX)

Myanmar's microfinance providers need significantly more capital to expand and satisfy the demands of their clients for credit. The recent regulatory change that allows MFIs to take deposits from clients is a major step towards addressing capital constraint. But the impact will not be felt for another couple of years as these MFIs need time to establish sound assets, liabilities and liquidity management operations. The development of a microfinance capital market is crucial for the continuing growth of the microfinance sector, particularly at this time when the country moves from relying on donor funds to mobilising domestic savings as the principal source of capital.

The key constraints affecting the establishment of a Myanmar MFI capital market are the volatility of the Myanmar currency, the Myanmar Kyat (MMK), and the lending interest rate structure faced by both MFIs and foreign institutional investors. LIFT surveyed institutional investors and found that Myanmar MFIs would have no difficulty in attracting capital if these two constraints were addressed.

LIFT contracted The Currency Exchange (TCX) to provide currency exchange hedging to enable institutional investors to lend in MMK to Myanmar's MFI sector while protecting the investors from MMK exchange volatility<sup>59</sup>. LIFT funds were used to partially absorb the currency fluctuation risk by covering the costs of the 'swap'. LIFT's investment has been transformative in jump-starting the microfinance capital market. The use of TCX services is a transitory measure that addresses the current 'perfect storm' of interest rate controls and currency volatility.

LIFT and TCX opened The Currency Exchange Hedging Window (TCXHW) to foreign direct investors in December 2016. The total supply of foreign direct investment from institutional investors was USD 179 million for 13 MFIs. The funding per lender ranged from USD 1.5 million to 32 million. The LIFT subsidy of USD 10 million was able to confirm allocations totalling USD 70.6 million to 14 MFIs (8 MFIs are new to LIFT). The leverage of LIFT funds by USD 70.6 million provides access to financial services for up to 350,000 clients. This represents an increase in LIFT's MFI client outreach of 21 per cent. The new LIFT implementing partners, to be funded in 2017 through the TCX hedging window, have a total client base of 93,000, total assets of USD 35.4 million and total outstanding loans of USD 22.5 million. Adding these MFIs to LIFT's financial inclusion programme increases LIFT's share of the microfinance sector by more than 5 per cent.

<sup>59</sup> The Currency Exchange (TCX) is a development finance initiative that offers currency derivatives in financial markets where such products are not available or poorly accessible. TCX acts a market-maker in currencies and maturities not covered by banks, e.g. minimum tenor is two years. A key objective of the fund is to allow lenders and borrowers to hedge currency mismatches that result from cross-border financing involving frontier markets like Myanmar. TCX provides currency hedging services in 70 countries worldwide where there are no markets or liquidity available.

## 4.3 Migration

### Background

In the past fifty years, the global urban population rose from one-fifth of the total population to more than one-half.<sup>60</sup> Worldwide, an estimated 750 million people migrate internally and more than 250 million migrate internationally.<sup>61</sup> Myanmar is the largest labour migration source country in the greater Mekong region, with up to 10 per cent of its population migrating internationally.<sup>62</sup> The 2014 census data indicates that almost 20 per cent of the population are internal migrants.<sup>63</sup> With one in every five people a migrant, Myanmar is a country 'on the move'.

Labour migration is an important livelihood strategy for rural households in Myanmar, and remittances can have a significant impact on reducing poverty. Migrant workers and their remittances have a significant impact on reducing the "level, depth, and severity of poverty in developing countries".<sup>64</sup> Remittances are also associated with improvements in education, healthcare, and gender equality.<sup>65</sup> International migrants from developing countries sent about USD 441 billion home in 2015, an amount that triples the volume of official development assistance (ODA), and with exception of China, exceeds foreign direct investment (FDI).<sup>66</sup> Research also shows that remittance flows are more stable than ODA or FDI during economic downturn, natural disaster, or political conflict,<sup>67</sup> situations that often apply to Myanmar.

Myanmar's State Counsellor, H.E. Daw Aung San Suu Kyi, underlined the importance of managing migration in her speech at the United Nations General Assembly in 2016. She spoke about six key challenges for Myanmar: the peace process, the Rakhine situation, the Sustainable Development Goal implementation, counter-terrorism, nuclear disarmament and migration. The State Counsellor highlighted that "migrants contribute to the economies of their host countries as well as to the global economy ... and that building cooperation and collaboration between the host country and the country of origin in ensuring the rights of migrant workers will be mutually reinforcing for both economies."

Lack of employment, income opportunities and stark wage differentials are major contributors to people's migration decisions. About 70 per cent of all international female and male migrants from Myanmar go to Thailand to work in construction, manufacturing, agriculture, garment production or domestic work.<sup>68</sup>

Research suggests internal migrants earn monthly salaries of USD 60 -100,<sup>69</sup> while international female migrants in Thailand can earn a monthly income of USD 219, and males can earn USD 235.<sup>70</sup>

<sup>60</sup> Manning, P. and Trimmer, T., 'Migration in World History. 2nd ed', 2013, London and New York: Routledge.

<sup>61</sup> Sutherland, P. D., 'Migration is Development: How Migration Matters to the Post-2015 Debate', *Migration and Development*, 2013, (2), pp. 151-156.

<sup>62</sup> International Organisation for Migration (IOM), 'Myanmar: Overview', 2015, Web.

<sup>63</sup> The Republic of the Union of Myanmar, Department of Population, Ministry of Immigration and Population, 'The Union Report: Census Report Volume 2', May 2015, p. 123-124, Web, dop.gov.mm.

<sup>64</sup> Adams, RH; Page, J, 'Do international migration and remittances reduce poverty in developing countries?', 2005, *World Development* 33(10): 1645-1669, Pg. 1645.

<sup>65</sup> Ratha, D., 'The impact of remittances on economic growth and poverty reduction. Policy Brief, 8', 2013, pp. 1-13.

<sup>66</sup> The World Bank, 'International Migration at All-Time High', 2015, [Press Release]. Available from: <http://www.worldbank.org/en/news/press-release/2015/12/18/international-migrants-and-remittances-continue-to-grow-as-people-search-for-better-opportunities-new-report-finds>.

Scalabrin, P. and Graham Fitzgerald, S., Washington, D.C.: World Bank Group, 'Migration and remittances facts 2016', 2016

<sup>67</sup> Remittances dropped a mere 5.5 percent during the global financial crisis in 2009, compared to an approximately 40 percent decrease in FDI (Ahmed and Martinez-Zarzoso, 2016). See also Makina, 2014.

<sup>68</sup> International Organisation for Migration (IOM) and Asian Research Center for Migration, Chulalongkorn University, 'Assessing Potential Changes in the Migration Patterns of Myanmar Migrants and their Impacts on Thailand', IOM: Bangkok, Thailand, 2013

<sup>69</sup> International Labour Organisation (ILO), ILO Liaison Officer for Myanmar, 'Internal Labour Migration in Myanmar: Building an evidence-base on patterns in migration, human trafficking and forced labour', 2015

<sup>70</sup> International Organisation for Migration (IOM) and Asian Research Center for Migration, Chulalongkorn University, 'Assessing Potential Changes in the Migration Patterns of Myanmar Migrants and their Impacts on Thailand', IOM: Bangkok, Thailand, 2013

Despite its potential, migration bears many risks if insufficiently managed, such as abuse, exploitation, trafficking, pressure on urban infrastructure and family disruption. In 2016, LIFT finalised the design of its USD 16 million migration programme with an emphasis on improved migration management by making migration safer and more rewarding. LIFT strives to enable key migration stakeholders to prepare for a future where migration is likely to increase significantly. The LIFT migration programme is the largest funding window for migration in Myanmar. As a major actor, LIFT ensures coordination and cooperation among LIFT-funded projects and beyond. Regular meetings with migration stakeholders began in 2016.



“ *These meetings were valuable opportunities to link with LIFT implementing partners who we aim to work with in future media production and outreach activities and to understand the policy work and objectives of migration partners.*

**Rachael McGuin, BBC Media Action Myanmar**

Supporting the Government of Myanmar to improve policies and governance on safe migration  
It is a priority of the Government of Myanmar to protect its migrant workers against exploitation and trafficking. LIFT works with the Ministry of Labour, Immigration, and Population for improved international employment standards, focusing specifically on recruitment processes, complaint mechanisms and welfare systems. Improved legislation is a first step to supporting the government’s effort to combat abuse. Much needed supplementary regulations to the Law Relating to Overseas Employment will be proposed. Support is provided to ratify Convention 189 on Decent Work for Domestic Workers and the development of related regulations. LIFT also supports the institutionalisation of a migration governance framework for a whole-of-government migration management approach for stronger interministerial coordination.

In 2016, a number of relevant research papers were developed or published:

- The LIFT-funded International Labour Organization (ILO) project developed an Analysis of the Myanmar Law Relating to the Overseas Employment from 1999 in light of the International Labour Standards.
- ILO finalised its Complaints Mechanism Briefing Paper to support the Ministry of Labour, Immigration and Population in its commitment to strengthening its migration legal frameworks. The paper provides an analysis of the existing international and national legal systems, an overview of the different complaints mechanisms available in Myanmar, good practices from other countries of origin (Nepal, Sri Lanka, the Philippines and Indonesia) and recommendations to government.
- Three more briefing papers on social protection, recruitment and policy coherency in international labour migration will be published in early 2017. The social protection paper fed into the national preparatory meeting for the 9th ASEAN Forum on Migrant Labour. All but two of the social protection recommendations were incorporated into the final official recommendations document of the forum.
- Also in 2016, MOLIP became an official partner of the LIFT-funded IOM, University of Sussex, and Metta migration research project jointly working on evidence-based information for future decision making.

LIFT's work is not limited to the national level, but also aims to build migration capacities at state and regional level. The ILO project provided six five-day training sessions on labour migration management for government officials and CSOs at the state and regional level, and the IOM-led research project conducted six pre-study consultation workshops. Over 200 participants received training in migration management and over 300 participants engaged in consultation for the migration research project. Participants said they particularly appreciated having a forum to discuss migration in a collective and analytical manner, and to enhance coordination efforts across ministries. This was particularly highlighted by the Ministry of Labour, Immigration and Population, and the Anti-Trafficking Police.

#### **How much should the migration recruitment deposit be?**

Following the consultations on the recruitment paper, the Ministry of Labour, Immigration and Population asked ILO to provide examples of the amount that other countries require overseas employment agencies to deposit as a guarantee. Currently Myanmar law requires a deposit of MMK 5 million (USD 3,800). This deposit can then be used to reimburse migrants who have been overcharged or exploited by the agency or employer if the agency refuses to take responsibility. However the ministry is finding this amount becomes quickly depleted and is exploring increasing the amount to provide more security for migrants. The LIFT-funded ILO project provided this information and provided technical input on other methods to improve recruitment processes.

The LIFT-funded ILO project held two consultations with parliamentarians on labour migration management in Nay Pyi Taw to build parliamentarians' awareness of, and capacity to discuss, the topic of migration in parliament. Parliamentarians represented different committees in the upper and lower houses, including the Parliamentary Committee on Local and Overseas Employment, the International Relations Committee, and the Women and Children's Affairs Committee. Many of the questions in the two sessions related to how to better protect migrants, how to address the complaints of migrants in destination countries, how to reduce recruitment fees, and from which countries and experiences Myanmar could learn to better manage migration.

### **Collaborating with industries for responsible, profitable rural to urban labour migration**

Myanmar is undergoing a structural transformation, moving away from a rural, agricultural economy towards a more urban, industrial and service-based economy. Projections point to a sharp increase in rural to urban labour migration, a prerequisite for Myanmar's industrialisation, which needs abundant labour and skills. Migrants, however, often lack necessary skills and supportive services to benefit from, and contribute to, the industrialisation. Often, migrants have unrealistic expectations of working in urban areas, experience disorientation and social marginalisation, and can become vulnerable to exploitation. Factory owners are often reluctant to employ unskilled new migrants since it is a costly investment to build skills, particularly in light of high turnover rates.

LIFT works with the garment industry in Yangon where one of the largest factory workforces in Myanmar is employed. This industry is projected to almost quadruple by 2020, with workers growing from 400,000 to 1.5 million. LIFT projects will start in early 2017 and support migrant workers through safe migration messaging, industry-based skills training, job placements, financial services, and protection and supportive systems against exploitation and gender-based violence. The projects will work with garment factories and the Ministry of Labour, Immigration and Population to grow the skill levels of the workforce, allowing Myanmar's garment sector to grow in size and quality. LIFT projects will work with the ministry to establish a garment skills training centre in Yangon and with the Myanmar National Skills Standard Authority to develop certificates recognised nationally and regionally. Current workers will benefit by having their existing skills certified through newly developed certificates.



### **Raising awareness of safe and rewarding migration through civil society and media**

To leverage migration for development, aspiring migrants, current migrants, their families and their communities require more awareness and knowledge of the risks and opportunities of migration. LIFT aims to test migration messaging through various channels to ensure messaging is effective and reaches target audiences, and that advice is being transformed into action.

A particular focus is on empowering civil society organisations (CSOs) to be an accurate source of knowledge for their trusted constituencies. In February 2016, LIFT and IOM organised a two-day awareness raising training for 13 CSOs. Three of the organisations later partnered with IOM for the LIFT-funded rural outreach programme on safe and rewarding migration. The LIFT-funded ILO project supports a network of labour organisations and CSOs for migrants. The project keeps network members up to date on policies affecting migrants and provides a monthly venue to exchange and learn from each other's experiences. LIFT funding also enables international and national media organisations with broad outreach capacities to produce compelling migration messages. In late 2016, LIFT partner BBC Media Action began preparing for their project on how media can inform decisions about migration and financial management. The project will include 48 weekly episodes of a nationally-broadcast radio program. This LIFT project will support CSO and community-based organisations (CBO) partners in eight states and regions to facilitate inclusive community discussions about migration and financial management. Weekly radio listening clubs will be held. It will also build the capacity of Myanmar's state media, and emerging ethnic and community media, to produce programmes that inform and engage audiences about migration and finance choices. Between three and four million people will be reached by 2019.

### Highlighting gender aspects of migration, with a focus on abuse and trafficking of women and children

LIFT-supported research on migration looks at gendered differences of migration patterns and characteristics such as age, destinations, length and reason, living conditions, wages, working conditions, amount and transfer channels for remittances, security and safety. Of the more than nine million internal migrants in Myanmar, more than half are women. Research will look into the gender dynamics of household members' migration, who makes financial and social decisions regarding remittances, and how the socio-cultural and intergenerational transition is affected. These questions are particularly relevant as they will identify migration vulnerabilities differently attributed to women and men, and how policy and practice can be oriented towards greater gender equality and empowerment of women. Labour migration can bring significant positive changes and empowerment for migrant women and their families. Women remit high shares of their salaries, which has a positive effect on the health and education of their families.<sup>71</sup>



<sup>71</sup> For the effect of remittances on health and education see: McKenzie and Rapoport 2006; Mansuri, 2006, Hildebrandt and McKenzie, 2005, De and Ratha, 2012.

LIFT aims to support migrant women to increase the benefits of their migration. LIFT projects will collaborate with garment factories, the Ministry of Labour, Immigration and Population, and microfinance operators, to support migrant women to gain access to quality skills training and much needed innovative financial services. At the same time, LIFT is aware of the risks migrant women can face and supports prevention and protection efforts against abuse and trafficking, ‘the modern form of slavery’, which 45.8 million fall victim to worldwide<sup>72</sup>. Domestic workers, many still under 18 years of age, are vulnerable to exploitation as they are often confined to private residences and have limited contact with the outside world. ILO has drafted the *Organising Domestic Workers Position Paper*, to be published in early 2017. LIFT projects beginning in 2017 will pilot models against exploitation and gender-based violence in the workplace and respond to sex trafficking with outreach and trauma therapy programmes.

### **Establishing a migration knowledge partnership for Myanmar to drive the migration agenda**

By 2016, LIFT had entered into partnerships with 15 migration stakeholders representing the government, UN agencies, the private sector, microfinance institutions, job-matching platforms, academia, civil society organisations, mass media, and INGOs to make the migration experience of women and men safe and empowering. The group has been striving for a meaningful knowledge partnership that energises and empowers innovation and sustainable action, benefiting from each other’s complementary skills, expertise, and perspectives on migration and development. Convening the growing number of migration stakeholders will benefit coordination and harmonisation. Two of LIFT’s donor countries, Australia and Switzerland, directly fund two regional migration programmes – TRIANGLE and PROMISE. LIFT and the two donor countries have discussed how LIFT’s national migration programme can inform the regional programmes and vice versa, without duplication. A close exchange contributes to the generation, validation, and synthesising of knowledge and the harnessing of creative approaches to drive the migration agenda of Myanmar to ultimately reduce the risks and increase the benefits for migrants and their families.

### **Ban on domestic workers leads to less protection**

During 2016, the situation of Myanmar domestic workers in foreign countries received media attention. However, the government’s ban on domestic workers being employed overseas was not lifted or amended despite an initial intention to do so by authorities. The ban was put in place in response to the severe abuse experienced by some domestic workers overseas. The ban has been criticised for not preventing women from travelling overseas as domestic workers, but instead forcing them to use irregular and unprotected channels and making it impossible to seek assistance if they are exploited.

During the LIFT-funded ILO *Public Discussion on Valuing Domestic Work* in Yangon, many participants expressed concern that despite the ban on domestic workers, many women were still leaving to work as domestic workers because there were no job opportunities for them in Myanmar. With the ban in place, the women did not dare to seek assistance if they were exploited.

Just as the debate seemed to move in favour of lifting the ban, a case of two young women being seriously abused and exploited as domestic workers within Yangon came to light. The story became prominent when the Human Rights Commission proposed a financial settlement as restitution for the young women. There was general outrage at this proposition and a demand that the young women get real justice. In such a climate, the government did not make any further proposals to lift the ban on domestic workers.

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<sup>72</sup> ‘Global Slavery Index’

## 4.4 Civil Society

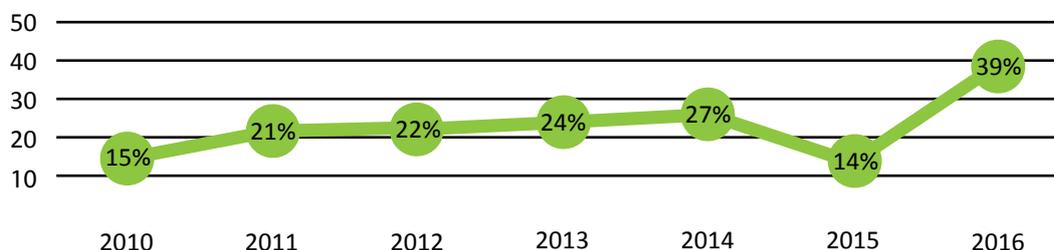
### Why LIFT supports Myanmar's civil society

Civil society plays an important role in promoting the sustainable and inclusive development of rural communities. Building the capacity of civil society organisations and engaging in dialogue with the public and private sector is an integral part of how LIFT supports community development. LIFT supports development that is nationally owned and works with civil society organisations to enable them to take the driver's seat in decision making and policy development related to Myanmar's rural transformation.

LIFT recognises that improved policies and public expenditure for pro-poor development is dependent on empowered and better informed citizens and transparent governance.<sup>73</sup> Since its inception, LIFT has worked with CSOs through its normal funding windows, both as directly contracted implementing partners and as sub-implementing partners through INGOs and United Nations organisations.

In 2016, LIFT signed 24 new contracts, of which nine were directly with Myanmar NGOs, and 39 per cent of LIFT's grant funding was directly managed by local entities, which includes both CSO and private sector organisations.

Figure 4.2: Percentage of LIFT Funds Managed by local entities



### Small Grant Funds

In July 2015, LIFT commissioned a study on how LIFT could better support civil society. A central recommendation of the study was the establishment of small grant funds for LIFT's geographical programmes in the Delta, the Dry Zone and the Uplands. In 2016, LIFT opened a small grants funding window for township-level CSOs and initiated strategic civil society partnerships that work on livelihood system strengthening with civil society, government and private sector actors.

In February 2016, LIFT appraised expressions of interest from agencies interested in facilitating the small grant funds in the Delta, Dry Zone and Uplands.

Table 4.6: Uplands (SWISSAID, GRET, Metta consortium) USD 3.5 million

Description	No. of clients	Location of fund team	Final priority townships
GRET	Chin	Hakha	Hakha, Falam, Tedim
SWISSAID	Kachin	Myitkyina	Waimaw, Moenyin, Moegaung
Metta	N.Shan	Lashio	Lashio, Kutkai, Theinni
SWISSAID	S.Shan	Taunggyi	Pindaya, Hsihseng, Hopong
Metta	Kayah	Loikaw	Pekon (S.Shan), Loikaw, Demoso

<sup>73</sup> LIFT Strategy 2014-2018'

During 2016, SWISSAID, GRET and Metta were selected to administer the small grant funds in the Uplands. The organisations recruited staff, set up offices, conducted baseline township mapping and developed operational and financial guidelines. Meetings were held with local CSOs in the selected townships to explain the small grant fund and proposal requirements. In the first quarter of 2017 proposals will be evaluated.

Table 4.7: Dry Zone (PACT) USD 2.2 million

Location of fund team	Priority townships
Yesagyo, Nyaung-U, Seikphyu, Yenangyaung	Seikphyu, Kyaukpadaung, Yesagyo, Yenangyaung, Pwintpyu, Myingan, Salin

In 2016, PACT was selected to administer the small grant funds in the Dry Zone. Activities will begin in 2017.

Table 4.8: Delta (GRET) USD 2.1 million

Location of fund team	Priority townships
Pathein	Labutta, Bogale, Mawlamyinegyun, Pathein, Pyapon, Dedaye, Kyaiklat, Pantanaw

The Delta CSO small grants fund agreement was signed in October 2016. During the first months of the inception period GRET set up a regional office in Pathein, recruited staff and conducted an analysis of the livelihood systems in the Delta, particularly assessing the current roles of civil society organisations and their fields of implementation. Consultations were held with CSOs, national and international NGOs, regional government, township administrators and the private sector. The project will target eight townships where LIFT is currently working and where the civil society sector is known to be dynamic. In 2017, CSO proposals will be evaluated.

### Strategic partnerships with CSOs

Acting on a further recommendation of the LIFT-commissioned study on engaging with CSOs, LIFT designed strategic civil society partnerships in 2016. Through these partnerships LIFT will provide support on capacity development and policy engagement to its civil society partners. Meanwhile, LIFT gains insight and access into Myanmar’s civil society. The following criteria were used in the selection of LIFT’s civil society partners:

- CSOs with good reach and credibility within civil society in Myanmar
- CSOs with a demonstrated commitment to strengthening civil society beyond their own organisation
- CSOs with a good track record of successfully implementing livelihoods projects, either in a reasonably broad geographic area, or in key areas of policy
- CSOs that share LIFT’s long-term development goals

Based on the above criteria and proposals submitted by civil society applicants LIFT selected the Food Security Working Group (FSWG), the Gender Equality Network (GEN) and Land Core Group (LCG) to be strategic civil society partners. These networks have been working actively on policy advocacy and some highlights follow.

**A seat at the table for national policy:** GEN has a seat on the Myanmar National Committee for Women's Affairs, a high-level interministerial commission that provides a critical avenue to advocate for the implementation of the National Strategic Plan for the Advancement of Women (NSPAW) and the Convention on the Elimination of all Forms of Discrimination Against Women (CEDAW), and gender equality in all sectors. In December, GEN participated in the first meeting of the Myanmar National Committee for Women's Affairs. Involvement in this committee will enhance GEN's work to advance women's rights by supporting coordination between ministries and the mainstreaming of gender within government policies and budgets. GEN also is a member of LIFT's Senior Consultation Group as a representative of Myanmar's people.

**Engagement in the CEDAW review process:** GEN has also participated in the UN review process of Myanmar's progress on CEDAW. This has enabled them to forge new collaborations, establish a baseline of women's rights in Myanmar, and achieve new recognition and influence nationally and internationally. GEN also took its first delegation to the Commission on the Status of Women in New York for a first-hand perspective on key global and gender-related developments.

**Contributing to the Agriculture Investment Law:** A series of meetings were held among Paung Ku, Metta Development Organisation, Oxfam, and FSWG to organise a round table discussion with the Department of Rural Development, the Ministry of Agriculture, Livestock and Irrigation, special committees from parliament, and other CSOs. The intention of the round table discussion was to ensure that the rights of farmers were protected in the Agriculture Investment Law.

**National Land Use Policy approved:** The policy document on National Land Use Policy (NLUP) recognises customary tenure rights of ethnic groups and has been approved by the Union Government. However, some CSOs continue to express dissatisfaction with the policy. LCG is working to mediate challenges and strengthen the NLUP.

**National Land Acquisition Act (LAA):** Land Core Group is actively involved in other policy and legal initiatives such as the National Land Acquisition Act (LAA), the revision of the Farmland Law, and the Agricultural Development Strategy. After lobbying the government to scrap minor changes to the 1894 LAA, LCG worked with the National Farmers Committee inside parliament to not only explain the NLUP through informal and formal meetings but also to reach an agreement from the Farmers Committee to begin drafting a new Land Acquisition Act.

## Looking ahead: potential strategic partnerships

In early 2016, a two-page briefing note on LIFT's strategic partnership goals was sent to three organisations: Karuna Mission Social Solidarity (KMSS), Metta Development Foundation, and Network Activity Group. These local organisations meet the partnership selection criteria. Each organisation later submitted a concept note and discussions were held with LIFT to determine a mutually beneficial strategic focus for the partnerships.

Full proposals and budgets were prepared and submitted to LIFT. These three strategic partnership proposals have been approved and LIFT hopes to sign the new partnership agreements in early 2017.

All three partnerships will develop evidence-based research on policy areas such as:

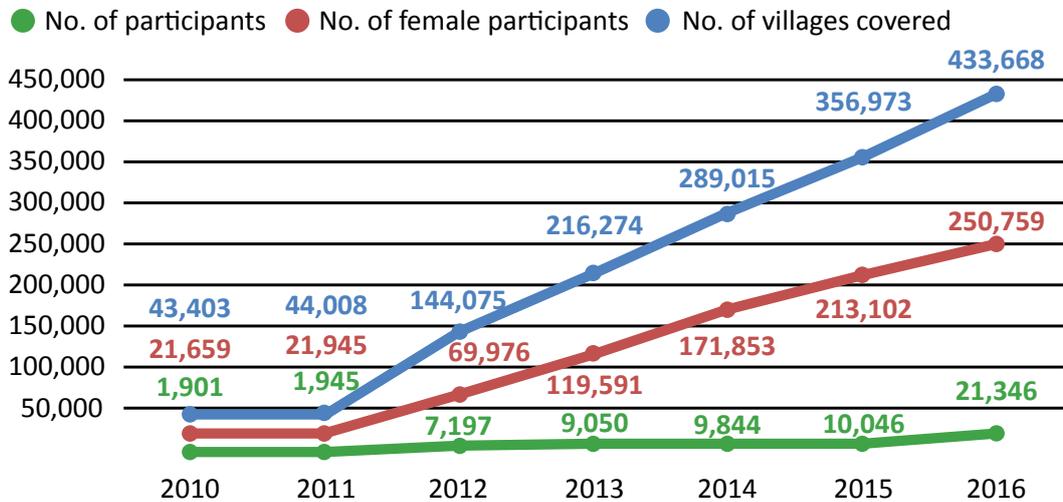
- the nutritional status of internally displaced people in Kachin State
- the effectiveness of cash transfer mechanisms in Kachin's humanitarian situation
- promoting land tenure security and ownership for ethnic minorities
- improvement of policies and legislation related to the fishery sector
- formal registration and certification process of organic crops and produce, and strengthening of the participatory guarantee system (PGS) for organic products within the country

### Ongoing capacity building measures

Since LIFT began, it has provided technical support to communities through its implementing partners. This support has included trainings, exchange visits, workshops, seminars, coaching and mentoring.

Figure 4.3 shows LIFT’s cumulative training achievements and indicates the number of people who have participated in these activities from 2010 to the end of 2016.

Figure 4.3: Cumulative training achievements 2010-2016



From 2011 to 2016, the number of male and female participants involved in LIFT-supported trainings increased ten-fold, covering more than 20,000 villages, which is 30 per cent of Myanmar’s 70,838 villages.<sup>74</sup> These trainings specifically targeted women and also sought to increase the involvement of people with disabilities. The number of participants with disabilities increased from under 2,000 in 2010 to more than 14,000 in 2016. With the small grants and strategic partnerships now all underway, the number of training sessions and their reach into communities is projected to further increase over the next two years.

<sup>74</sup> Source: Myanmar Information Management Unit (MIMU) Myanmar Administrative Structure

## 5. CROSS CUTTING AREAS

Nutrition, resilience, gender and social protection are focus areas for LIFT that reach across all programmes.

### 5.1 Nutrition

#### The crucial first 1,000 days of life

One child in three below the age of five in Myanmar is stunted - below the average height for age. This is mainly due to inadequate diets, micronutrient deficiencies, and repeated infections during the first 1,000 days of life, from conception through to two years of age. Stunting has long-term effects on a child's development and economic potential. Children who receive good nutrition in the first 1,000 days complete more grades of school and earn up to 21 per cent more as adults<sup>75</sup>. Nutrition, education and livelihood opportunities are therefore closely linked.

Stunting is not only a health issue. Nutrition-specific interventions are needed across many sectors in order to reach more people and have sustainable impacts. There is increasing evidence that shows nutrition-sensitive interventions in agriculture, education, health, water and sanitation, and social protection result in better nutrition outcomes. The benefits from nutrition-sensitive interventions increase when high level political leadership, along with interministerial, cross-sector coordination is complemented by local ownership of nutrition programmes and their outcomes. Civil society organisations also have an important role to play by providing effective social accountability mechanisms.

#### Strengthening capacity

Support for improved nutrition cuts across LIFT's programming and policy engagement in a number of important areas. With respect to gender, improved nutrition is central to helping women reach their full economic and social potential. LIFT's engagement focuses on improving nutrition for children and women so they are healthier, better educated, and have access to safe jobs. LIFT support includes cash transfers and nutrition education covering the first 1,000 days of a child's life to prevent stunted growth.

LIFT's engagement with the health sector in Myanmar includes liaising with the Department of Public Health, the National Nutrition Centre and the Health Literacy Promotion Unit. LIFT's main objective is to strengthen institutional and human resource capacities to provide nutrition and WASH education to pregnant women and breastfeeding mothers, while promoting better access to maternal and child health services. LIFT is especially focused on strengthening health sector capacities for social and behaviour change communication (SBCC). SBCC is an important tool for empowering women to overcome complex social and economic barriers that can inhibit their ability to adopt better nutrition practices.

#### Nutrition-sensitive agriculture

In agriculture, LIFT is integrating nutrition-sensitive practices and nutrition messaging into its work with community groups. For example, in the Uplands programme, LIFT's implementing partners are working with farmer groups to promote vegetable cultivation while also providing information about nutrition and better dietary practices. One partner, the Myanmar Institute for Integrated Development (MIID), works closely with the State Agriculture Institute in Chin State to integrate nutrition education into the curriculum for agriculture extension officers.

#### Mothers' and children's nutrition

LIFT's three other geographic programmes, Delta, Dry Zone, and Rakhine, also support a wide range of activities that deliver maternal cash transfers (MCCT) to pregnant and breastfeeding women and their children under age two. In all three areas, LIFT supports Save the Children's pilot programming for MCCT programmes, which test different cash transfer modalities and deliver nutrition education and SBCC messaging. In 2016, the first year of the programme, the three projects delivered a combined total of 45,936 cash transfers to 9,125 beneficiaries.

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<sup>75</sup> 'Global Nutrition Report', 2015

The Delta 3 programme includes nutrition interventions by Welthungerhilfe and WorldFish that improve nutrition awareness and increase dietary diversity. In the Dry Zone, the LodeStar project in Myaung Township, Sagaing Region, is working with village volunteers and women's groups to provide MCCT grants and nutrition training. In Rakhine's Tat Lan programme, Save the Children is complementing its MCCT programming with community-centred WASH interventions, including family and community latrines and improved access to safe drinking water.

LIFT supports work with the private sector to introduce fortified micronutrients. PATH is working to improve access to micronutrients via staple foods by commercialising fortified rice. PATH has worked closely with the National Nutrition Centre to promote the direct purchase of fortified rice by consumers, as well as the distribution of fortified rice by the government and NGOs. In March 2016, the PATH project was successful in establishing the government-led Rice Fortification Working Group under the National Rice Fortification Policy. In June 2016, the project received approval from the Myanmar Food and Drug Authority for fortified rice kernels and for three Yangon-based fortified rice production facilities.

LIFT's support has enabled the Leveraging Essential Nutrition Action to Reduce Malnutrition (LEARN) project to conduct important research designed to inform both programming and policy. In 2016, LEARN commissioned BBC Media Action to collaborate with World Vision, WorldFish, and Save the Children in the Delta and Dry Zone to explore food taboos and habits during the first 1,000 days of life. This research will be used to inform nutrition-specific and nutrition-sensitive SBCC programming in Myanmar. LIFT published two LEARN analytical reports on undernutrition in Myanmar in 2016, including a critical review of the literature regarding nutrition and a secondary analysis of LIFT's household survey data.

LIFT is involved in a wide range of partnerships, reflecting the cross-cutting nature of its nutrition work. In addition to private sector firms, civil society organisations, and national and international NGOs, LIFT actively engages with a range of development partners, including United Nations organisations such as UNICEF, and the 3MDG multi-donor fund. LIFT, like 3MDG, is managed by the United Nations Office for Project Services (UNOPS). This creates significant opportunities for integration. For example, the funds are currently working towards a joint strategy for nutrition and work is coordinated where possible. One example of this is the Save the Children project Bright SUN that is funded by LIFT in the Delta. The project delivers maternal cash transfers and behaviour change communication, and is integrated with Save the Children's existing 3MDG project. Health workers of the rural health centres are engaged to distribute these cash transfers, which promote improved nutrition and hygiene practices. Community health worker capacity is also improved to deliver nutrition actions alongside primary health care.

LIFT and its partners also actively engage with union, state, regional, and township authorities to promote better nutrition outcomes through cross-sector programming and policy advocacy. LIFT's primary government partners have been the Ministry of Health, the Department of Public Health, the National Nutrition Centre, the Health Literacy Promotion Unit, and the Department of Social Welfare.

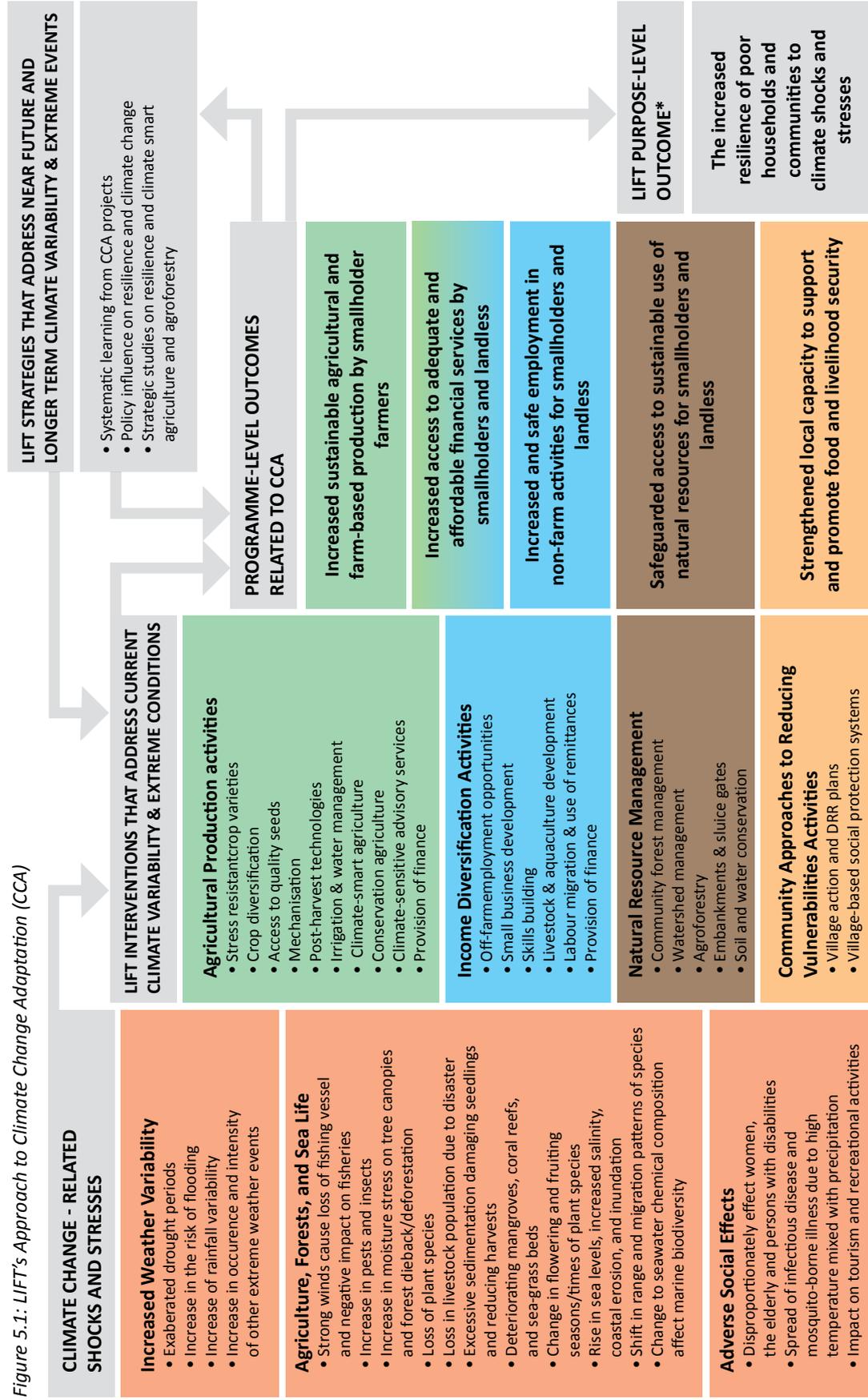
## 5.2 Resilience

Myanmar is the country second most-affected by climate change in the world.<sup>76</sup> Over the last six decades Myanmar's mean temperature and overall rainfall has increased, extreme weather events have become more common and sea levels have risen.<sup>77</sup> These changes impact on everyone in Myanmar but the poor, the vulnerable and those relying on subsistence agriculture are most affected. LIFT targets these households and builds their capacity to cope with climate shocks and stresses and adapt in the face of climate change. This is an integral component of LIFT's overall approach to building resilience. Furthermore, LIFT aligns with the Government of Myanmar's National Climate Change Adaptation Programme of Action 2012, and its climate-smart agriculture principles for agriculture, forestry and fishery programmes. The following image demonstrates

<sup>76</sup> 'Global climate risk index', 2017, <https://germanwatch.org/en/download/16411.pdf>.

<sup>77</sup> Global Climate Change Alliance, 2017, <http://www.gcca.eu/national-programmes/asia/gcca-myanmar>.

Figure 5.1: LIFT's Approach to Climate Change Adaptation (CCA)



\*This logic model focuses on LIFT's contribution to strengthening resilience to climate change. However, LIFT's overall purpose is to strengthen resilience, as defined as: the increased capacity of individuals, households and communities to cope with and recover from various shocks and stresses arising from climate change, and/or macro and micro socio-economic pressures.

how LIFT's programmes and activities are enabling the people of Myanmar to adapt to climate shocks and stresses.

### LIFT's approach to resilience

Building the resilience of poor rural households in Myanmar lies at the centre of all LIFT's work. LIFT tackles the root problems and risks that poor rural households face, such as climate stresses, conflict and socio-economic shocks. LIFT addresses these challenges by improving people's nutritional status and incomes, reducing their vulnerability to shocks and stresses, and supporting the development of pro-poor policies. Through these pathways LIFT's programmes support households and people to:

- successfully **'step out'** of agriculture successfully, and into other productive sectors of the economy
- **'step up'** the value ladder within agriculture, and out of poverty
- or **'hang in'** by using agriculture as a safety net, and improving their food security and nutrition

LIFT's programmes build resilience through context-specific interventions targeting the needs of local people in each agro-ecological zone.

### In Rakhine

Rakhine State is the region in Myanmar most prone to cyclones and is highly vulnerable to the impacts of climate change, including flooding and salt water intrusion.<sup>78</sup> Building the resilience of the Rakhine people to climate shocks and stresses is essential to the state's development. Over the years LIFT has had a good track record of responding to floods and disasters and supporting people to rebuild their lives.<sup>79</sup> In 2016, the Rakhine Tat Lan programme made significant progress in the protection of farmland from salt water intrusion. Salt water intrusion is threatening the livelihoods of farmers globally and in particular those in Rakhine State.<sup>80</sup> In 2016, the Tat Lan programme renovated almost 22 miles of embankments protecting over 5,000 acres of paddy fields from saltwater intrusion and building the resilience of 384 farmers, indirectly benefiting more than 1,450 households. Furthermore, through the Tat Lan programme 229 farmers from 34 villages graduated from farmer field schools equipped with new farming techniques to increase their yields. Results of the training are already evident from the increase in annual income after the harvest, which in some areas is as high as 63 per cent. These interventions further supported farmers to **'step up'** the value ladder within agriculture and become more resilient to socio-economic shocks as well as the impacts of climate change.

### In the Delta

The Delta programme works to build the resilience of poor rural households to climate and socio-economic shocks and stresses by improving people's food security and incomes, and decreasing their vulnerability. To achieve this, the Delta programme has a strong focus on the seed value chain and helping farmers **'step up'** the value ladder within agriculture. The Delta Programme also looks at the long-term impacts of climate change and seeks to conserve quality local seed varieties and safeguard biodiversity. LIFT implementing partner Metta is at the forefront of this and carried out experiments on 48 varieties of rice in 48 villages in the Ayeyarwady Region. Metta also distributed 720 ten kilogramme bags of certified seed to Farmer Field School participants and 36 bags to seed growers. These interventions enabled farmers to access higher quality seeds in the short-term and improve their resilience to climate shocks and stresses in the long-term.

### LIFT's work on resilience at the policy level

Through its policy work LIFT also advocates for a resilience-based approach to development that is integrated, holistic and multidisciplinary. In 2016, LIFT organised and supported an interministerial session with high ranking representatives from the Ministry of Agriculture, Livestock and Irrigation, the Department of Social Welfare and the Department of Rural Development. The event emphasised how building resilience should be addressed in an integrated manner across ministries

<sup>78</sup> Asia Disaster Preparedness Centre, <http://www.adpc.net/igo/contents/Publications/publications-Details.asp?pid=277#sthash.DkG4r9zM.dpbs>.

<sup>79</sup> See LIFT's previous annual reports 2013-2015

<sup>80</sup> Science Direct, 'Food Security Threatened by Sea-level Rise', January 2017, <https://www.sciencedaily.com/releases/2017/01/170118082423.htm>.

and departments and with the active involvement of community organisations. This meeting helped encourage an enabling environment for interministerial action.

### **LIFT's research and learning on resilience**

Throughout 2016, LIFT also continued to conduct research into resilience in Myanmar to inform policies and practices. The Delta programme carried out a strategic resilience assessment (STRESS) in 2016. This assessment evaluated the capacity of households and communities in the Delta region to learn, cope, adapt, and transform in the face of shocks and stresses. The Delta implementing partners have applied the STRESS findings to their approach to resilience and are working to develop a monitoring tool to track a number of communities and better understand how Delta 3 interventions are changing the way households and communities learn, cope and adapt. The Rakhine programme contracted the International Institute for Environment and Development to carry out a study on how the programme is building resilience and helping people to respond to shocks and stresses. This report made key recommendations that will inform future programming in Rakhine.

LIFT is also conducting research that investigates how the fund is building resilience across its programmes. A range of outcome studies were launched in 2016 to address how LIFT is contributing to its purpose-level outcomes and how these are building resilience. The conceptual framework for understanding resilience was also drafted in 2016 and will be adapted as the first wave of findings of the outcome studies are analysed.

## **5.3 Gender**

During 2016, LIFT increased its commitment to gender equality and women's empowerment with a new gender strategy and action plan. LIFT also continued to support women's empowerment and fight for gender equality in Myanmar; achieving many notable successes through its programmes.

### **LIFT's gender strategy and action plan**

In 2016, LIFT reviewed and redrafted its gender strategy and developed a gender action plan. This process was informed by an international gender expert but was led by LIFT and involved a series of internal participatory consultations. These consultations helped to ensure that the strategy is grounded in the Myanmar context and is relevant to LIFT.

The purpose of the gender strategy is to scale up LIFT's work towards gender equality and further support women's empowerment in Myanmar. It achieves this by:

- ensuring that gender is mainstreamed across all of LIFT's programmes and projects, while also carrying out targeted gender specific activities within LIFT's programmes
- increasing the focus on gender differences and the needs of women within LIFT's policy, advocacy and knowledge management work
- ensuring strong leadership and governance structures within LIFT to support the implementation of the gender strategy
- building LIFT's capacity and improving LIFT's accountability for achieving greater women's empowerment and gender equality

The gender action plan translates the gender strategy into activities with clear indicators and targets.

### **LIFT's governance and commitment to gender**

To elevate and highlight the importance of LIFT's work on gender, senior management took overall responsibility for the implementation of the gender strategy and action plan. A working group was established to support senior management in its implementation. However, as specified within the gender strategy, the responsibility for its implementation is a collective commitment across LIFT.

An estimated budget of USD 100,000 has been allocated to support the implementation of the strategy, and will fund studies, workshops and the hiring of gender expert(s).

LIFT also takes gender equality seriously within its own governance structures. LIFT works with UNOPS to ensure a greater gender balance in top leadership positions by targeting women in the application process, and works to ensure that the different needs of both men and women are addressed throughout the workplace. In 2016, this led to the creation of a parent's room in the office to support mothers, support for flexible working hours, the provision of condoms and senior management's participation in gender sensitivity training.

Furthermore, in 2016, it became a LIFT policy to mainstream gender into all LIFT-funded evaluative research and learning events and LIFT has designed one of its seven key evaluation questions around gender. Evaluation questions will be addressed during 2017 and 2018.

## Highlights from the programmes

In line with LIFT's new strategy, the fund continues to build the resilience of women and work towards greater gender equality and women's empowerment through all of its programmes. Some of the highlights of LIFT's work on gender are detailed below.

### The Rakhine programme

The Rakhine programme works to ensure that women can fully benefit from activities and are not constrained by social, cultural or physical barriers. Within Tat Lan II, for example, implementing partner Oxfam made notable strides towards greater women's empowerment by strengthening women's skills and potential to become leaders within their communities in Kyauk Phyu. These women's leadership trainings aim to ensure that women and men have an awareness of gender issues and understand three key messages: (1) women and men have equal rights, (2) violence against women is not acceptable, and (3) women can be leaders as well as men.

To maximise the reach of these trainings Oxfam also produced posters and guidance to help these women share their knowledge back in their villages.



*When I returned to my village from the training, I immediately held a session to share the information I have received (...) In the beginning, most of them did not understand what gender-based violence is, so I used the Tat Lan posters and explained the cartoons depicting violence against women.*

**Daw Nu Nu Yee** after attending leadership training conducted by Oxfam in Kyauk Phyu

In villages such as Chaung Wa and Kin Myauk women have taken a more active role in village affairs and led initiatives, such as a campaign against drinking alcohol, networking with government officials and establishing links with CSOs. The impact that Oxfam and the Rakhine programme have had on the lives of women in Kyauk Phyu is best described by the women themselves:



*I am not an educated person, I didn't believe in myself before, but through attending the training my confidence has grown and so has my desire to lead. Now, I have decided to run for Village Administrator in the 2020 elections.*

**Tin Tin Nwe** from Min Kyauk village.

*Domestic violence occurs in almost all families in our village and nobody thinks that this is an issue. Now we are aware that violence against women is a human rights violation and as a women's group we will teach women in our village so that they understand that it is not acceptable.*

**Daw Khin Yu May**, Chin Min Pyin village

“

*When I first got the microphone, I felt shaky and cold. Then I told myself, you need to speak out for your village, and don't worry you have many experiences of talking to crowds and just think you are doing a discussion in a workshop or training. Then words started flowing in sequence and I felt relieved.*

**Daw Thar Nu Khine, Than Chaung village**

“

*Before I attended the training I thought that gender and women's leadership training was about encouraging women to fight with their husbands but the training is really different to what I expected. We discussed the friendship and relationship between men and women. I want to try not to quarrel with my wife and I want to give both my son and daughter equal opportunities in life.*

**A male training participant from Ka Lan Kyan**



### **Women's leadership in Kyaukphyu**

In Tat Lan villages women are supporting each other to break gender discrimination barriers as they take a lead in their communities. **Daw Shwe Than** is stepping through boundaries that once separated men and women in rural Rakhine State villages. Chaung Wa villagers elected her to be a 10-household administrator, and her election has won the approval of village elders.

In the beginning, Daw Shwe Than felt afraid to perform the role, because she is not able to read. But villagers' trust in her, and her participation in the Women's Empowerment Programme and leadership trainings encouraged her to accept the leadership role.

“

*"I built my confidence and encouraged myself by successfully performing as a leader in Better Life's women's empowerment activities. I learned presentation skills there." These skills and her motivation training will guide her as she organises village meetings - a task for leaders of 10 households.*

**By Jennifer Macintyre, Head of Communications for the LIFT-funded Tat Lan Programme**

Key cumulative results towards increased gender equality in Rakhine during the first phase of Tat Lan (2013-2015) include:

#### Active participation in decision making

- Thirty per cent of Village Development Committee (VDC) representatives are women.
- Surveys show that 65 per cent of households (up from 41 per cent) agree that women should participate in community decision-making.
- Women's participation has increased in workshops and trainings.
- Sixty-five per cent of women attending Tat Lan's women empowerment trainings say they feel more confident in their knowledge and skills.

#### Village savings and loan association (VSLA) models

- Women's participation in VSLA groups is high – 82 per cent of participants are women and many women hold leadership positions.
- Almost 70 per cent of women are now included in financial decision-making processes in households and communities participating in VSLAs.
- The 5,523 VSLA members saved USD 420,000 and provided loans of almost USD 900,000. Thirty-three per cent of the loans went into small businesses led by women. Loans were repaid within three months.

#### Income and equal pay

- More than 31,000 vulnerable villagers participated in Tat Lan cash-for-work activities and 54 per cent were women, a substantial increase on the original target of 40 per cent.
- The equal payment for men and women was contested by men who demanded higher payments but the equal payment system was upheld.



**Thet Yea Win, 27,** has the intention, capacity, and courage to become a community leader, an otherwise uncommon aspiration for young women in remote rural parts of conservative Rakhine State. Three years ago she became the first female 10 household leader in the native village Ohn Taw. Joining a number of trainings organised by Oxfam and partner organisations has helped Thet Yea Win gain more knowledge and information about topics ranging from gender and women's leadership to social accountability, land laws and advocacy. After attending Oxfam's Women's Leadership training she formed a Women's Group with 22 members in December 2016. The group meets twice a month to discuss women's issues and collect contributions to an emergency women's fund that will enable the members to support each other. The group also serves as a safe space for women to share information and support each other when it comes to personal grievances.

“I learned a lot in the trainings, and sharing my new knowledge with women in my community motivated them to participate as well and increased the unity among us,” she said, acknowledging, that the support of other women will be crucial in her quest to take on higher levels of leadership. Now she has her heart set on even greater responsibilities: “If possible, I want to be the president of Myanmar, not just a village leader,” she said with a smile.

### The Delta programme

The Delta programme also worked to ensure that project activities were inclusive and addressed the needs of women and men. A project run by implementing partner Welthungerhilfe (WHH) in the Delta built on lessons from the Delta II programme and reoriented project activities and budgets to have a greater focus on women and gender equality. WHH also conducted a gender analysis in 2015 and developed a gender strategy to improve how gender was mainstreamed across their activities. A gender awareness campaign reached 52 villages in the Delta. In early 2016, a training of trainers for consortium partners, technical staff and field staff was carried out. A newly elected gender working group then reviewed project activities for opportunities and barriers for enhancing gender equity and developed plans with project staff to act on these findings. The final stage of the strategy involved the development and implementation of a gender awareness campaign. The Moving towards Unity film produced during Delta II is shown in villages to trigger discussions on the barriers and opportunities for greater gender equity as part of this campaign. By the end of 2016, this campaign had been carried out in almost all of the target villages, involving more than 2,000 participants. The full impact of this campaign on the lives of women will become clearer in 2017 once the activities have been completed.

### The Dry Zone programme

The Dry Zone programme also works to involve women fairly across its activities and carries out projects to address the specific needs of women. A project run by implementing partner Social Economic Development Network (SEDN) is specifically designed to help vulnerable women in the rural areas of Magwe, who lack income-generating opportunities, to have access to basic services or social support. The project provides women with vocational training and the skills to produce and sell quality handicrafts through MBoutik shops and outlets, and has established and maintained networks that link women to CSOs, government, NGOs and the private sector. In 2016, the SEDN project referred 3,900 women through these networks to social support services and informal education, provided social business training for 80 women leaders and reached its business targets for the MBoutik shop with sales of MMK 73,000,000 (USD 56,100). The project also finalised its business plan in 2016, which focused on ensuring its impact on the lives of women will be sustained when the project comes to a close in 2018.

## Countrywide and across programmes

Gender equality and women's empowerment are also important themes across LIFT's cross-cutting focus areas; in particular within its work on financial inclusion, nutrition, migration and policy. Below are some highlights. More information can be found in Chapters four and six.

### Financial inclusion

Women's access to finance and their say in financial decisions is limited in rural Myanmar and there are gender inequalities related to access and control over financial resources.<sup>81</sup> Worldwide research highlights that providing women with access to financial resources and financial literacy training can help to address these gender inequalities and enhance women's financial decision-making power.<sup>82</sup> Evidence also suggests that finances can empower women in other areas of their lives with women becoming more confident and taking prominent roles in community decision-making after accessing finances.<sup>83</sup>

LIFT's financial inclusion programme empowers women and works towards greater gender equality by providing women with financial services, including loans and financial literacy training. Over 90 per cent of LIFT's financial inclusion clients are women. LIFT's microfinance partners also empower women through their staffing policies. Across LIFT's financial inclusion partners approximately 60 per cent of staff are women.

<sup>81</sup> Australian Department of Foreign Affairs and Trade (DFAT), 'Women and the economy in Myanmar: An assessment of DFAT's private sector development programs', January 2016

<sup>82</sup> United Nations Population Fund (UNFPA, 2010); Food and Agriculture Organization (FAO) and Myanmar Ministry of Agriculture Livestock and Irrigation, Formulation and Operationalisation of National Action Plan for Poverty Alleviation and Rural Development through Agriculture (NAPA), 'Exploring Linkages: Women's Empowerment, Microfinance and Health Education', Social Inclusion and Gender, Working Paper – 12, Yangon, June 2016, available at: <http://www.fao.org/3/a-bl834e.pdf> [accessed on 16/11/16].

<sup>83</sup> Food and Agriculture Organization (FAO) and Myanmar Ministry of Agriculture Livestock and Irrigation, Formulation and Operationalisation of National Action Plan for Poverty Alleviation and Rural Development through Agriculture (NAPA), Social Inclusion and Gender, Working Paper – 12, Yangon, June 2016, available at: <http://www.fao.org/3/a-bl834e.pdf> [accessed on 16/11/16].

Table 5.1: LIFT's microfinance partners' client and staff portfolio disaggregated by sex<sup>84</sup>:

Indicators	Women	Men	Total
Clients	1,601,091 (93 per cent of total clients)	113,196 (7 per cent of total clients)	1,714,287
Staff members	2,777 (60 per cent of total staff members)	1,852 (40 per cent of total staff members)	4,629

### Nutrition

LIFT implements maternal and child cash transfer (MCCT) projects across all of its geographic programmes, providing pregnant women and mothers with children under the age of two with cash transfers and access to nutrition training. In 2016, LIFT implemented successful MCCT projects in the Delta, the Dry Zone and Rakhine State. Leveraging this experience, LIFT worked with the Department of Social Welfare in 2016 to develop a plan for a government-led MCCT programme in Chin state that will be launched in 2017. For further information see Chapter 3 on programmes and Chapter 6 on policy.

These MCCT projects increase women's control over financial resources through the cash transfers and increase their decision-making power on matters relating to their own wellbeing and that of their children through nutrition education sessions. Research has found that these types of interventions have positive knock-on effects on women's self-esteem and involvement in community decision making.<sup>85</sup>

### Migration

LIFT-funded research and the literature on migration highlight how labour migration can empower women, providing them with more autonomy and opportunities to build self-esteem and capacities.<sup>86</sup> This occurs when women have the skills and resources to access the opportunities provided by migration and are protected and safe, which is a central focus of LIFT's migration programme. In 2016, LIFT carried out research on the gendered dynamics of migration in Myanmar to inform its migration programme and government policies. The On The Move migration survey was published in 2016 and further research on the policies and practices needed to support women migrants began.<sup>87</sup>

LIFT's migration programme also works to ensure safe migration for women by working on ratifying Convention 189 on Decent Work for Domestic Workers and developing effective regulations. In 2016, interactions with the Ministry of Labour, Immigration and Population on trafficking, migration and women's employment focused on this convention and led to discussions on the concept of women's empowerment versus protectionism and discussions on domestic workers.

The year 2016 also saw an increased focus on highly vulnerable women migrants and a new project was signed with the Eden organisation, which supports female migrants who have become sex workers in the Yangon area. For more information see Chapter 4.

### Policy

LIFT works to enable greater gender equality in Myanmar by engaging in relevant policy dialogues. During 2016, LIFT continued to work closely with the government on gender-based policy development and achieved notable progress through its partner, the Gender Equality Network (GEN). In 2016, GEN met with ministers and MPs to advance discussions on the Prevention and Protection of Violence Against Women Law; and in March, GEN held a workshop on women's participation in governance that attracted over 100 members of parliament. In 2016, GEN also achieved a seat on the Myanmar National Committee for Women's Affairs, a high-level interministerial commission that provides a critical avenue to advocate for the implementation of National Strategic Plan for the Advancement of Women (NSPAW) and The Convention on the Elimination of all Forms of Discrimination Against Women (CEDAW), and gender equality in all sectors.

<sup>84</sup> The figures related to the clients are as of early 2017. The figures relating to staff are as of June 2016.

<sup>85</sup> Van den Bold, Quisumbing, Gillespie, 'Women's Empowerment and Nutrition. An Evidence Review', 2013

<sup>86</sup> BRIDGE at the Institute of Development Studies, University of Sussex, Brighton, 'Gender and Migration Overview Report', 2005

<sup>87</sup> The World Bank, 'On the Move, Migration Survey', LIFT, Yangon, 2016

## 5.4 Social protection

Myanmar's increasingly dynamic economic and social context is generating new opportunities for many individuals and households to improve their livelihoods. The capacity of rural households to benefit from such opportunities, however, can be undermined by sudden shocks, such as illness or severe weather events, as well as socio-economic stresses arising from poor nutrition, social dislocation and poverty. The government's National Social Protection Strategic Plan aims to: (1) prevent and alleviate economic and social vulnerabilities, (2) promote access to essential services and economic opportunity, and (3) facilitate the ability to better cope with sudden shocks and stresses. LIFT supports the government's social protection objectives with targeted activities that strengthen the institutional capacity of government, promote inclusion and equality, and increase the resilience of the target communities.

### Supporting government

In 2016, LIFT's social protection partner HelpAge International (HAI) continued to work closely with the Ministry of Social Welfare, Relief and Resettlement to strengthen institutional capacities in support of sustainable social protection objectives. In September 2016, the Law Relating to Older Persons was enacted by parliament. A national policy and a five-year action plan on ageing were also initiated in 2016 and will be completed in 2017. In June 2016, a one-year cash transfer pilot project led by the Department of Social Welfare in collaboration with HelpAge was completed. The Ministry used the evaluation report of the pilot project as reference for the design of the upcoming Chin State MCCT programme. Another significant achievement of this project was the Planning and Finance Commission's decision to increase the ministry's budget for the financial year 2017-18, to scale up the first government-funded national social pension for people aged over 90 years.

### Supporting communities

In addition to policy level engagement with government at the national level, LIFT also supported projects that work actively with communities at the grass-root level. LIFT funded a social protection project in the Dry Zone programme that is being implemented by HelpAge International and its local partner the Young Men's Christian Association (YMCA) of Mandalay. The project aims to tackle two main problems: the lack of strong community mechanisms to address the vulnerabilities of the elderly, and the lack of government awareness and experience to put its social protection plans into action at household and community levels. During 2016, the project trained 40 village social protection committees to develop their village social protection annual plans and provided financing to establish village-based social protection mechanisms. The project also engaged local government in the cash transfer component of the project through training sessions, learning events and monitoring visits. By December 2016, the project had delivered cash to 597 people aged over 85 years in the project villages. A cash distribution mechanism for people with disabilities is still being designed and is projected to begin in 2017.

LIFT also funded another social protection project implemented by the Social Policy and Poverty Research Group in Sagaing Region. The project aims to assess and build the capacity of traditional community organisations and systems to deliver social protection. By the end of 2016, 19 villages had received their seed funding for the funds and had started social protection activities in the villages. Each village's committee establishes their own priorities and must manage the funds transparently. The average annual spending for community-based social protection activities is around USD 1,100 per village. The funds mostly provide support for funeral funds and emergency health support as the villages are located in remote areas away from public health infrastructure.

### Social protection community of practice

LIFT developed a set of social protection guidelines that were disseminated to all the implementing partners and posted on LIFT's website in July 2016. A social protection community of practice workshop was organised by LIFT in November 2016. This provided the first opportunity for LIFT partners working in social protection to share their experiences and learn from their work. These workshops will be organised on a regular basis to encourage sharing and learning among LIFT's implementing partners.

## 6. POLICY AND GOVERNMENT SUPPORT

LIFT continues to provide support to government and engage with government policy across its entire programme, particularly in policy areas of most relevance to LIFT's objectives.

### 6.1 Nutrition

#### Policy context

The Government of Myanmar is increasingly aware of the need for concerted action to address the complex issues associated with nutrition in Myanmar. During a recent visit to a LIFT-supported nutrition project in the Dry Zone, State Counselor Daw Aung San Suu Kyi clearly signaled that nutrition was a policy priority for the Government of Myanmar. The State Counselor observed that nutrition was a multi-dimensional challenge that required well-coordinated efforts across a number of ministries, including the Ministry of Agriculture, Livestock, and Irrigation; Ministry of Education; Ministry of Health and Sports, and Ministry of Social Welfare, Relief, and Resettlement.

The Ministry of Social Welfare, Relief, and Resettlement coordinates the implementation of the National Social Protection Strategic Plan, which includes a maternal and child cash transfer (MCCT) component as one of eight flagship programmes. The overall objective of the MCCT is to improve nutritional outcomes for all pregnant and breastfeeding mothers, and their children during the crucial first 1,000 days of life. The Ministry of Health and Sports also plays a key role regarding nutrition policy in Myanmar, along with the Department of Public Health, the National Nutrition Centre and the Health Literacy Promotion Unit. All play important roles by including nutrition education in the delivery of maternal and child health care services through rural health centres.

#### LIFT's policy engagement

Improving nutrition for pregnant women and their children is a policy priority for LIFT. This policy focuses on three areas of action: (1) promoting MCCTs, (2) increasing the consumption of micronutrients by promoting the production and distribution of fortified rice, and (3) generating research and evidence.

#### Maternal and child cash transfers (MCCT)

A key component of LIFT's strategy to influence nutrition policy has been its support for MCCT pilot programming that provides a strong evidence base for informing government policy and practices. LIFT supports Save the Children's MCCT pilot programmes in Rakhine, the Delta, and the Dry Zone. Each of these programmes employs a different model concerning cash transfer mechanisms and nutrition education, as well as government and community involvement. The lessons learned from these approaches will inform government efforts to scale up MCCT programming on a sustainable basis in the future. Key lessons are:

- Active government leadership and cross-sector coordination at national and local levels are crucial factors for successful programmes.
- Cash transfers and social behaviour change communication (SBCC) messaging are both needed to promote better nutrition outcomes.
- Community groups, such as mother-to-mother support groups, play instrumental roles in promoting programme effectiveness.
- High rates of migration in the community can pose significant implementation challenges for MCCT programming.

#### Micronutrients

LIFT supports a PATH project that focuses on making micronutrients more readily available to consumers through the production and distribution of nutrient-fortified rice. The Ministry of Health and Sports is a strong proponent of fortified rice. In March 2016, the project helped establish the government-led Rice Fortification Working Group (RFGW) under the National Rice Fortification Policy. The group is chaired by the National Nutrition Centre. It is developing national policy recommendations for rice fortification to ensure a supportive regulatory environment with effective quality standards. In June 2016, the PATH project received approval from Myanmar's Food and Drug Authority to produce fortified kernels at three private-sector, fortified rice production

facilities in Yangon. Using ‘hot extrusion’ technology, rice flour is combined with micronutrients, including iron, zinc, vitamin A, thiamin, folic acid, and other B vitamins. The fortified rice is distributed through private and public sector partners. Women, young children, and vulnerable populations, such as those with HIV and tuberculosis, are reached through social safety net programs. Myanmar Business Development Consulting coordinates outreach and distribution to retailers. The World Food Programme, UNICEF, and World Vision help guide the overall project, with particular focus on social sector distribution.

### Research and Evidence

An integral component of Save the Children’s LEGACY programme in the Dry Zone is research to build a coherent case for best practice in both maternal cash transfers and SBCC delivery modalities in Myanmar. Innovations for Policy Action (IPA) is testing two cash delivery modalities to determine the most feasible system, and determine the value SBCC delivery adds to nutrition outcomes. The IPA research will generate evidence concerning MCCT design and implementation modalities at national and global levels.

In March 2016, LIFT published two analytical reports on undernutrition in Myanmar in order to strengthen the evidence base for nutrition programming. The Leveraging Essential Nutrition Action to Reduce Malnutrition (LEARN) project’s reports provide a critical review of the literature regarding nutrition and an analysis of LIFT’s household survey data. PATH also completed a landscape analysis of the rice sector to provide more comprehensive information to help policy makers prioritise recommendations made by the Rice Fortification Working Group.

### Work with Government

LIFT is now also working directly with government to help scale up MCCT programming. LIFT has agreed to support the Department of Social Welfare’s MCCT nutrition programme in Chin State for a two year period (2017-2019). Chin State was chosen as it has the highest incidence of stunting in the country, and is also one of the poorest states. The total cost of the MCCT component of the programme is estimated to be USD 9 million. The total number of beneficiaries is projected to be 70,000 from 40,000 households, including almost 40,000 pregnant women and more than 29,000 children. An additional USD 4 million will be provided to support complementary initiatives, including support for a post-cash distribution monitoring mechanism, and strengthening the SBCC capacities of local health care providers (e.g. midwives and auxiliary midwives).

The design of the MCCT programme has been informed by the operational performance and programme outcomes of LIFT-supported initiatives elsewhere in Myanmar, most notably MCCT pilot projects in the Delta, Dry Zone, and Rakhine in partnership with Save the Children. This is the first time that LIFT is providing financial support directly for a government-led initiative in Myanmar. As such, it provides a unique opportunity for LIFT to work directly with, and in support of, the government’s cross-sector nutrition and social protection policy objectives.

The government’s decision to implement a statewide maternal and child nutrition programme with universal coverage of all pregnant women and women with children under two years is a significant indication of its commitment to addressing chronic malnutrition in Myanmar. This commitment is further reflected by the government’s intention to assume full financial and management responsibility for MCCT programming in Chin State from the third year onward, as well as to scale up MCCT coverage in Rakhine and Naga, and eventually achieve nationwide coverage.

The programme also reflects the government’s cross-sectoral approach to achieving improved nutrition outcomes throughout the country. The Chin State MCCT programme will involve collaboration between the Department of Social welfare, the Department of Public Health and the General Administration Department. LIFT will work closely with 3MDG and its implementing partners to strengthen local health system capacities for nutrition education and SBCC messaging in all nine townships.

### Policy Partnerships

LIFT will also partner with Save the Children and UNICEF to help the Department of Social Welfare establish and strengthen important policy-support measures for MMCT programming. LIFT will collaborate with both agencies to develop comprehensive monitoring and evaluation and management information systems that will improve the effectiveness and efficiency of programme performance. LIFT has worked closely with UNICEF to develop a baseline survey that will provide further evidence to government for scaling up programmes. Looking to the future, LIFT will also work with the Department of Social Welfare and other partners to explore the opportunities of using digital systems for transferring cash to beneficiaries and SBCC messaging.

LIFT continues to help development partners influence policy ‘windows of opportunity’, and support high-level coordination on nutrition. In early 2016, LIFT became an active member of the UN Network on Nutrition and Food Security and the Scaling up Nutrition (SUN) movement. LIFT contributed to the UN network’s annual work plan and annual reporting to strengthen SUN-wide accountability and track progress towards achieving the network’s outcomes and outputs. The exercise is part of a broader UN network monitoring and evaluation framework.

LIFT’s support for LEARN plays an important role in helping LIFT’s implementing partners effectively implement nutrition-sensitive projects. In December 2016, LEARN assumed the secretariat for the Myanmar National SUN Civil Society Alliance, which gathers civil society organisations to engage in policy advocacy and collective learning. The SUN Civil Society Alliance is one of four networks in the Myanmar SUN multi-stakeholder platform, alongside government, UN and donor networks.

LIFT and 3MDG aim to recruit a Nutrition Policy Specialist in early 2017. The nutrition policy specialist position will enable the two organisations to significantly increase their policy analysis and policy advocacy work on maternal and child nutrition.

## 6.2 Land Tenure

Land is the most valuable asset for most rural families. Land tenure security for smallholder farmers, however, has been undermined by poor governance and land administration systems. In Myanmar’s new market economy land prices have risen quickly in urban, peri-urban and rural areas. The emergence of uncontrolled, informal land markets and speculative investments keeps land unproductive, promotes land conflicts, and creates new forms of social and economic exclusion.

In addition to resolving land conflicts and other grievances that have accumulated over the years, the new government recognises the importance of improving land governance within the framework of a reform agenda for a stronger rule of law. It sets clear priorities to: 1) resolve land conflicts, 2) strengthen land tenure security, including the recognition of customary land rights, 3) improve access to land for the landless, 4) increase smallholder productivity and free crop choice, and 5) strengthen the role of farmer associations.

These priorities are in line with the National Land Use Policy (NLUP) endorsed by the previous government in early 2016. The policy was the result of a broad consultation process involving government, civil society and farmers, as well as local and international land management experts. LIFT, through its partners in the Land Core Group, contributed to this dialogue by facilitating the participation of civil society organisations across the country in the consultations that resulted in the NLUP.

It will now be important for the government to establish a National Land Use Council (NLUC), or similar cross-sector institution, to initiate and oversee the implementation of the NLUP. Such a council would identify priorities, establish a clear implementation plan, and mobilise resources. LIFT is committed to continuing its support for government efforts to operationalise the NLUP by providing technical expertise and strengthening institutional capacities at all levels of government for land management and administration. In 2016, LIFT collaborated with the European Union, the Food and Agriculture Organization (FAO) and USAID to place two international land policy experts

within the Policy Research Unit housed within the Ministry of Agriculture, Livestock and Irrigation's office. LIFT has also supported the ministry with the development of the Agriculture Development Strategy, which includes a comprehensive set of land reform initiatives. The implementation of such measures will be an important first step to putting several NLUP recommendations into practice.

The investment and capacity building requirements, however, are beyond the scope of what LIFT can provide on its own. LIFT is therefore prepared to continue working with the ministry, development partners, civil society, and private sector actors to achieve improved public services in the land sector according to the new government's priorities. LIFT also supports practical regional and local land tenure interventions.

### **Ayeyarwady Land Allocation Programme**

In 2016, LIFT supported the Ayeyarwady Regional Government to allocate public land to 442 landless households in Pyapon Township. LIFT supported an independent field assessment of the planned pilot sites to ensure the government has sufficient knowledge about current land use, the potential for agriculture, the needs of local communities, the various land claims within the communities, and the conflicts surrounding such claims. LIFT's strategic partner Land Core Group led the assessment. LIFT also collaborated with WHH and GRET to provide agriculture extension and financial services to newly-landed households to help increase their productivity. Similar support was also provided to neighbouring communities. The government expressed appreciation for the land tenure assessment that informed the work in Pyapon and has requested LIFT to support additional assessments.

### **GRET Land Research**

GRET's land research aims to build a better understanding of rural households' existing practices for accessing land and how transactions are managed, formally or informally. In May 2016, GRET presented the results of a 2015 survey on land access practices and issues in the Yangon peri-urban area of Htantabin Township. The workshop was attended by a large number of government officials, NGOs, and experts working on urban/peri-urban planning in Myanmar.

GRET also expanded its research to the peri-urban areas of Hakha, Chin State. The final report, *Persistence and Change in Hakha Chin land and resource tenure: A Study on Land Dynamics in Urban and Peri-urban Hakha*, was recently published. The research documents the evolution of Hakha land tenure systems since the British annexation to better understand land tenure issues that individuals face today. GRET's land research is now focusing on peri-urban areas around Mandalay.

### **Land Core Group**

The Land Core Group initiated a new LIFT project to build on, and expand, their ongoing work on inclusive land policy dialogue, smallholders' land rights awareness, coordination of land sector CSO, engaging private companies investing in land, and conducting land research.

In addition to their work on the National Land Use Policy and the Land Tenure Assessment in the Ayeyarwady region, the LCG promoted increased understanding among CSOs about issues concerning customary tenure and contract farming. The project launched two major reports on these topics in advocacy style workshops. The project also funded and facilitated the ASDO-organised Farmers, Fishers and Rural Development Forum in Ayeyarwady with relevant line ministries to identify key challenges faced by farmers and fishers. The project also provided design support, and facilitated the Form 7 workshop organised by Spectrum with Pyithu Hluttaw's Farmers Affairs Committee in Nay Pyi Taw Parliament. Land Core Group organised a national dialogue about local communities' land and resource access rights in areas designated for conservation. The LCG also trained trainers from six CSOs on land law awareness. These CSOs then led trainings in 226 communities.

### **UN-Habitat**

Between 2013 and early 2016, LIFT funded UN-Habitat to support the Department of Agricultural Land Management and Statistics to pilot new land administration systems using modern technologies. This project showed that new technologies can reduce costs, increase efficiency and improve the accuracy of land records. A strong land administration system is the foundation for other reforms leading to fair and responsive land tenure governance that meets citizens' needs.

## 6.3 Agriculture

In 2016, LIFT supported the Ministry of Agriculture, Livestock and Irrigation with policy development in the areas of food security monitoring, public expenditure review and strategy development.

### Agriculture policy and public expenditure review

LIFT funded the World Bank to prepare the Myanmar: Agricultural Policy and Public Expenditure Review to inform policy discussions in Myanmar on how to increase the impact of public spending on agricultural growth. While government allocations for agricultural programmes have been rising over time, agricultural growth in Myanmar has remained low, lagging behind both its potential and people's expectations.

The report reviews public agricultural expenditure from 2009 to 2017, analysing the level of spending and the functional and economic composition of expenditure; and examines the implementation of programmes relating to irrigation, mechanisation, seeds, agricultural finance and fisheries. It also covers projects financed by donors and analyses policies and regulations that limit public expenditure rates of return.

This work sets up a baseline on public spending and provides recommendations on policy and budget adjustments necessary to increase the impact of public spending on agricultural growth. It also guides donors on the areas where the government needs the most support, such as research, extension and capacity building. The government is encouraged to incorporate lessons learned from the donor projects into the core government programmes to improve efficiency and effectiveness.

### Global Agriculture and Food Security Program (GAFSP)

The Global Agriculture and Food Security Program (GAFSP) provides grant funding to eligible countries for strategic programmes to alleviate poverty, improve rural incomes, and improve food and nutrition security. It aligns well with LIFT's strategic objectives.

USAID and LIFT approached the Deputy Minister of Agriculture, Livestock and Irrigation regarding the GAFSP Call for Proposals,<sup>88</sup> and it was decided that Myanmar would submit a proposal. The Asian Development Bank (ADB), FAO and LIFT provided technical assistance to help prepare the proposal.

Myanmar's GAFSP proposal, together with an agriculture development strategy and investment plan, was submitted to GAFSP in January 2017. In March, 2017 the Myanmar government was awarded a USD 27 million grant from GAFSP. The award triggers an ADB concessional loan of at least USD 35 million. LIFT's policy engagement and influence was significant in the success and can be measured by the increase in ministry programming by at least USD 62 million.

### Food security monitoring

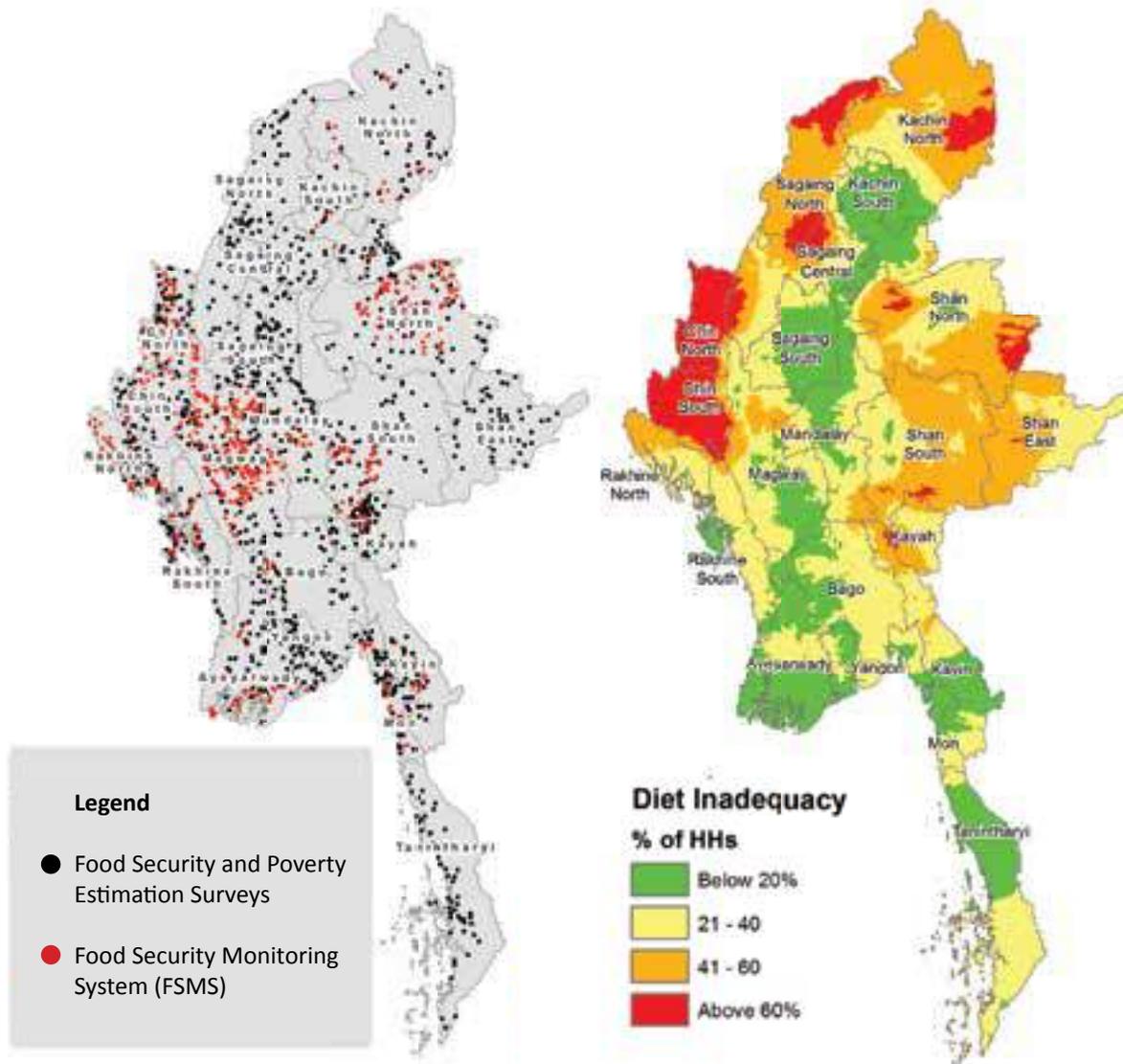
The Improved Food Security and Market Price Information System is a four-year project financed by LIFT and implemented by the Vulnerability Analysis and Mapping Unit of the United Nations World Food Programme (WFP). The project contributes to building the capacity of the government on food security analysis and survey work and creates a systematic approach for the collection, analysis and dissemination of information on food security.

The project provided technical assistance to the Department of Rural Development on a series of food security and poverty estimation surveys that covered 278 rural townships and established a system that provides regular information on food security and market prices in 110 townships in eight states and regions (See Figure 6.1 left). Through the establishment of nine resource centres, a network for knowledge sharing and capacity strengthening, the project delivered quality training sessions on survey work, data analysis and mapping to government institutions at national and regional levels.

The project built a unique body of knowledge that increased understanding on chronic and acute food insecurity in the country (See Figure 6.1 right). Beyond this system, no other initiatives exist

<sup>88</sup>The GAFSP Public Sector Window has allocated \$1.02 billion in recipient-executed funding to 30 low-income countries in Africa, Asia, Latin America, and the Caribbean.

in Myanmar that provide detailed information on food security at the township level to support evidence-based policies and decision making through improved targeting and response.



### Agriculture development strategy

In 2016, the Ministry of Agriculture, Livestock and Irrigation requested ADB, FAO, and LIFT to support the drafting of an agriculture sector strategy. The intention of the strategy is to guide agricultural development and policy implementation, and to coordinate actors, programmes, plans and investment.

The strategy is an integrated and shared document, which government, the private sector, civil society, and development partners have contributed to by proposing various approaches to agricultural development. It is in effect an operational plan for implementing the government’s recently developed agriculture policy. The implementation of the strategy requires an investment plan to clarify the results that need to be achieved by different stakeholders. Each activity is costed and indicative funding sources are identified so that stakeholders have a better idea of the financial, physical and human resources required and the contribution of different funding sources.

Since September 2016, a team of national and international consultants mobilised by ADB, FAO, and LIFT have worked under the guidance of the ministry on the formulation of the strategy. The team is consulting broadly with the ministry, other government agencies, development partners, civil society organisations and the private sector. In 2017, consultations will be extended to the regions and states to further enrich the content of the strategy and ensure it incorporates the views of a broad range of stakeholders and harmonises local and central agricultural plans.

## 6.4 Financial inclusion

### Support to rural finance policy development for economic transformation

By 2016, LIFT's implementing partners for financial inclusion reached beyond microfinance institutions to include other financial service providers such as cooperatives, private banks and investors. LIFT achieved these partnership developments through the support of government, and LIFT's continuing investment in policy and regulatory development.

The rural finance sector is significantly constrained by the lack of capital. Capital sources are primarily donor capital, government budget or borrowing, retained earnings (from net income) and client savings. Commercial banks only recently began investing in rural areas. The government's policy environment was flexible in 2016 to addressing the sector's need for growth, and the safety and soundness of rural financial institutions.

### Microfinance

The removal of the ratio of voluntary savings to the loan amount, and the opening of debt financing opportunities for microfinance institutions, were significant developments in microfinance sector policy in 2016 that contributed to addressing capital constraints. LIFT engaged with the Financial Regulatory Department, the Central Bank of Myanmar and the Ministry of Planning and Finance to educate and advocate for foreign direct investment to be permitted into microfinance institutions. LIFT successfully introduced currency exchange risk hedging services through The Currency Exchange Fund (TCX) to enable foreign direct investors to invest in Myanmar's microfinance market. The TCX investment window was fully subscribed at the end of 2016 with a total investment of USD 70.6 million in debt financing to 13 Myanmar microfinance institutions (MFIs). See Chapter 4.1 for more detail.

LIFT strongly advocated for the removal of the maximum ratio of voluntary savings to loan amount, and the introduction of mandatory requirements for deposit-taking by microfinance institutions. The government increased the minimum paid up capital required from MMK 30 million (USD 23,000) to MMK 300 million (230,700) and introduced a licensing system that incorporates onsite and offsite examination of MFIs by the Financial Regulatory Department. LIFT welcomed these regulatory developments as they strengthen the safety and soundness of MFIs engaged in mobilising deposits. LIFT will contribute further to this regulatory change by providing technical assistance to the Financial Regulatory Department for establishing and developing their examination team and their approach to deposit-taking MFIs.

One focus of LIFT's rural finance policy work in 2017 will be to advocate for new regulations relating to MFIs holding foreign currency accounts on their balance sheets. The goal of the regulations is to permit back-to-back financial transactions that lead to responsible leveraging of MFI capital in a safe and sound way, and creating links between MFIs and the commercial banking sector.

LIFT will also work to develop the capacity of the Financial Regulatory Department and the Ministry of Planning and Finance to carry out prudential regulation and supervision of MFIs. The department must be able to enforce regulations and prudential norms through prompt and corrective actions when necessary. This is critically important as the government has committed to allowing MFIs to take deposits. Without a structured approach to ensure that MFIs mobilise deposits and private capital responsibly, sustainable rural development will be hampered. LIFT has committed to fund an examiner position in 2017 within the Financial Regulatory Department.

### Cooperatives

Myanmar's financial cooperatives mostly act as a mechanism for transferring government borrowed funds to small village lenders. Cooperatives are almost an appendage of the government and regulated broadly by the Cooperative Law. After the introduction of the Microfinance Law in 2013, 77 financial cooperatives applied and received licences. However, by 2016 all these cooperatives had surrendered their licences because of difficulties complying with microfinance regulations relating to paid-up capital, minimum liquidity ratios and the need for management information systems to report monthly data.

With government consent, LIFT invested in the cooperative sector in 2016 and the Canadian Cooperative Association Credit Union project began in the Dry Zone. The project will implement safe and sound lending practices, management reports that focus on the financial performance of township-level credit unions, and the development of a more diverse and sustainable capital structure. It is hoped that with the introduction of a sustainable credit union model, independent of government, there will be a demand to introduce specific credit cooperative/credit union legislation and regulations in the future.

During the last quarter of 2016, the government reached out to equipment dealers, commercial banks and the donor community to support the modernisation of Myanmar's agriculture through mechanisation. The LIFT/Yoma Bank Agribusiness Finance Programme will support the implementation of the government's mechanisation strategy. The Ministry of Agriculture, Livestock and Irrigation and the Agricultural Mechanisation Department will be responsible for making small and medium business referrals to three Yoma Bank equipment dealers under the AFP. For this government programme, the AFP will finance 500 tractors, through New Holland and its distributor CPCL, valued at USD 12.5 million.

## 6.5 Support to the Department of Rural Development

LIFT's technical assistance team of 26 people, based in Nay Pyi Taw, at the Ministry of Agriculture, Livestock and Irrigation's Department of Rural Development, continue to support the department to build capacity and systems.

In 2014, LIFT placed two advisers in the department office and in 2015 LIFT recruited 25 national consultants to join the team. The national consultants are now led by one international senior strategic adviser. LIFT helped the department develop a three-year *Comprehensive Capacity Development Plan* that includes 15 sets of activities to be implemented by the end of 2017. The department asked LIFT's team to assist them to develop the institutional mechanisms, organisational systems and technical competence of its officers and other government agencies to implement the activities.

### Supporting the government's village development planning

A major activity is the development of a national model for village development planning and investment programming that contributes to the government's 'bottom-up' planning and budgeting strategy.

In 2016, much of the LIFT team's work related to village development planning, ensuring that government capacity was strategically developed at each stage of the technical and institutional process.

The national model was field tested in 10 villages in two townships in early 2015 and led to a larger village development planning pilot in 170 villages in 34 townships across the country. The pilot was completed in 2015 and in 2016 LIFT began supporting staff from the Department of Rural Development at each of the 34 pilot townships to help communities in the villages develop their annual village investment programme for the government's 2015-16 budget cycle. The department then made an investment allocation of MMK 5 million (USD 3,800) to each of the 170 pilot villages, to demonstrate the effective application of village development planning and its accompanying investment programme.

Having successfully accomplished the village development planning pilot exercise, the Department of Rural Development and LIFT developed a methodology to scale up the process to cover the country's 63,900 villages in 298 rural townships. This is an ambitious task, which had not previously been on the agenda of government agencies or the country's development partners.

By December 2016, a total of 130 township Department of Rural Development officers were trained on the methodology and approach. They in turn trained 10,600 village resident planners who are now actively engaged in data collection and producing their village development plans. In 2017, villages will be assisted to implement the priority projects they have identified. These projects will be aligned with township development budgets for 2017-18 through an online village development plan project database.

## 7. FUND MANAGEMENT

### 7.1 Governance issues

#### Government inclusion in the LIFT Fund Board

In 2015, LIFT established the government-chaired Senior Consultation Group in order to increase the role of government in the governance of LIFT without providing formal decision making authority in the selection of projects for LIFT funding. The Senior Consultation Group, which comprised representatives from the government, implementing partners, civil society and the private sector, served as an advisory body and 'sounding board' for the Fund Board.

In March 2016, after the election of the new NLD-led government, the donors to LIFT agreed to go a step further and invited the newly-formed Ministry of Agriculture, Livestock and Irrigation to join the Fund Board. The government accepted the invitation and assigned the Department of Planning within the ministry to perform the role of Fund Board member. The first meeting with government representation occurred in September 2016. The government's participation in the LIFT Fund Board eliminates the primary function of the Senior Consultation Group and alternative mechanisms for getting civil society and private sector input to the Fund Board are being considered.

#### Change in operational guidelines to allow fund flow to the Government of Myanmar

In December 2016, in line with the continued normalisation of relations with the Government of Myanmar the LIFT Donor Consortium approved the principle of providing finance directly to the government for a new government-run nutrition programme in Chin State. This represents a material change in the LIFT Operational Guidelines. It was agreed that LIFT could provide funds to the government under the following conditions:

- Funds transferred to the government must be for activities with low budget complexity. For example, for the Chin programme, all the funds transferred are earmarked for beneficiary cash transfers to individual households.
- UNOPS must sign a Project Cooperation Agreement for this activity with the respective Union-level government department or ministry.
- Funds will be transferred only to a designated bank account established by the government for the project as described in the Project Cooperation Agreement (PCA).
- Funds will be transferred incrementally against an approved work plan.
- UNOPS will ensure substantial involvement throughout the process including the provision of technical support, spot checks that funds are used only for activities in the approved work plan, and in accordance with the terms of the PCA and UNOPS Financial Rules and Regulations.
- A grievance or complaints mechanism deemed appropriate by UNOPS is established for the project activities.

#### New chairs for the Fund Board and Donor Consortium

In December 2016, the donors to LIFT endorsed the United Kingdom as the new LIFT Fund Board Chair and the European Union as the new LIFT Donor Consortium Chair.

#### Policy on restricted contributions

Despite significant new contributions in recent years from existing donors to LIFT, nearly all of LIFT's funding has been allocated to programmes. Therefore, at the beginning of the year, the Fund Board explored options for encouraging new donors to join LIFT in order to: (i) provide new resources for programming; and, (ii) achieve more balance in donor contributions. In March, the Fund Board endorsed the principle of accepting restricted financial contributions under certain conditions. A formal policy on restricted financial contributions was subsequently approved by the Donor Consortium.

#### LIFT's interim review

An interim review of LIFT was commissioned by the Fund Board in November, 2016 to evaluate LIFT's performance at the mid-point of the current funding period against its current strategy. The interim review focussed on nine overarching questions that included examination of the opportunities and challenges for LIFT post 2018. The independent review team conducted extensive interviews with LIFT's FMO, the Fund Board, government representatives, implementing

partners and other stakeholders. The review concluded that LIFT was performing well against all the performance questions and found that LIFT's results align well with the LIFT strategy, including the objectives of helping people 'step up', 'step out' and 'hang in'. Recommendations were made about where effectiveness could be strengthened, particularly relating to government and policy support, gender mainstreaming, communicating value for money considerations in decision making and consolidating the fund's learning. The review acknowledges that LIFT's work in 2016 is already contributing in all these areas. In 2017, LIFT will continue to work towards developing government capacity, strengthening gender and climate change adaptation in programmes and communicating value for money considerations in decision making. The review recommended that a successor programme to LIFT needs to be planned and designed. LIFT will commission a series of scoping studies and work internally on considerations for the next phase in 2017.

## 7.2 Allocation of LIFT funds

LIFT uses a couple of indicators to track the degree to which funds are allocated in line with Fund Board policies and are accounted for in a transparent manner. As seen from the table below, the Fund Management Office (FMO) continues to have robust financial and management controls in place and is implementing them consistently. The annual audit of LIFT's FMO for the year 2015 was carried out in May 2016. The auditors gave a satisfactory rating overall, as well as satisfactory ratings on the various functional areas that were in the scope of the audit, such as project management, finance, procurement, human resources and general administration. The audit report had no observations.

In terms of audits of implementing partners, 34 projects had expenditure audited in 2016 with a total of five observations rated as 'high priority' by the auditors. This compares to eight 'high priority' observations from 44 implementing partner audits in 2015.

Table 7.1: Allocation of LIFT funds for 2016

Indicators	LIFT target for 2016	Achieved in 2016	per cent achieved
% of clear Fund Board (FB) recommendations implemented by Fund Manager (FM) within given deadlines	100%	95% <sup>89</sup>	95%
% and number of audit areas (both FM and IPs) rated 'high priority' by the auditors	0 for all parties	10 for all parties <sup>90</sup>	

Figure 7.2: Proportion of grant funding by type of implementing partner to end 2016



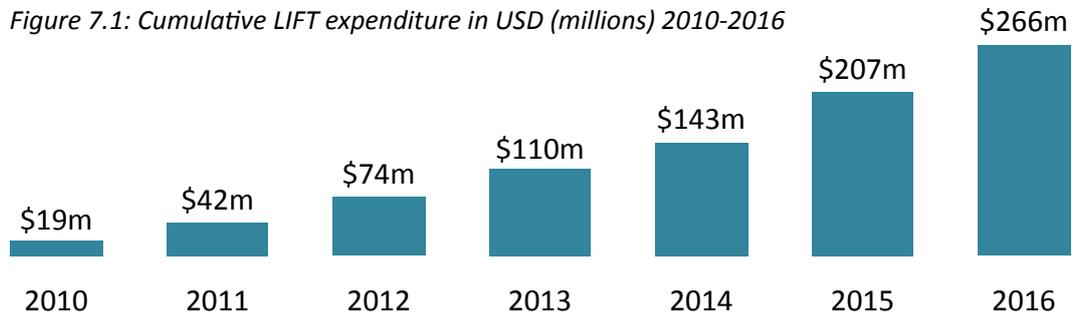
<sup>89</sup> There were 80 Fund Board recommended actions for the Fund Manager arising from the three Fund Board meetings in 2016, 76 of which were implemented within the given deadlines.

<sup>90</sup> There were 10 'high priority' audit observations for the IPs (out of 168 observations in total) and none for the FMO in its 2015 expenditure. The audits of 2016 expenditure will take place in 2017.

Table 7.2: Project status by funding window

Funding windows	Contracts signed		Projects finished D	Ongoing projects E=C-D	Contract amendments	
	Up to end 2015 B	Up to end Dec 2016 C			As of end Dec 2015 G	As of end Dec 2016 H
Delta 1	22	22	22	0	31	31
Countrywide	19	19	18	1	47	48
Delta 2	10	10	10	0	25	25
Other (Direct grants & QSEM)	3	4	2	2	6	6
Learning and innovation	27	27	14	13	46	55
Financial inclusion	14	16	4	12	9	15
Rakhine	10	11	4	7	6	7
Dry Zone	7	12	2	10	3	5
Delta 3	5	9	0	9	0	3
Upland	4	11	4	7	0	0
Private sector	2	2	0	2	0	0
Migration	1	4	0	4	1	1
Civil society	3	3	0	3	0	0
Flood response	3	3	3	0	2	2
Extra nutrition	0	1	0	1	0	0
<b>Grand Total</b>	<b>130</b>	<b>154</b>	<b>83</b>	<b>71</b>	<b>176</b>	<b>198</b>

Figure 7.1: Cumulative LIFT expenditure in USD (millions) 2010-2016



### 7.3 Fund flow and partner performance

LIFT uses two indicators to track fund flow performance. As seen from Table 7.4, LIFT implementing partners follow the LIFT operating guidelines closely and have good financial controls in place. From 34 project audits in 2016, only 2.1 per cent of the total expenditure incurred by the IPs was determined to be ineligible.

Table 7.3: Grants signed 2016 (projects)

Sr.	Organisation/implementing partner name	Funding window	Budget (USD)
1	GRET - small grants	Delta 3	2,119,898
2	Link Emergency Aid & Development (LEAD)	Delta 3	407,305
3	Metta Development Foundation	Delta 3	803,942
4	Radanar Aayar	Delta 3	729,281
5	Golden Plain Livelihood Development Services Co-operative Ltd.	Dry Zone	729,636
6	IWMI	Dry Zone	1,100,015
7	Myanmar Professional Workers Association (MPSWA)	Dry Zone	782,432
8	PGMF	Dry Zone	1,824,631
9	UN-HABITAT	Dry Zone	4,400,000
10	UNOPS	Dry Zone	3,900,000
11	CCA	Financial Inclusion	3,000,000
12	Cordaid Foundation	Financial Inclusion	1,000,000
13	BBC Media Action	Migration	1,975,602
14	International Labour Organisation (ILO)	Migration	1,999,754
15	Save the Children - LEARN II	Nutrition	1,175,790
16	World Bank - Study II	Other	1,100,000
17	Danish Refugee Council	Rakhine	2,648,223
18	Catholic Relief Services	Uplands	1,813,203
19	CDN/Stichting ZOA	Uplands	3,640,000
20	Chokei Organization for Rural and Agricultural Development (CORAD)	Uplands	2,204,212
21	Karen Development Network (KDN)	Uplands	1,837,414
22	Metta Development Foundation	Uplands	2,123,168
23	Myanmar Institute for Integrated Development (MIID)	Uplands	1,675,410
24	SwissAid (Small Grants)	Uplands	3,499,929
		<b>Total (USD)</b>	<b>46,489,845</b>

\*Note: The Pump Irrigation Project consists of several components. UNOPS is implementing the infrastructure component of the project, IWMI is responsible for the other components.

Table 7.4: Results for fund flow and implementing partner performance, 2016

Indicators	LIFT target for 2016	Milestone for 2015	Achieved at end 2016	per cent achieved
Percentage of funds released by FB that are in line with IP contracts	87%	87%	98% <sup>91</sup>	112%
Percentage of IPs for whom the FM completes a financial system review	100%	100%	100%	100%

Table 7.5: Summary of project management indicators by 'traffic light' category for 2016

Indicator	Low risk (Green)		Medium risk (Yellow)		High Risk (Red)	
	Threshold	per cent of grants (52)	Threshold	per cent of grants (52)	Threshold	per cent of grants (52)
1 Implementation rate	>90% on track	38%	71% - 90% on track	24%	<=70% on track	38%
2 Annual expenditure	>90% spent	30%	71% - 90% spent	32%	<=70% spent	38%
3 Reporting timelines	0 days late	77%	1 - 7 days late	21%	>8 days late	2%
4 Report completeness	100% complete	94%	71% - 99% complete	6%	<=70% complete	0%
5 Management controls*	0 open observation	64%	1 - 3 open observation	20%	>3 open observation	16%
<b>Overall rating 2016</b>	49%		45%		6%	
2015	41%		45%		14%	
2014	51%		37%		12%	
2013	48%		41%		12%	
2012	32%		41%		32%	

\* Note: the overall rating is assigned through a weighting of the risk assessment of each of the five indicators.

LIFT started using a tailored 'traffic light' system in 2012 to monitor the project management performance of all implementing partners. The results for the projects active in 2016 are summarised in Table 6.5 above. This year, 53 projects have been assessed with this tool, the highest number since the inception of LIFT (e.g. 23 projects in 2015 and 40 projects in 2014). LIFT had the highest number of live grants, in total 71 grants were ongoing at the end of December 2016, with a number of new partners. The 'traffic light' system is one of the tools used for risk and performance management. The implementing partners continue to show progress on the overall rating and against most of the other individual indicators, except the indicators on annual expenditures, which has been trending at a similar percentage over the past years. The number of 'high risk' projects has continued to decline each year. The LIFT FMO will work with the partners in 2017 to plan a more realistic annual budget as well as follow up on delays in implementation more closely.

<sup>91</sup> This is based on the amount of IP expenditure deemed ineligible as a proportion of total IP expenditure, based on the audit of 2015 expenditure. From the audits of IPs, a total of USD 742,100 was identified as ineligible expenditure, which represents 2.1% of total expenditure incurred by the IPs.

## 7.4 Finance

Table 7.6: Cumulative donor contributions up to 31 December 2016

Donor	Signed Commitments* (USD)	Per cent of total
Australia	25,824,627	5.9%
Denmark	9,991,566	2.3%
European Union	130,007,109	29.7%
France	1,319,800	0.3%
Ireland	1,107,080	0.3%
Italy	852,040	0.2%
Luxembourg	1,065,975	0.2%
Mitsubishi	200,000	0.0%
Netherlands	2,950,000	0.7%
New Zealand	809,650	0.2%
Sweden	2,725,776	0.6%
Switzerland	18,224,146	4.2%
United Kingdom	217,380,042	49.7%
United States	20,000,000	4.6%
UNDP/ PGMF	4,844,791	1.1%
Total donors' contribution	437,302,602	100%
Interest earned	2,018,850	
<b>Total</b>	<b>439,321,452</b>	

\* Commitments may vary slightly from 2015 figures due to changes in exchange rates.

Table 7.7 LIFT expenditure for 2016

Activity	Budget (USD)	Actual (USD)	Over/(under) spent	per cent
Programme implementation				
a) Grants to implementing partners	51,019,346	46,185,885	(4,833,461)	-9%
b) Non-grant support*	5,962,739	6,025,222	62,483	1%
Research	1,988,838	1,469,783	(519,055)	-26%
Operation of the Fund Manager's office	4,403,718	4,139,625	(264,093)	-6%
Support to the Fund Board	17,135	13,292	(3,843)	-22%
Facilities and administration	1,225,459	1,126,843	(98,616)	-8%
Total	64,617,235	58,960,650	(5,656,585)	-9%

\*Note: This includes programme costs such as TCX financial services and support to the Government through technical assistance.

The original projections for 2016 were considerably higher during the planning phase in 2015 when expected expenditure for 2016 was USD 83 million. During the implementation several conditions changed and had implications on the delivery for 2016. Therefore, the Fund Management Office revised the projections for 2016 in the semi-annual report to USD 64 million. The semi-annual report was approved by the Fund Board.

## 7.5 Value for money - LIFT

In 2015, the LIFT Fund Board tasked the FMO to develop and implement measures and methods to provide them and other decision makers with better information to maximise the impact of each dollar spent on improving poor people's lives. Thus, as part of LIFT's new MEAL system, the FMO developed a value for money (VfM) framework, followed by a set of guidelines, focusing on three domains:

1. **Operations:** instituting and documenting the ways LIFT ensures value for money principles are considered in the design, selection and management of projects and programmes
2. **Outreach:** calculating and considering the amount LIFT spends to reach individuals/households overall and within select programme components
3. **Outcomes:** calculating and considering the amount LIFT spends to achieve certain high-level outcomes among its target population and results in specific policy areas

In 2016, LIFT began using these measures and is now reporting on them for the first time. Although the figures below do not convey all of LIFT's value, the information can be used to assess and improve LIFT's economy, efficiency and effectiveness.

### Value for money in LIFT's operations

The following metrics report on the 37 projects, in aggregate, that were managed within LIFT's four geographic programmes in 2016.

Table 7.8: Value for Money measures for operations

Measure/Metric	Achievement
Number of projects providing value for money considerations in design	31 out of 37 (84%) projects in the geographic programmes contracted or extended in 2016 provided value for money considerations in their first and/or revised proposals.
Number of projects with identified cost drivers and controls	Of the 37 active projects in the geographic programmes in 2016, all 37 (100%) operated with identified cost drivers and controls.
Number of projects conducting value for money assessments	Eight projects in two of the geographic programmes plan to conduct value for money assessments. Such analyses are not applicable for many projects.
Percentage of projects on track performance/expenditure	Of the 37 projects in the geographic programmes: <ul style="list-style-type: none"> <li>• 7 (19%) have spent more than 90% of their planned budgets for 2016</li> <li>• 14 (38%) have spent between 71% and 90% of their planned budgets for 2016</li> <li>• 16 (43%) have spent less than 70% of their planned budgets for 2016</li> </ul>

### Value for money considerations in project design and selection

Of the four geographic programmes, two had sections in their calls for proposals (CfP) requesting specific value for money statements. Nevertheless, 31 out of 37, or 84 per cent, of the project proposals submitted in late 2015 and 2016 provided various kinds of value for money considerations in quantitative and/or qualitative terms, depending on the nature of the project. All successful applicants linked their technical and financial proposals in ways that enabled FMO staff to conduct value for money assessments. During the contract negotiation phase, promising projects were requested to provide additional value for money calculations and/or justifications. For example, projects working with producer groups were asked to build a business case that included the amount of capital the groups were expected to manage and to estimate the annual return on that capital. Some projects were also asked to add economic indicators and targets, so that later returns on investment and financial viability could be measured. Thus, nearly all of the proposals that were contracted or extended in 2016 underwent a rigorous review process that resulted in significant value for money-related improvements, including asking projects to leverage more funds, strengthen evidence-building efforts, and build specific capacities in more strategic ways.

### Cost Drivers and Controls

LIFT requires all of its projects to follow stringent budgeting, procurement and expenditure procedures to justify and control costs. Such procedures include requiring a breakdown and detailed justification of costs such as salaries and travel, and then comparing these costs across projects and with market prices in Myanmar. By doing so, projects' cost drivers are controlled first at the project level and then overseen by FMO at the programme level.

### Value for money assessments

Eight projects in two of the geographic programmes plan to conduct value for money assessments at the appropriate time. These studies include cost-benefit analyses of seed production, aquaculture activities, embankments, and community forestry, and social return on investment studies on farmers' organisations and livestock producers groups, voluntary savings and loan associations, maternal and child cash transfers, and vocational training. All mid-term project reviews and end-of-project evaluations include value for money considerations.

### Project Implementation on Track

More than half of LIFT's projects spent more than 70 per cent of their planned 2016 budgets. LIFT's programme managers are working closely on follow-up actions with the IPs whose projects did not. Several of these projects are still in their inception periods, and are well on track for increasing their expenditures in the near future. Other projects have faced delayed procurement processes and two projects<sup>92</sup> are working in conflict areas where project activities have not been allowed to start or continue. In 2017, the FMO will monitor projects' budgets and work plans carefully and communicate frequently with IPs, to ensure on-time project implementation.

### Value for money in LIFT's outreach

Based on expenditure reports and the number of households reached in 2016 through all programmes and projects, including financial inclusion, it is estimated that the cost of providing LIFT services was USD 36 for each household reached, or USD 8 for each individual within those households.

Because LIFT supports a wide variety of development activities, it is important to look at the cost of delivering key programme components.

Table 7.9: VfM in LIFT's Outreach by Select Programme Component for 2016

Programme Component	Number of Projects	Number of households reached 2016	LIFT expenditure 2016	Cost per household (USD)	Cost per individual (USD)
Agriculture production	17	54,216	8,322,418	154	35
Maternal and child cash transfer (MCCT)	4	22,025	1,714,947	78	NA
Microfinance (active clients)	10	1,635,932	23,789,358	14.5	3.3

Based on 2016 expenditure and reach reports, the cost of providing agricultural support was USD 154 per household, which includes training and material inputs, and USD 78 for MCCTs, which includes cash transfers and health information. In regard to microfinance, assuming one active client per household, LIFT's cost per active client was USD 14.50. However, LIFT's investment of nearly USD 24 million in 2016 enabled an additional USD 460 million in loans disbursed by LIFT-supported microfinance institutions.

<sup>92</sup> The CARE food security and resilience project and the DRC and NRC vocational training project, both operating in Rakhine State.

### Value for money of LIFT's policy-related work

Below is a brief summary of the monetary effects of select LIFT policy engagements in 2016.

- *Agriculture policy*: Based on efforts in 2016, in March 2017 the government was awarded a USD 27 million grant from GAFSP. The GAFSP award triggers co-financing from government and other stakeholders valued at USD 13.5 million. LIFT's policy engagement and influence was significant in the success and can be measured by the increase in MOALI programming by at least USD 40.5 million. See Chapter 6.3 for more information.
- *Financial inclusion*: LIFT engaged with the Financial Regulatory Department, the Central Bank of Myanmar and the Ministry of Planning and Finance to advocate for foreign direct investment in MFIs to be permitted. The result was the introduction of currency exchange hedging through The Currency Exchange Fund (TCX) that enabled the formation of a microfinance capital market, which, in turn, enabled foreign investors to invest directly in Myanmar's microfinance market. LIFT's contribution of USD 10 million was able to confirm allocations totaling USD 70.6 million to 14 MFIs (8 MFIs are new to LIFT). This is in support of the government's push to increase foreign direct investment in Myanmar, and increase the Myanmar population's access to finance.
- *Nutrition*: LIFT's success with nutrition programmes in the Delta, Dry Zone and Rakhine, together with LIFT's policy support efforts, informed the government's decision to provide MCCTs in Chin State. The government says it plans to commit USD 5 million per year (starting in 2019) to implement the MCCTs in Chin, and that they will roll out MCCTs to the whole country over time.
- *Social protection*: The HelpAge International project has demonstrated cost-effectiveness through the government's increased budget allocations to finance social pensions, which will likely continue in the future. LIFT's investment of USD 2 million in the project informed the government's decision to fund a universal pension scheme and the government has allocated USD 3 million for the 2017 financial year. HelpAge's support for the government's social protection programming and policies represents significant value for money as the initiative has promoted ownership by the government and its constituents that will enable social pension programming to continue well beyond the project period.

## 7.6 Monitoring and Evaluation for Accountability and Learning (MEAL)

In 2016, the monitoring and evaluation (M&E) team and LIFT's programmes continued to refine and implement LIFT's new MEAL framework, undertook several M&E-related studies, and strengthened the M&E capacities of LIFT's implementing partners (IPs).

### Refining and implementing the new MEAL framework

LIFT developed a new MEAL framework in 2015. The implementation of the MEAL framework required a significant upgrading of M&E systems, capacities and practices within the fund management office and amongst implementing partners.

On the MEAL framework in 2016, LIFT:

- continued to define the new logframe indicators, including documenting each indicator's data sources, collection methods, and calculation procedures
- further articulated the LIFT-level evaluation questions and sub-questions, and identified the data sources and collection methods needed to answer the questions
- designed new IP reporting formats and a corresponding database to manage IPs' revised monitoring and logframe indicator data
- conducted a series of training sessions with IPs, three in the regions and one in Yangon, to explain the new reporting formats and to obtain feedback on them
- developed an M&E user's manual for implementing partners, explaining in detail how partners are to use the new reporting formats, both in English and Myanmar
- developed guidelines for addressing value for money at LIFT's various levels

### M&E-related studies and evaluations

In 2016, the M&E team and programmes engaged in the following activities on studies and evaluations:

- finalised the *LIFT Household Survey 2015*, which consisted of 4,800 general questionnaires, 1,500 expenditure questionnaires, and the anthropometric measurement of 5,039 children
- launched the final reports of Qualitative Social and Economic Monitoring (QSEM) 5 and the related migration study, as well as oversaw the implementation of the QSEM 6 study
- designed and launched a series of in-depth studies on vulnerability and resilience, income and assets, relevance and sustainability, all of which are to address the LIFT-level evaluation and learning questions
- commissioned six end-of-project evaluations and one mid-term project review
- designed and launched the 2016 Tracking Survey, in order to report on logframe indicator results in the 2017 Annual Report
- assisted the Fund Board in commissioning, overseeing, and organising the LIFT Interim Review

### Strengthening implementing partners' M&E systems

LIFT's M&E team, together with programme teams assisted implementing partners (IPs) to strengthen their M&E systems by:

- drafting detailed guidelines for IPs and helping them develop their own MEAL plans
- reviewing IPs' plans for baseline studies
- assessing 10 IPs' M&E systems, including their data collection and management procedures

### Myanmar monitoring and evaluation association

In early 2016, LIFT helped launch the Myanmar Monitoring and Evaluation Association (MMEA). MMEA is a professional association consisting of M&E practitioners from Myanmar, NGOs, INGOs, UN organisations, academia, private consulting firms, and government agencies. MMEA aims to:

- promote a stronger M&E culture within the development sector
- promote professional development of M&E practitioners
- strengthen government's and other institutions' M&E capacity, policies and systems

MMEA now has more than 50 members who meet on a regular basis. Several M&E seminars occurred in 2016 on topics such as random control trials, theory of change model building, and the use of mobile technology in M&E data collection.



### LIFT-level evaluation and learning questions

LIFT's MEAL strategy sets out the core set of evaluation and learning questions that LIFT is aiming to answer over the course of its current strategic plan. These questions are framed from an evaluative perspective and are linked to the key OECD criteria of relevance, effectiveness, sustainability, and cost-effectiveness/efficiency as well as gender, policy, knowledge management and LIFT as a mechanism. The questions are intended to serve as high-level framing questions that can be asked in the context of LIFT as a whole and/or for specific projects that LIFT funds. In addition to these cross-cutting evaluation domains, LIFT is also seeking to consolidate thematic evidence drawn from its different thematic focus areas into a series of Legacy Papers.

In 2016, LIFT further refined the learning questions and identified the studies needed to answer them. The following diagram:

- provides an overview of the key evaluation and learning domains, including thematic focal areas
- summarises the various sets of studies that will be carried out to generate and analyse data
- indicates the key knowledge products that will be produced through this process, including the key high-level synthesis reports drawing on the evidence from across these studies
- identifies the target audiences for these different studies

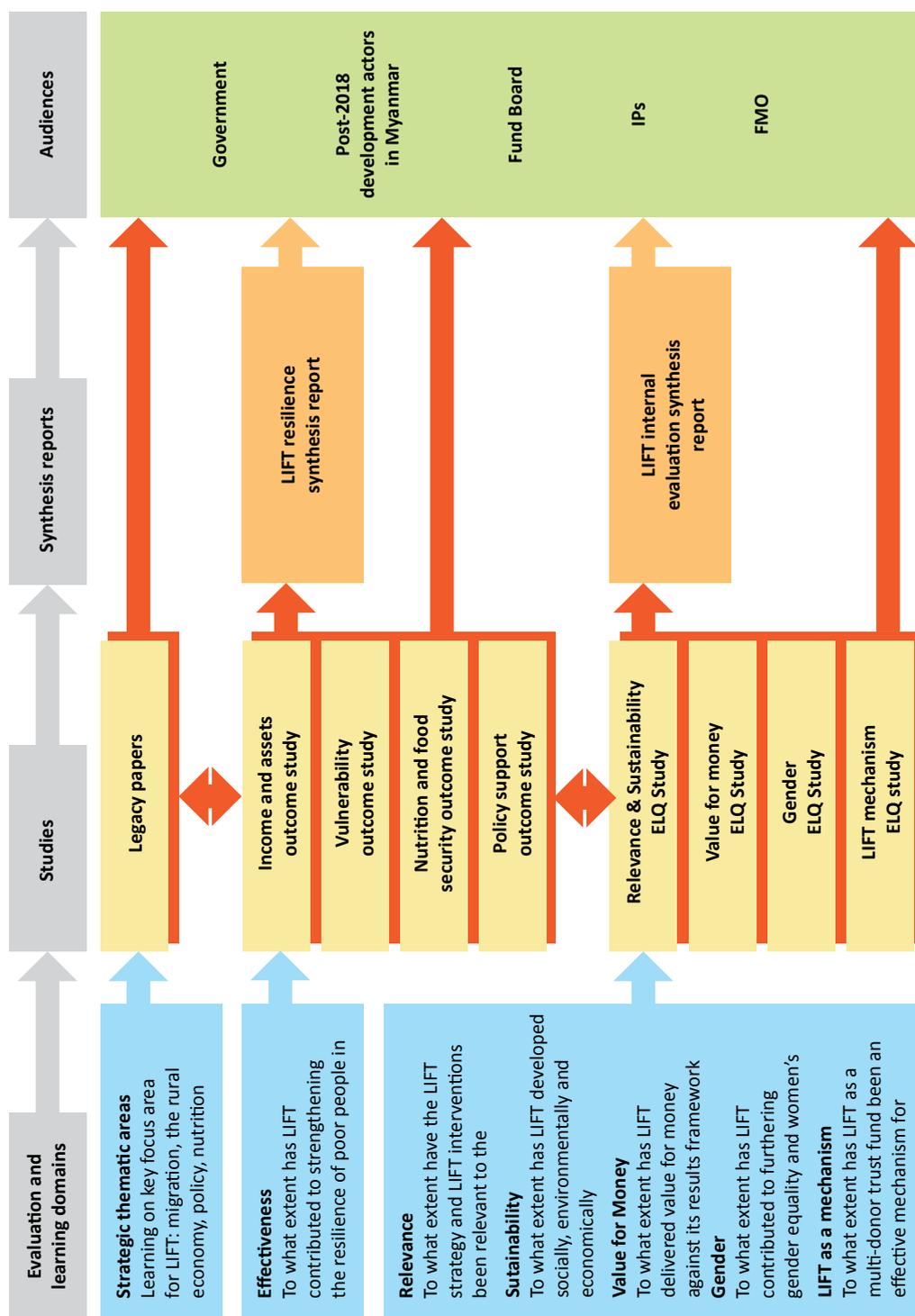
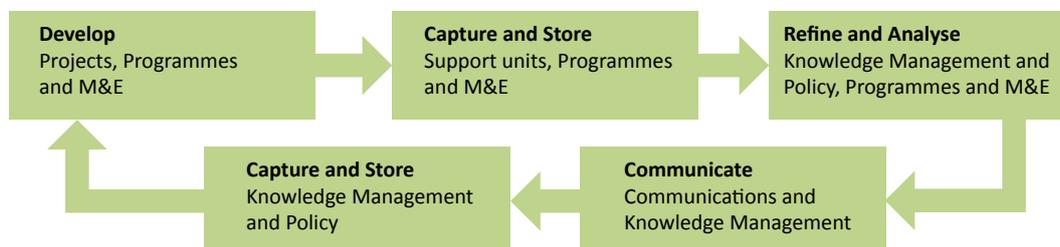


Figure 7.3: LIFT-Level Evaluation and Learning Questions, Studies, and Audiences

## 7.7 Knowledge management and learning

2016 was a strong year for learning, exchange and uptake. LIFT continued to generate and use robust evidence to improve performance and to influence policy and practice, as well as strengthening its systems to support learning. LIFT recognises that learning is about understanding the contexts, constraints and opportunities that shape the way LIFT programmes and partners work.

Figure 7.4 LIFT's knowledge management and learning process<sup>93</sup>



### LIFT prioritised learning and knowledge management in 2016

LIFT has had the opportunity to generate a large body of context-specific evidence during its seven years of operations in Myanmar. The evidence base is valuable for informing future investments, policy discussions and development practices on key themes, such as how to support the growth of the rural economy, increase people's resilience and improve their nutritional status.

An external assessment of LIFT's knowledge management capabilities and options was carried out in early 2016 to guide LIFT on how to generate, analyse and communicate evidence. A key recommendation was the need to dedicate more resources to knowledge management in LIFT, and in the second quarter of 2016 a full-time Knowledge Development Analyst was recruited.

### Generating knowledge and learning within programmes

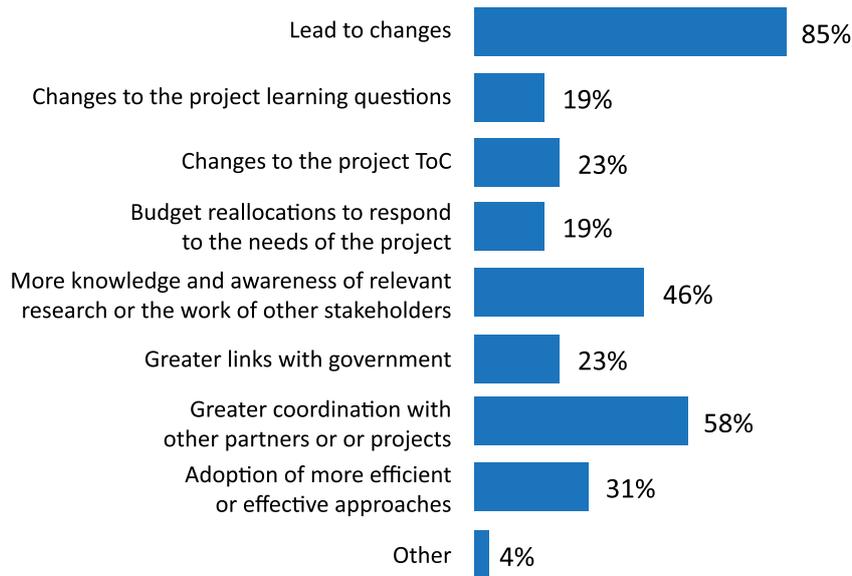
LIFT's ability to learn across programmes is integral to LIFT's success but much of the information generated by LIFT needs to be shared across projects. During 2016, LIFT strengthened its capacity to maximise the generation and uptake of this knowledge.

Field monitoring visits and project reports are the backbone of learning at LIFT, which is used to improve the implementation of projects and programmes. For example, in 2016, field visits and discussions between stakeholders in the Dry Zone led to changes in UN Habitat's WASH project that improved sustainability by engaging communities in latrine building rather than the project team building them without community involvement.

In 2016, LIFT carried out a survey to assess how learning is used by its partners. The chart below breaks down responses from LIFT partners to the question: did LIFT learning events lead to changes in your project or inform how you will carry out future projects? Eighty-five per cent of respondents said LIFT learning events led to changes in practices, such as greater coordination between partners and other projects.

<sup>93</sup> This framework is tailored to LIFT and has been informed by the UNOPS knowledge management framework (KM Strategy for IPMG, 2016) and the literature on knowledge management.

Figure 7.5: The value of LIFT's learning events for implementing partners



Key lessons in knowledge management in 2016:

- LIFT's flexibility and adaptability to changing contexts is crucial to support learning across projects and the uptake of lessons.
- 2016 has been a period of reflection for LIFT on how it works and what could be improved. The knowledge management assessment and an internal interim review commissioned by LIFT have highlighted the importance of self-reflection for learning.
- Finding direction in the volumes of lessons. The process of consolidating LIFT's knowledge is a challenge given the sheer volume, variety and complexity of the knowledge that LIFT is generating.
- Looking beyond silos. Communities of practice require projects and programmes to look beyond the boundaries of their own work plans, which can be challenging in a results driven environment. However, the investment in time is worth it.

**Communicating LIFT's knowledge to stakeholders**

LIFT's work on knowledge management involves the communication of its learning to its stakeholders. In 2016, LIFT's systems were strengthened to improve this. A physical and digital learning library was established at the LIFT office. LIFT also restructured its website to make learning more accessible.

In 2016, LIFT developed a concept and broad plan for a series of legacy papers to be written in 2017 and 2018. These papers will consolidate evidence and learning from narrative reports, mid- and end-term evaluations and bring to life what LIFT has learned but has not always communicated outside of LIFT. The first of these studies, on the lessons from the Tat Lan project in Rakhine, will be published in early 2017. The second will tell the story of LIFT's policy work with the Department of Rural Development on bottom-up village development planning and the third will compile LIFT's lessons from 2010-2015 and investigate the impact LIFT has had.

### LIFT's learning informs policy discussions

In 2016, there were a number of notable successes in how LIFT's learning was leveraged to inform policy:

- LIFT's research on nutrition<sup>94</sup> and its experience in implementing MCCT projects shaped the proposal for a government-led, universal MCCT programme in Chin state in 2016. See Chapter 6.1.
- LIFT provides technical assistance to the Department of Rural Development in the Ministry of Agriculture Livestock and Irrigation and supports the department to establish bottom-up village based planning systems in Myanmar. The village based planning approach was developed through an iterative learning process and is an example of how learning has informed policy. See Chapter 6.5.
- LIFT organised a series of meetings, workshops, seminars and studies through its work with the Agriculture and Rural Development Sector Group to contribute to the development of policy recommendations for the Ministry of Agriculture, Livestock and Irrigation on public expenditure and agriculture. In September 2016, LIFT organised a knowledge sharing forum that brought together CGIAR's seven research centres with relevant stakeholders in the agricultural sector to inform policy discussions.
- LIFT has worked in Rakhine State since 2013 and was a key player contributing to the development of the Rakhine State Government's socio-economic development plan in 2016.

## 7.8 Communications

### New programmes and policy areas

To facilitate better understanding of new programmes and policy areas, LIFT developed one page briefs for each programme and policy notes on nutrition, MCCTs and rural finance. These are shared on the website, at events and with government.

### Publications

In 2016, 21 new LIFT publications were produced including the LIFT Annual Report 2015. Two versions of the Annual Report 2015 were delivered – full version and highlights version – in both English and Myanmar. These are available in printed version and can be downloaded from the website. All publications and studies produced in 2016 are described in Annex 8.7. LIFT studies were delivered to 12 libraries.

### Website

Over 60 articles and five blogs were posted on the LIFT website in 2016, covering the latest news, good practices and events. The website achieves an average of 150 sessions (visits) per day. In June it was determined that the website's publications and guidelines page needed to be restructured in order to facilitate a better learning environment for users. The publications page is being re-organised by focus/thematic areas: climate change adaptation, financial inclusion, gender, inclusive value chains, migration, nutrition, security of land tenure, social protection and strengthening civil society.

### Social media

Facebook is an important communication platform in Myanmar and LIFT uses it to promote its activities to stakeholders. LIFT also uses Twitter to reach international audiences. Collective campaigns such as #LIFTLearning, #LIFTPeople, #LIFTDonorProfiles were active in 2016. Two new hashtags were introduced; #LIFTingLives for flood response/resilience stories, and #LIFTfeatureofthefmonth, introducing LIFT's team, including IPs, to deliver a better understanding of how individuals contribute to development and pro-poor policy in Myanmar. The LIFT Facebook page achieved around 16,000 'likes' by the end of the year.

### 'What is LIFT' video

The 'What is LIFT' video was launched in November 2016. The video provides an overview of LIFT's work and illustrates the new LIFT strategy and policy focus areas. The Facebook post launching the video reached more than 55,000 Facebook users and Facebook insights showed strong engagement.

<sup>94</sup> LIFT has carried out research through its nutrition partner LEARN: Undernutrition I and II (2016) and random control trials on MCCTs have been carried out by the Rakhine Programme.

## 8. ANNEXES

### Annex 1: LIFT active projects and locations

In 2016, LIFT worked in 14 states/regions, 39 districts, 109 tier 1 townships in Myanmar. There are 21 countrywide projects.

	No. of Townships	No. of Districts	No. of States/regions
Total reached during LIFT operation	176	51	14
Current operational on 31 December 2016	109	39	14

Table Annex 1.1: Breakdown of townships where LIFT has been active to end December 2016

State/Division		District		Townships
1	Ayeyarwady	1	Hinthada	1) Hinthada, 2) Ingapu, 3) Kyangin, 4) Myanaung, 5) Zalun
		2	Labutta	1) Labutta, 2) Mawlamyinegyun
		3	Maubin	1) Danubyu, 2) Maubin, 3) Nyaungdon, 4) Pantanaw
		4	Myaungmya	1) Einme, 2) Myaungmya, 3) Wakema
		5	Pathein	1) Kangyidaunt, 2) Kyonpyaw, 3) Ngapudaw, 4) Pathein, 5) Thabaung
		6	Pyapon	1) Bogale, 2) Dedaye, 3) Kyaiklat, 4) Pyapon
2	Bago	7	Bago	1) Bago, 2) Daik-U, 3) Kawa, 4) Nyaunglebin, 5) Shwegyin, 6) Thanatpin, 7) Waw
		8	Taungoo	1) Taungoo, 2) Yedashe
		9	Pyay	1) Paungde, 2) Pyay, 3) Shwedaung, 4) Thegon
		10	Thayarwady	1) Gyobingauk, 2) Letpadan, 3) Minhla, 4) Monyo, 5) Nattalin, 6) Okpho, 7) Thayarwady, 8) Zigon
3	Chin	11	Falam	1) Falam, 2) Hakha, 3) Tedim, 4) Thantlang, 5) Tonzang
		12	Mindat	1) Madupi
4	Kachin	13	Bhamo	1) Bhamo, 2) Mansi, 3) Momauk, 4) Shwegu
		14	Mohnyin	1) Mogaung
		15	Myitkyina	1) Injangyang, 2) Myitkyina, 3) Waingmaw
		16	Putao	1) Machanbaw, 2) Nawngmun, 3) Putao, 4) Sumprabum
5	Kayah	17	Loikaw	1) Demoso, 2) Loikaw
6	Kayin	18	Hpa-An	1) Hlaingbwe, 2) Hpa-An, 3) Thandaunggyi
		19	Kawkareik	1) Kawkareik
7	Mon	20	Thaton	1) Bilin, 2) Kyaikto, 3) Thaton
8	Magway	21	Magway	1) Chauk, 2) Magway, 3) Myothit, 4) Natmauk, 5) Taungdwingyi, 6) Yenangyaung
		22	Minbu	1) Minbu, 2) Salin, 3) Sidoktaya
		23	Pakokku	1) Myaing, 2) Pakokku, 3) Pauk, 4) Seikphyu, 5) Yesagyo
		24	Thayet	1) Aunglan, 2) Kamma

State/Division		District		Townships
9	Mandalay	25	Kyaukse	1) Kyaukse, 2) Myittha, 3) Sintgaing
		26	Mandalay	1) Amarapura
		27	Meiktila	1) Mahlaing, 2) Meiktila, 3) Thazi, 4) Wundwin
		28	Myingyan	1) Kyaukpadaung, 2) Myingyan, 3) Natogyi, 4) Ngazun, 5) Taungtha
		29	Nay Pyi Taw	1) Nay Pyi Taw-Lewe, 2) Nay Pyi Taw-Pyinmana, 3) Nay Pyi Taw-Tatkon, 4) Poke Ba Thi Ri
		30	Nyaung-U	1) Nyaung-U
		31	Pyinoolwin	1) Madaya
		32	Yamethin	1) Pyawbwe, 2) Yamethin
10	Rakhine	33	Kyaukpyu	1) Ann, 2) Kyaukpyu
		34	Sittwe	1) Kyauktaw, 2) Minbya, 3) Mrauk-U, 4) Myebon, 5) Pauktaw, 6) Ponnagyun, 7) Rathedaung, 8) Sittwe
		35	Thandwe	1) Gwa, 2) Thandwe, 3) Toungup
11	Sagaing	36	Kale	1) Kale
		37	Monywa	1) Ayadaw, 2) Chaung-U, 3) Monywa, 4) Pale, 5) Salingyi, 6) Yinmabin
		38	Sagaing	1) Myaung, 2) Myinmu, 3) Sagaing
		39	Shwebo	1) Khin-U, 2) Shwebo, 3) Wetlet, 4) Ye-U
12	Shan	40	Kengtung	1) Kengtung
		41	Monghpyak	1) Monghpyak
		42	Tachileik	1) Tachileik, 2) Tarlay
		43	Kyaukme	1) Hsipaw, 2) Kyaukme, 3) Namtu, 4) Nawngkhio
		44	Lashio	1) Lashio
		45	Laukkaing	1) Laukkaing
		46	Loilen	1) Mongkaung
47	Taunggyi	1) Hopong, 2) Hsihseng, 3) Kalaw, 4) Lawksawk, 5) Nyaungshwe, 6) Pindaya, 7) Pinlaung, 8) Taunggyi, 9) Ywangan		
13	Tanintharyi	48	Dawei	1) Dawei
14	Yangon	49	Yangon (East)	1) Dagon Myothit (East), 2) Dagon Myothit (North), 3) Dagon Myothit (Seikkan), 4) Dagon Myothit (South), 5) North Okkalapa, 6) South Okkalapa, 7) Thaketa
		50	Yangon (North)	1) Hlaingtharya, 2) Hlegu, 3) Hmawbi, 4) Htantabin, 5) Insein, 6) Mingaladon, 7) Shwepyithar, 8) Taikkyi
		51	Yangon (South)	1) Kawhmu, 2) Kungyangon, 3) Kyauktan, 4) Thanlyin, 5) Twantay

## Annex 2: Projects signed, projects closed 2016

Table Annex 2.1: Grants signed in 2016 (up to end December 2016)

Sr.	Organisation/IP Name	Funding Window	Budget (USD)
1	GRET (Small Grants)	Delta 3	2,119,898
2	Link Emergency Aid & Development (LEAD)	Delta 3	407,305
3	Metta Development Foundation	Delta 3	803,942
4	Radanar Ayar	Delta 3	729,281
5	Golden Plain Livelihood Development Services Co-operative Ltd.	Dry Zone	729,636
6	IWMI	Dry Zone	1,100,015
7	Myanmar Professional Workers Association (MPSWA)	Dry Zone	782,432
8	PGMF	Dry Zone	1,824,631
9	UN-HABITAT	Dry Zone	4,400,000
10	UNOPS	Dry Zone	3,900,000
11	CCA	Financial Inclusion	3,000,000
12	Cordaid Foundation	Financial Inclusion	1,000,000
13	BBC Media Action	Migration	1,975,602
14	International Labour Organisation (ILO)	Migration	1,999,754
15	Save the Children (LEARN II)	Nutrition	1,175,790
16	World Bank (Study II)	Other	1,100,000
17	Danish Refugee Council	Rakhine	2,648,223
18	Catholic Relief Services	Uplands	1,813,203
19	CDN/Stichting ZOA	Uplands	3,640,000
20	Choklei Organization for Rural and Agricultural Development (CORAD)	Uplands	2,204,212
21	Karen Development Network (KDN)	Uplands	1,837,414
22	Metta Development Foundation	Uplands	2,123,168
23	Myanmar Institute for Integrated Development (MIID)	Uplands	1,675,410
24	SwissAid (Small Grants)	Uplands	3,499,929
		Total (USD)	46,489,845

\*Note: The Pump Irrigation Project consists of several components. UNOPS is implementing the infrastructure component of the project, IWMI is responsible for the other components.

*Table Annex 2.2: Grants finished in 2016 (up to end December 2016)*

Sr.	Name of IP	Funding mechanism	Project end date	Project Title
1	ActionAid-Social Policy and Poverty Research Group (SPPRG)	Learning and Innovation	31-Dec-16	Inclusive Livelihoods and Social Protection Research Project
2	FAO-NAPA	Learning and Innovation	30-Jun-16	Formulation and operationalization of a National Action Plan for Poverty Alleviation and Rural Development through Agriculture ("NAPA")
3	Food Security Working Group (FSWG)	Learning and Innovation	31-Jan-16	Harnessing Resources and Partnerships to achieve Food Security in Myanmar
4	Radanar Ayar	Learning and Innovation	10-Jan-16	Socio-Economic and Environmental Development in Bogalay (SEED)
5	Save the Children-LEARN	Learning and Innovation	30-Apr-16	Leveraging Essential Nutrition Actions to Reduce Malnutrition (LEARN)
6	UN-HABITAT	Learning and Innovation	29-Feb-16	Land Administration and Management Programme (LAMP), Myanmar
7	Vision Fund International	Flood Response	31-Jul-16	Flood Impact and Rehabilitation Proposal in Hinthada , Pathein, Sagaing, Hpa-An

### Annex 3: LIFT Logical Framework

PURPOSE: To strengthen the resilience and sustainable livelihoods of poor people in Myanmar

<b>Purpose Level Indicators</b>
Purpose-level Outcome (PO) 1: Increased incomes of rural households
<b>PO 1.1 – Number of households in LIFT villages with increased income</b>
This indicator measures the total number of households in LIFT villages reporting an increase in income during the previous 12 months. It is based on perceptual data. (Data Source: LIFT Household Survey)
<b>PO 1.2 – % of households in LIFT villages below the poverty line</b>
This indicator measures the percentage of households in LIFT villages that are below US\$1.25 per day per capita poverty line based on a detailed analysis of consumption and expenditure and adjusted for inflation and PPP (Purchasing Power Parity) from a 2011 baseline. (Data Source: LIFT Household Survey)
Purpose-level Outcome 2: Increased resilience of rural households and communities to shocks, stresses and adverse trends
<b>PO 2.1 – Number of households in LIFT villages with increased asset ownership</b>
This indicator measures the total number of households in LIFT villages reporting an increase in asset ownership during the last 12 months. It is based on perceptual data. (Data Source: LIFT Household Survey)
<b>PO 2.2 – Number of households in LIFT villages with increased income diversity score</b>
This indicator measures the total number of households in LIFT villages whose number of income sources has increased in the past 12 months. (Data Source: LIFT Household Survey)
<b>PO 2.3 – Number of people whose resilience has been improved and ability to cope has increased</b>
This indicator measures the number of individuals whose resilience has been improved resulting from positive changes in income, assets and food availability. It is based on an index of perceptual data. (Data Source: LIFT Household Survey)
Purpose-level Outcome 3: Improved nutrition of women and children
<b>PO 3.1 – Number of households in LIFT villages with an acceptable dietary diversity score</b>
This indicator measures the total number of households in LIFT villages with a dietary diversity score above 6. (Data Source: LIFT Household Survey)
<b>PO 3.2 – Number of households in LIFT villages with 12 months of adequate household food provisioning</b>
This indicator measures the total number of households that have a full 12 months of minimum adequate household food provisioning. (Data Source: LIFT Household Survey)
<b>PO 3.3 – % of moderately/severely stunted children under 5 years in LIFT villages</b>
This indicator measures the percentage of children under the age of 5 in LIFT villages who are either moderately or severely stunted. It is based on anthropometric measurements (Data Source: LIFT Household Survey)
<b>PO 3.4 – Proportion of children under 5 years with diarrhoea in the previous 2 weeks</b>
This indicator measures the proportion of children under the age of 5 in LIFT villages who had diarrhoea in the previous two weeks. (Data Source: LIFT Household Survey)
Purpose-level Outcome 4: Improved policies and effective public expenditure for pro-poor development
<b>PO 4.1 – Number and type of public sector policy and programme changes supported by LIFT</b>
This indicator measures the number and type of public sector policies and programmes supported by LIFT, whether directly through the FMO or indirectly through IPs. (Data Source: FMO, IPs)
<b>PO 4.2 – Number and type of changes in public sector budget allocation/spending supported by LIFT</b>
This indicator measures the number and type of changes in public sector budget allocation or spending supported by LIFT, whether directly through the FMO or indirectly through IPs. (Data Source: FMO, IPs)

<b>Programme Level Indicators</b>
<b>Programme-level Outcome (Pr) 1: Increased sustainable agriculture and farm -based production by smallholder -farmers</b>
<b>Pr 1.1: Number of LIFT households reached by advisory services</b>
This indicator measures the total number of households reached by LIFT IPs with extension/agricultural advisory services, whether directly by the IP (e.g. through FFSs) or through systems and partners that the IPs work with (e.g. private extension agents). This includes services related to crops, livestock, and fisheries. (Data Source: IPs)
<b>Pr 1.2: Number of households in LIFT villages who trial and/or adopt improved practices, inputs and technologies</b>
This indicator measures the total number of households who have used new agricultural practices, inputs and/or technologies, whether related to crops, livestock or fisheries. (Data Source: LIFT Household Survey)
<b>Pr 1.3: Number of households in LIFT villages with an increase in productivity – crops only</b>
This indicator measures the number of households reporting an increase in their agricultural productivity (yield). (Data Source: LIFT Household Survey)
<b>Programme-level Outcome (Pr) 2: Improved market access and market terms for smallholder farmers</b>
<b>Pr 2.1: Number of LIFT households who are members of functional producer groups</b>
This indicator measures the number of households who are members of active producer groups, whether these are related to crops, livestock, fisheries or other products. Functional groups are those that are engaged in some kind of ongoing financial and commodity-related transactions. (Data Source: IPs)
<b>Pr 2.2 Number of LIFT households adopting new marketing practices</b>
This indicator measures the number of LIFT households that are adopting new marketing practices related to securing better prices for the sale of agricultural commodities. (Data Source: LIFT Household Survey)
<b>Pr 2.3: Number of households in LIFT villages securing higher returns (profit) from agriculture/ livestock/ fishery activities</b>
This indicator measures the number of households in LIFT villages reporting that they have secured higher returns from agriculture/livestock/fishery activities as compared to the previous year. It is based on perceptual data. (Data Source: LIFT Household Survey)
<b>Programme-level Outcome (Pr) 3: Increased and safe employment in non -farm activities for smallholders and landless</b>
<b>Pr 3.1: Number of LIFT households supported in non-agricultural skills development</b>
This indicator measures the number of LIFT households supported in non-agricultural skills development, which includes vocational skills, enterprise development skills, life-skills, and migration advice. (Data Source: IPs)
<b>Pr 3.2: Number of trained people who establish their own enterprises or become employed</b>
This indicator measures the total number of people trained to set up their own businesses or secure non-farm-based employment who have successfully set up such businesses or secured employment, whether locally or through migration. (Data Source: IPs)
<b>Pr 3.3: Number of households in LIFT villages with an increase in income from non-agricultural activities</b>
This indicator measures the number of households reporting an increased income from non-agricultural sources based on their perception of this years' income compared to previous years' income. (Data Source: LIFT Household Survey)
<b>Programme-level Outcome (Pr) 4: Increased access to adequate and affordable financial services by smallholders and landless</b>
<b>Pr 4.1: Number of LIFT MFIs financially self-sustaining</b>
This indicator measures the number of MFIs (Microfinance Institutions) supported by LIFT that are financially self-sustaining. A MFI is financially self-sufficient when the MFI's annual income is more than annual operating expenses and financial expenses. (Data Source: IPs)
<b>Pr 4.2: Number of LIFT households with access to financial services (active clients)</b>
This indicator measures number of households of which at least one family member is registered as a member of a MFI, cooperatives and/or banks supported by LIFT. In financial terms, it is called "active client". (Data Source: IPs)

<b>Programme-level Outcome (Pr) 5: Improved nutrition, sanitation and hygiene practices</b>
<b>Pr 5.1: Number of LIFT households reached with nutrition sensitive information</b>
This indicator measures the total number of households reached directly by LIFT IPs through activities that aim to impart nutrition sensitive information. It does not include community level information campaigns but does include group-based and household-based activities. (Data Source: IPs)
<b>Pr 5.2: Number of people with awareness of the nutritional needs of women and children</b>
This indicator measures the total number of people (male and female caregivers of children under 2) in LIFT villages who are aware of the key nutritional needs of women and children, including pregnant women's food requirements and appropriate feeding practices for children during the first 1000 days. (Data Source: LIFT Household Survey)
<b>Pr 5.3: Number of children 6-23 months with "acceptable" dietary diversity</b>
This indicator measures the total number of children between 6 and 23 months of age in LIFT villages who have acceptable dietary diversity. (Data Source: LIFT Household Survey)
<b>Pr 5.4: Number of infants (0-5 months of age) who received only breast milk during the previous 24 hours</b>
This indicator measures the number of children aged 0 to 5 months in LIFT villages who were exclusively breastfed during the previous 24 hours (at time of survey). (Data Source: LIFT Household Survey)
<b>Pr 5.5: Number of households in LIFT villages using safely managed sanitation services</b>
This indicator measures the total number of households using an improved sanitation facility. This includes flush or pour flush toilets to sewer systems, septic tanks or pit latrines, ventilated improved pit latrines, pit latrines with a slab, and composting toilets. (Data Source: LIFT Household Survey)
<b>Pr 5.6: Number of households in LIFT villages using safely managed and protected drinking water services</b>
This indicator measures the total number of LIFT households using a protected or improved water source during the dry season. This includes piped water into dwelling, yard or plot; public taps or standpipes; boreholes or tubewells; protected dug wells; protected springs and rainwater; and protected ponds. (Data Source: LIFT Household Survey)
<b>Programme-level Outcome (Pr) 6: Safeguarded access to and sustainable use of natural resources for smallholders and landless</b>
<b>Pr 6.1: Number of LIFT villages where common property resource management is taken up</b>
This indicator measures the total number of LIFT villages where common property or natural resource management activities have been taken up. This includes forests, grazing lands, water bodies, mangroves and embankments. (Data Source: LIFT Household Survey)
<b>Pr 6.2: Number of households in LIFT villages benefiting from protected/managed natural resources</b>
This indicator measures the number of households reporting that they are benefitting in some way from a protected or managed natural resource. This includes forests, grazing lands, water bodies, mangroves and embankments. (Data Source: LIFT Household Survey)
<b>Programme-level Outcome (Pr) 7: Strengthened local capacity of communities, local government, CSOs and private enterprises to support and promote food and livelihood security</b>
<b>Pr 7.1: % of LIFT funds managed by national entities (by type of entity)</b>
This indicator measures the proportion of LIFT funds managed by national entities, whether they are public, private or civil society organisations (including community organisations) (Data Source: FMO)
<b>Pr 7.2: Number and type of local groups and institutions supported to promote food and livelihood security</b>
This indicator measures the number of local groups and institutions that have been supported by LIFT to promote food and livelihood security. This includes village organisations, producer organisations, savings and credit groups and local government departments. (Data Source: IPs)
<b>Programme-level Outcome (Pr) 8: Generation of policy -relevant evidence regarding pro -poor development</b>
<b>Pr 8.1: Number of LIFT-supported policy oriented events organised.</b>
This indicator measures the number of policy oriented events organised, whether directly by LIFT or else by IPs. This includes all types of events that have a specific objective of supporting policy changes. (Data Source: FMO, IPs)
<b>Pr 8.2: Number of LIFT policy-oriented publications published and disseminated to stakeholders</b>
This indicator measures the number of publications produced and disseminated in order to support policy changes, whether directly by LIFT or else by IPs. (Data Source: FMO, IPs)

## Annex 4: Project activity charts for Delta, Dry Zone, Rakhine, Uplands, Financial Inclusion and Migration

Table Annex 4.1: Important updates on 10 projects during 2016 in the Delta

Sr.	IP, project title, timeframe, budget, status	Important updates
1	<p>GRET</p> <p>Small grant delivery and capacity building to township base CSOs</p> <p>Budget: USD 2,119,898</p> <p>From 1/10/2016 to 30/06/2019</p> <p>Inception phase</p>	<p>In the inception phase, staff were recruited and the regional office established, MEAL plans were finalised and a socio-anthropological assessment was begun in three townships.</p>
2	<p>IOM</p> <p>Migration as a Livelihood Diversification Strategy in the Delta (MILDAS)</p> <p>Budget: USD 749,100</p> <p>From 15/12/2015 to 31/08/2018</p> <p>Ongoing</p>	<p>This project will conduct a study on migration and development, generating knowledge for migration programming. This will support LIFT stakeholders in safe migration programming in households that have migrant family members.</p> <ul style="list-style-type: none"> <li>• A baseline study was conducted by Myanmar Survey Research.</li> <li>• The project reached out to major partners and stakeholders, including union and regional-level government counterparts and other LIFT Delta IPs, for support in addressing migration in programme development.</li> <li>• A consultation workshop with CSO partners, LIFT IPs, and township Labour Exchange Offices was conducted to provide support to aspirant migrants and migrant-sending families.</li> <li>• A safe migration curriculum was developed and tested.</li> </ul>
3	<p>Link Emergency Aid and Development (LEAD)</p> <p>Supporting landless household livelihoods and food security through alternative income generation activities in Pyinsalu Sub-Township</p> <p>Budget: USD 407,305</p> <p>From 06/04/2016 to 31/03/2019</p> <p>Ongoing</p>	<p>This project provides livelihood support primarily in the rural non-farm economy by promoting income diversification. This is accomplished through supporting micro-businesses and establishing strong and sustainable village revolving funds (VRF).</p> <ul style="list-style-type: none"> <li>• Five village revolving fund committees (VRFC) were formed in five villages</li> <li>• One VRF manual was developed by VRFC members from five villages with the support of LIFT FMO</li> <li>• One exchange visit to Bogale was conducted, during which four VRFC members observed the VRF activities of WHH and World Vision</li> <li>• 38 VRFC members attended bookkeeping trainings</li> <li>• 49 beneficiaries of vegetable production and winter crops activities received training on systematic plantation and introduction of marketable seeds</li> </ul>
4	<p>Mercy Corps - Ar Yone Oo, Swiss Contact</p> <p>Linking Labutta to Markets (LLM) - Increasing Incomes through Agriculture, Skills, and Employment</p> <p>Budget: USD 4,338,197</p> <p>From 01/10/2015 to 30/09/2018</p> <p>Ongoing</p>	<p>This project supports FPEs in service delivery (inputs supply, extension services, equipment rental, and hire purchase, access to credit, and contract farming with millers), provides the landless with vocational, business and life skills development, migration-related information, and facilitates linkages to Yangon-based employers.</p> <ul style="list-style-type: none"> <li>• FPE guidelines were developed and shared with LIFT IPs and MIMU</li> <li>• 1,226 baskets of quality certified seeds were provided on credit to 396 farmers through contract agreements with four millers and six traders</li> <li>• 54 additional FPEs were established, bringing the total number of farmer groups to 100 in 173 villages with 2,850 members (640 members are female, or 23 percent)</li> </ul>

		<ul style="list-style-type: none"> <li>• A service agreement with Awba was finalised to provide extension services; seven FPEs are collaborating with one miller, covering the 2017 summer and monsoon seasons</li> <li>• One FPE was established as a seed producer SME, who received 40 baskets of registered Paw San seed on credit from one miller and successfully produced 621 baskets valued at MMK 6,210,000</li> <li>• 199 landless graduated from skills training courses. Among these 176 (88 percent) are currently employed.</li> </ul>
5	<p>Metta Development Foundation</p> <p>Promotion of farmers-managed schemes for Inclusive Growth and Sustainable Development</p> <p>Budget: USD 803,942</p> <p>From 07/04/2016 to 31/02/2019</p> <p>Ongoing</p>	<p>This project will address problems faced by small and medium scale farmers hoping to increase their incomes by improving their agricultural yield quality and value. This will be accomplished through farm advisory services, post-harvest management and collective storage with farmers associations.</p> <ul style="list-style-type: none"> <li>• Development of farmers field school (FFS) curriculum</li> <li>• Organisation of 36 FFSs (18 from Labutta and 18 from Mawlamyinegyun Township) with 670 participants (565 males and 105 females)</li> <li>• 36 study plots, 28.56 acres set up in 36 FFSs</li> <li>• 720 bags of 10kg sacs of certified seed were distributed to FFS participants and 36 bags of 10kg sacs of registered seed were distributed to village level seed grower farmers from Metta seed farm</li> </ul>
6	<p>Radanar Ayar</p> <p>Integrated Agribusiness and Rural Development – IARD</p> <p>From 06/04/2016 to 28/02/2019</p> <p>Budget: USD 729,281</p> <p>Ongoing</p>	<p>This project supports the seed production of local seed growers by facilitating the improvement of post-harvest practices, providing farmer-led extension services, and promoting collective marketing through contract farming with private sector.</p> <ul style="list-style-type: none"> <li>• Registered seed production has been carried out on four acres in three villages for a total production of 214 baskets</li> <li>• 20 acres of certified seed production were supported for the 2016 monsoon and 63 acres in total certified seed production were set for the 2016/2017 summer season</li> <li>• Seed production training was provided to 193 seed growers and extension assistance on farms was provided to 130 seed growers</li> </ul>
7	<p>Save the Children</p> <p>Bright SUN: Building Resilience, Synergy</p> <p>Budget: USD 3,253,390</p> <p>From 11/12/2015 to 31/12/2018</p> <p>Ongoing</p>	<p>This project will deliver maternal and child cash transfers (MCCT) and behaviour change communication to mothers throughout the first 1,000 Days, from pregnancy up to the child's second birthday. The intervention will be integrated into SC's existing 3MDG Programme, engaging township health workers in distributing cash transfers, promoting improved nutrition and hygiene practices, and building community health worker capacity to deliver nutrition actions alongside primary health care, in Labutta's village health services.</p> <ul style="list-style-type: none"> <li>• MCCT focal groups were established and trained in 202 villages of five Rural Health Centres (RHC)</li> <li>• Enrolment of and monthly transfer of cash to 2,212 pregnant women, for a total of 11,891 cash transfers</li> <li>• 8,884 women and village members attended SBCC activities, which included a set of different modules and tools</li> <li>• Distribution monitoring and post-distribution monitoring sessions were conducted in all five RHCs</li> <li>• A complaints and response mechanism was designed and installed to ensure quality and transparency of the process and to respond to household requests or complaints</li> <li>• Nutrition week and hand washing day campaigns were organised at the township level and in five RHCs.</li> </ul>

8	<p>Welthungerhilfe (WHH)</p> <p>Delta Rural Intensification for Sustainable Economic Development- Delta RISE</p> <p>Budget: USD 3,896,564</p> <p>From 01/10/2015 to 30/09/2018</p> <p>Ongoing</p>	<p>This project will support producer organisations (PO) with capacity building and organisational structuring. The producer organisations will then provide services to farmers with information on quality seeds and inputs, collective storage, equipment rental and hire purchase, and post-harvest and marketing. The project will provide support to landless and vulnerable households for off-farm local livelihood activities (horticulture, livestock, and aquaculture) and creating and maintaining small-scale businesses. The project will oversee the promotion and dissemination of improved nutrition and basic hygiene practices among all target groups with a focus on mothers and children during the critical 1,000 days window, and households needing subsistence security.</p> <ul style="list-style-type: none"> <li>• 23 old and seven new POs provided services to 2,724 members</li> <li>• 2,065 farmers were reached by agricultural extension services</li> <li>• 39.8 tons of quality seed were produced during the monsoon season and 5.8 tons during the summer season of 2016</li> <li>• 47 village-based MAFF facilitators followed up on 526 MAFF members and covered 74 villages</li> <li>• 3,116 small farmers and landless used project-supported credit schemes/village revolving funds</li> <li>• 3,604 households were reached with the LANN nutrition approach</li> </ul>
9	<p>WorldFish</p> <p>Promoting Sustainable Growth of Aquaculture in Myanmar to Improve Food Security and Income for Communities in the Ayeyarwady Delta and Central Dry Zone - MYFish-Culture (MYFC)</p> <p>Budget: USD 3,284,000</p> <p>From 21/09/2015 to 31/12/2018</p> <p>Ongoing</p>	<p>This project will support the engagement of 5,000 smallholder farmers in farm research and development, and the scaling-up of small-scale, homestead-based aquaculture (pond, cage, and rice-field) in the Ayeyarwady Delta and central Dry Zone. An additional 5,000 households will be reached in the scaling-up phase through the production and sharing of knowledge and learning materials from the target villages and national partners, particularly micro-finance partners and the government's rural development fund.</p> <ul style="list-style-type: none"> <li>• ToT course on aquaculture was delivered to 32 participants from project partners and DoF</li> <li>• Technical training was delivered to 542 farmers who were beneficiaries of aquaculture activities</li> <li>• 648 aquaculture farmers from 73 villages were selected, organised into 40 groups, and provided with the necessary equipment to start SSA activities</li> <li>• Fish feed mill set-up plan and fish seed supply plan were developed by the partners</li> <li>• Genetically-improved farmed tilapia were introduced for the first time with 3,200 fry shipped from the research centre in Malaysia in support of the breeding program of the DoF Hatchery in Yangon</li> </ul>
10	<p>World Vision International Myanmar</p> <p>Growing livelihood in Bogale</p> <p>Budget: USD 1,560,138</p> <p>From 08/09/2015 to 31/12/2018</p>	<p>This project supports landless and vulnerable households in the development and diversification of livelihood options as informed by market, labour, and value chain assessment, and promotes access to savings and loans. The project provides support for health stakeholders encouraging change in poor nutrition and hygiene practices of the target population, and supports community-based organisations action plans, including disaster risk management.</p> <ul style="list-style-type: none"> <li>• 100 beneficiaries were trained in Generate Your Business/Start Your Business</li> <li>• Five groups, including the participation of 109 landless people, are actively involved in vegetable production on fallow land: six acres were cultivated during the 2015/2016 winter season and about 12 acres were undergoing cultivation at the start of the winter season 2016/2017</li> <li>• 424 members in 106 groups are involved in livestock raising and animal feed production</li> <li>• 41 VSLA groups are active with the participation of 753 beneficiaries (87 percent were women)</li> <li>• Training on basic nutrition and hygiene for 37 village health workers was delivered</li> <li>• 1,650 people were reached with nutritional information programming and activities.</li> </ul>

Table Annex 4.2: Important updates on 11 projects during 2016 in the Dry Zone

Sr.	IP, project title, timeframe, budget, status	Important updates
1	<p>ActionAid Myanmar</p> <p>Social Economic Development Network for Regional Development (SEDN)</p> <p>Budget: USD 1,312,936</p> <p>From 08/03/2013 to 07/03/2017</p> <p>Ongoing</p>	<ul style="list-style-type: none"> <li>• A successful global network meeting was held in Magway with over 200 attendees, including the Chief Minister of Magway Regional Government</li> <li>• The referral system in Pakokku and Myaing is operating well with 3,897 women referred to social supports and informal education</li> <li>• The project maintained a total of 949 trained women producers in 135 women producer support groups. The Women Craft Producer Association with nine members was established</li> <li>• A total of 630 products have been developed for MBoutik sale; In 2016, the project achieved annual sales of MMK 73,000,000 and contract sales of MMK 23,000,000</li> <li>• Business plan for MBoutik was finalised with a clear marketing strategy for growth and sustainability</li> </ul>
2	<p>Food and Agriculture Organization of the United Nations (Livestock)</p> <p>Improving Farmer Livelihoods in the Dry Zone through Improved Livestock Health, Productivity and Marketing</p> <p>Budget: 4,400,000</p> <p>From 01/01/2016 to 31/12/2018</p> <p>Ongoing</p>	<p>This project provides leading technical support for the development of national policy and implementation guidelines for the provision of livestock services to smallholders by community animal health workers (CAHW). FAO is supporting LBVD to promote CAHWs policy, goat policy, and livestock trading policy. The project has organised forage and goat policy workshops in Nyaung Oo.</p> <ul style="list-style-type: none"> <li>• Students from the University of Veterinary Science conducted an assessment on livestock breeding in Natogyi Township</li> <li>• Livestock census data collection was in progress across six project townships; upon realising the value of livestock census, the MoAI/LBVD allocated MMK 36 million in 2017 to conduct a livestock census in eight of 24 townships in Mandalay Region. The Ministry has allocated MMK 1.4 billion to carry out a countrywide livestock census collection during the 2017-2018 fiscal year, which is a good policy achievement of the project. The Central Statistics Office has agreed to conduct a census every five years.</li> <li>• The project has started goat fattening sub-projects with nine goat farmers in Mahlaing and Natogyi townships, and bull record keeping sub-projects with 10 bull owners in Pakokku and Yesagyo townships</li> </ul>
3	<p>Golden Plain Livelihood Development Services Co - operative Ltd.</p> <p>Restoring Unproductive Soil to Get Sustainable Yield by Green Manuring and Modified Cropping System in Dry Zone</p> <p>Budget: USD 729,636</p> <p>From 09/05/2016 to 31/10/2018</p> <p>Ongoing</p>	<p>This project is working in 42 villages in Pakokku and Yesagyo townships. The project identified 84 farmers, two per village, to establish demonstration plots. Six types of crops were grown by farmers using green manuring and modified cropping patterns</p> <ul style="list-style-type: none"> <li>• Agriculture extension workers (AEW) training, farmer field school (FFS) ToT and pre-school training, FFS training, and climate smart agriculture training were conducted. 116 AEWs and six DOA staff attended AEW training and a total of 1,180 farmers were trained in FFS. Five DOA staff and 203 farmers attended climate smart agriculture training</li> <li>• A regional level workshop in Pakokku was conducted, with parliamentarians, farmers, departmental officials, and private companies in attendance</li> <li>• Farmer field-day events were organised in 46 villages and it was apparent that the yield of crops from the demo plots was higher than local varieties grown traditionally</li> <li>• Soil tests were carried out in 42 plots in two townships</li> </ul>

4	<p>HelpAge International</p> <p>Dry Zone Social Protection Project</p> <p>Budget: USD 4,200,000</p> <p>From 17/12/2015 to 31/12/2018</p> <p>Ongoing</p>	<ul style="list-style-type: none"> <li>• Village development committee (VDC) and social protection committee (SPC) forming processes were completed in 180 project villages</li> <li>• Training for VDC and SPC was conducted</li> <li>• Four payments to people over 85 years of age were provided in 180 project villages</li> <li>• A total of 557 aged people for September and October and a total 597 for November and December were provided with monthly cash support</li> <li>• During November and December 2016, staff reviewed the performance of the established VDCs and SPCs to improve their structures and effectiveness. The review took place in 11 villages in Yasagyoe, 14 villages in Ma Hlaing, and 16 villages in Thaug Tha.</li> <li>• Social protection committees were established in each village; 40 villages have developed their social protection annual plan based on the results of their wealth and vulnerability mappings</li> <li>• 40 villages received the community social protection emergency fund</li> <li>• Two types of research were conducted: a study on community-based mechanisms for social protection (and summary publication) and the baseline assessment. A cash transfer baseline study is ongoing.</li> <li>• During the reporting period, government officials, including village and village tract administrators, received training on social protection and the cash transfer process. This training was put in practice by helping the VDCs and social protection committees transfer cash to older people and people with disabilities</li> <li>• The project developed a cash transfer handbook for use by the project team, village committees and local government.</li> </ul>
5	<p>International Fertilizer Development Centre (IFDC)</p> <p>Dry Zone Agro-Input and Farm Services Project</p> <p>Budget: USD 4,460,000</p> <p>From 01/12/2015 to 31/12/2018</p> <p>Ongoing</p>	<ul style="list-style-type: none"> <li>• The project identified 55 inputs and service providers (ISP) from six townships to enhance the skills and knowledge of ISPs. Three training sessions on business management, technical training, inputs and services were provided</li> <li>• A total of 4,129 farmers were trained through 83 farmer training sessions.</li> <li>• In line with the seven monsoon season and seven winter season demonstration plot protocols, 68 demonstration plots (34 monsoon season and 34 winter season) were established</li> <li>• The project organised 15 farmer field days associated with the harvest of selected demonstration plots (10 DoA field days and five ISP field days). Through farmer field days 652 households were reached by advisory services.</li> <li>• To maintain good coordination with the DoA, 142 DoA extension workers were trained in their respective townships and 107 DoA extension workers participated in the farmer trainings.</li> <li>• The project conducted soil tests in 32 plots across six townships.</li> </ul>
6	<p>Lodestar Co., Ltd. / Social Policy and Poverty Research Group (SPPRG)</p> <p>Community-based Social Protection System Efficacy and Efficiency of Pilot</p> <p>Budget: USD 879,287</p> <p>From 03/06/2015 to 06/06/2018</p> <p>Ongoing</p>	<ul style="list-style-type: none"> <li>• An informative workshop for local government departments was organised in June 2016 to raise their awareness about the project activities and to increase co-operation.</li> <li>• A total of 14 villages received seed funds to carry out the social protection activities planned and prioritised by the village social protection committees</li> <li>• 19 project villages in Myaung township began receiving maternal and child cash transfer (MCCT) grants</li> <li>• A total of 531 beneficiaries have been enrolled in the MCCT program.</li> </ul>

7	<p>Myanmar Professional Social Worker Association (MPSWA)</p> <p>Improved Nutritional Status of Venerable Community through Self-help Potential</p> <p>Budget: USD 782,432</p> <p>From 07/04/2016 to 31/12/2018</p> <p>Ongoing</p>	<ul style="list-style-type: none"> <li>• A five-day project preparation workshop was conducted with all staff at Myingyan office</li> <li>• Baseline data collection was completed in 64 villages and a partial report was prepared for 22 villages from Myingyan township</li> <li>• 64 community-based nutrition promotion groups (CBNPGs) were formed (22 in Myingyan, 21 in Natogyi and 21 in Taungtha) during the reporting period</li> <li>• 128 members of 26 CBNPGs received orientation on the project purpose and activities; eight capacity building trainings were provided to the CBNPGs to strengthen their ability to support themselves and grow their capacity to motivate communities to adopt positive nutrition practices</li> <li>• A nutrition behaviour change communication (Nut-BCC) activity was implemented in all 64 project villages</li> <li>• During the reporting period, MPSWA nutrition mobilisers conducted 158 community nutrition awareness raising sessions with 7,413 beneficiaries and 185 children. In total 11,388 nutrition awareness raising sessions were held.</li> <li>• 70 small focus groups with pregnant women, breast feeding mothers, and mothers with children under two years of age were conducted and 1,072 people participated.</li> <li>• 51 cooking demonstration sessions with 1,621 beneficiaries were conducted during the reporting period.</li> <li>• Home gardening trainings were conducted in 21 villages and 269 participants attended these trainings. After training, vegetable seeds were distributed to 88 households.</li> </ul>
8	<p>Save the Children</p> <p>LEGACY Learning, Evidence Generation, and Advocacy for Catalysing Policy</p> <p>Budget: USD 4,942,842</p> <p>From 11/12/2016 to 31/12/2018</p> <p>Ongoing</p>	<ul style="list-style-type: none"> <li>• Save the Children provided the social behaviour change communication (SBCC) training module 1 in April and module 2 in October 2016 to the Myanmar Nurses and Midwives Association (MNMA) staff</li> <li>• The enrolment of the beneficiaries (pregnant women) in the program started in April 2016</li> <li>• 248 villages were enrolled in the first phase of the program and intensive SBCC sessions were initiated and conducted in 126 villages</li> <li>• 4,062 women enrolled in the MCCT program</li> <li>• Three distribution monitoring and two post-distribution monitoring activities were conducted by MNMA in 2016</li> <li>• In August 2016, the nutrition promotion campaigns were conducted in six different places in all three townships</li> <li>• Global hand washing day activities were conducted in eight different places in three townships in October 2016</li> <li>• A government-led model for cash distribution was rolled out in October 2016 in 40 villages of Pakokku township</li> </ul>
9	<p>Terre des Hommes (TdH)</p> <p>Soilless Horticulture and Other Water-Saving Innovative Technologies for Landless and Marginal Farmers</p> <p>Budget: USD 1,318,519</p> <p>From 01/02/2014 to 31/01/2017</p> <p>Ongoing</p>	<ul style="list-style-type: none"> <li>• A total of 1,776,235 leafy vegetable plants and 26,221 kg of vegetables were produced through 570 hydroponic systems and 273 drip irrigation blocks</li> <li>• The ability of target households to produce and consume fresh and nutritious vegetables all year round increased</li> <li>• The number of children under five years of age consuming vitamin A rich vegetables increased to 295</li> <li>• For the sustainability of 42 producer groups, a revolving fund and small loans program was established, making MMK 5,000- 20,000 available for all producers in target villages</li> <li>• The average value of household yearly income from vegetable production increased from MMK 34,830 - 42,205</li> <li>• For the sustainable natural resource management and environmental rehabilitation, 32 water facilities (ponds and wells) were renovated or constructed in four townships and 4,827 households gained access to these water facilities</li> </ul>

10	<p>United Nations Economic and Social Commission for Asia and the Pacific (UNESCAP)</p> <p>Integrated Rural Economic and Social Development Programme for Livelihoods Improvement in the Dry Zone of Myanmar Period: Jan 2014 - Jun 2017</p> <p>Budget: USD 1,104,905</p> <p>Ongoing</p>	<p>Workshops organised during the reporting period:</p> <ul style="list-style-type: none"> <li>• Best Practices in Mung bean (Green gram) Seed Production, Quality Control and Maintenance</li> <li>• Business Management of Custom Hiring of Agricultural Machinery in the Dry Zone of Myanmar</li> <li>• Multi-stakeholder dialogue on strengthening local capacities for climate-resilient agriculture in Myanmar's Dry Zone</li> <li>• Multi-stakeholder dialogue on scaling-up interventions for sustainable agriculture development in Myanmar's Dry Zone</li> <li>• Workshop on Participatory Rural Appraisal</li> <li>• PRA to support local planning for climate-resilient agriculture</li> </ul>
11	<p>UN-Habitat</p> <p>A short step from improved WASH to healthier communities</p> <p>Budget: USD 4,400,000</p> <p>From 15/02/2016 to 31/12/2018</p> <p>Ongoing</p>	<ul style="list-style-type: none"> <li>• Staff training was conducted in May 2016 and 52 field staff attended the training</li> <li>• 130 project villages for the first implementation cycle were selected</li> <li>• 130 water, sanitation and hygiene (WASH) committees were formed</li> <li>• Trainings for 130 WASH committees (1040 committee members) were conducted</li> <li>• Baseline survey was conducted for 84 villages and the report was under preparation during the reporting period</li> <li>• Implementation fund for drinking water supply facility construction/renovation and construction of demonstration low-cost fly-proof latrine were requested for 82 project villages</li> <li>• 26 fly-proof latrine construction trainings were conducted</li> <li>• 130 hand washing day community events and 130 world toilet day community events were organised in the reporting period</li> <li>• The estimated population to benefit from the project is 67,071 in Year 1</li> </ul>

Table Annex 4.3: Important updates on four projects during 2016 in Rakhine

Sr.	IP, project title, timeframe, budget, status	Important updates
1	<p>CARE Myanmar</p> <p>Supporting the food security, resilience and social cohesion of households and communities in Rathedaung Township, Rakhine State</p> <p>Budget: USD 3,519,147</p> <p>From 01/01/2016 to 31/12/2018</p> <p>Ongoing</p>	<ul style="list-style-type: none"> <li>• LIFT signed a new livelihood project in Rathedaung with CARE</li> <li>• Completed establishment of office and staff accommodations and recruited 30 staff, including three international and 27 national staff positions</li> <li>• Established and fostered relationships with key local government and line departments</li> <li>• Project sensitisation meetings were completed for all 30 villages</li> <li>• Completion of first cycle of Farmer Field Schools and distribution of inputs to farmers</li> <li>• Establishment of VSLA groups: 10 villages in total were targeted for VSLA activities in 2016</li> <li>• Initial community data collection was completed and consultation meetings were conducted in 19 communities with four priority villages identified for community forestry activities in 2016</li> <li>• Construction and rehabilitation of water points: participatory assessments were conducted in 28 of 30 target villages</li> <li>• Establishment of Village Development Committees (VDCs): VDCs were formed in all 30 villages, composed of a total of 210 VDC representatives (133 males/77 females)</li> <li>• Restriction on project interventions October to December: following the 9th October attack on police posts in Maungdaw and north Rathedaung township, there was increased military and police deployment in Rathedaung township and the introduction of new security measures, which severely restricted access to some communities, and completely prevented access to others</li> </ul>

2	<p>Danish Refugee Council DRC and Norwegian Refugee Council NRC</p> <p>Vocational training and livelihood opportunities for in camp and out of camp youth in Rakhine state</p> <p>Budget: USD 2,648,223</p> <p>From 01/06/2016 to 31/05/2018</p> <p>Ongoing</p>	<ul style="list-style-type: none"> <li>• A new window of funding opportunities was opened in 2016 for skills and vocational development</li> <li>• The NRC and DRC focused the inception phase on key start-up activities that lay the groundwork</li> <li>• Consultative meetings were conducted with the camp Management Committees (CMCs) to introduce the programme</li> <li>• A mobile life skills training curriculum tailored to the Rakhine context was adopted, and included lifesaving health and security knowledge, civic education, and basic business skills information</li> <li>• Training of trainers was conducted</li> <li>• Major contextual events that transpired during the reporting period include the outbreak of intercommunal violence in Northern Rakhine State on 9 October 2016. Clashes continued and humanitarian access was completely denied for a number of weeks. The project temporarily paused implementation as a precautionary measure</li> </ul>
3	<p>PACT</p> <p>Rakhine Access to Financial Inclusion (RAFIN)</p> <p>Budget: USD 8,300,000</p> <p>From 14/12/2015 to 31/12/2018</p> <p>Ongoing</p>	<ul style="list-style-type: none"> <li>• Pro-poor microfinance services were offered, including agricultural loans, small business loans, and savings</li> <li>• 34,062 households in 462 villages reached</li> <li>• USD 4.5 million in loans were disbursed in 2016, mainly to start or upgrade small businesses</li> </ul>
4	<p>Save the Children, IRC, Oxfam/Scholar Institute, BLO, CARE for M&amp;E</p> <p>Tat Lan Phase II – Sustainable Food Security and Livelihoods Programme Phase II</p> <p>Budget Phase II: USD 23,716,440</p> <p>From 01/01/2016 to 31/12/2018</p> <p>Ongoing</p>	<ul style="list-style-type: none"> <li>• The LIFT Fund Board approved Phase II for the Tat Lan program from January 2016 to December 2018, allotting an additional amount close to USD 24 million</li> <li>• Implementing partners for Phase II are the same as for Phase I: IRC, Save the Children, Oxfam, and the Better Life Organisation; CARE International will conduct M&amp;E</li> <li>• Additional villages and new sectors are addressed in Phase II. The maternal and child cash transfer scheme and WASH activities were brought to scale across Pauktaw, Minbya, and Myebon</li> <li>• LIFT has supported VSLAs in Rakhine since 2013 and 22,000 loans have been issued</li> <li>• In 2016, 293 VSLA groups were operational, reaching more than 6,000 households</li> <li>• 82 percent of beneficiaries were women</li> <li>• The repayment rate was 99.9 percent</li> <li>• Members received interest at a rate of 23.66 percent on their savings</li> <li>• 1,640 farmers from 38 villagers have accessed agricultural loans for seeds and fertilisers</li> <li>• By the end of 2016, the Tat Lan programme established over 130 miles of embankments and more than 70 sluice gates that protect more than 26,000 acres of paddy land from salt water intrusion and monsoon flooding</li> <li>• LIFT projects built embankments through cash-for-work programmes; 3,000 workers were employed and more than 50 percent were women, who received equal pay compared to their male counterparts</li> <li>• FFS participants increased their yields by 63 percent by using appropriate techniques for rice cultivation</li> <li>• A total of 182 villages in Pauktaw, Myebon, and Minbya townships participated in the 1,000-day maternal and child cash transfer initiative</li> <li>• 3,545 pregnant or lactating women in Rakhine received maternal and child cash transfers of MMK 13,000 per month to spend on healthcare and nutritious food for themselves and their babies</li> </ul>

		<ul style="list-style-type: none"> <li>• LIFT aims to support latrine construction in schools and for 40 percent of households in core townships</li> <li>• By the end of 2016, almost 2,000 household latrines had been constructed; 15 school latrines were built in Pauktaw township, benefiting 1,768 primary school students</li> <li>• Responsible investment and policy reports for the Special Economic Zone in Kyaukphyu were undertaken</li> <li>• Two Public Hearing Forums were organised in the State capital Sittwe to facilitate constructive engagement</li> </ul>
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Table Annex 4.4: Important updates on 15 projects during 2016 in the Uplands

Sr.	IP, project title, timeframe, budget, status	Important updates
1	Catholic Relief Services (CRS)  Productive Agriculture through Community Engagement (PACE)  Budget: USD 1,813,203  From 07/06/2016 to 31/05/2019  Ongoing	<ul style="list-style-type: none"> <li>• Staff recruitment was completed</li> <li>• Baseline survey and data collection was completed; baseline draft report available</li> <li>• The MEAL plan is being finalised</li> <li>• A basic training on MEAL was conducted for KMSS staff</li> <li>• The nutrition training manual was developed and the methodology for nutrition and marketing barrier analyses was designed</li> <li>• Community orientation meetings and agreements were completed in all 60 target villages</li> <li>• Household registration for pregnant and lactating women and mothers with children under 2 years was completed</li> <li>• All staff participated in a training on child protection</li> </ul>
2	Choklei Organisation for Rural and Agricultural Development (CORAD)  Promoting Agricultural Diversification and Economic Integration in Northern Chin State  Budget: USD 2,204,212  From 14/06/2016 to 31/05/2019  Ongoing	<ul style="list-style-type: none"> <li>• Staff recruitment was completed (10 new staff)</li> <li>• MEAL plan was finalised and a baseline consultant was recruited</li> <li>• A leadership and management training was provided to CORAD management team</li> <li>• Agriculture extension training was provided to all staff</li> <li>• Inception workshops were organised in two townships</li> <li>• Village identification was completed for 117 villages in five townships</li> <li>• Technical need assessment was completed in 110 villages</li> <li>• 114 farmers from 26 villages were selected to follow the Management Advise for Family Farm (MAFF)</li> <li>• A demonstration plot in Hakha DoA farm was set up</li> <li>• Value chain analysis and market survey was completed for seven crops (report in draft stage)</li> <li>• Market survey guidelines for producer groups were developed</li> <li>• Marketing and value chain training was organised by GRET</li> </ul>
3	Consortium of Dutch NGOs (CDN) including Cordaid and World Concern Myanmar  Improving the Incomes and Nutrition Outcomes of Rural Poor  Budget: USD 3,640,000  From 06/07/2016 to 30/06/2019  Inception Period	<ul style="list-style-type: none"> <li>• The office and team in Taungoo was set up</li> <li>• Partnership agreements have been signed with: Karuna Myanmar Social Services (KMSS), Paku Karen Baptist Association (PKBA), Bwe Mo Bwa Karen Baptist Association (BMB), and Kekho Kebah Karen Baptist Association (KKBA)</li> <li>• The MEAL plan was finalised</li> <li>• The baseline data was collected in 29 villages (406 HHs) and 99 village profiles were done. The baseline survey data draft report is available</li> <li>• Financial and organisational capacity assessments were completed for the four local partners</li> <li>• 24 partners' staffs were trained in agriculture production</li> <li>• A five day-training on nutrition, hygiene, and sanitation was organized by WCM for all project staff</li> <li>• Nutrition causal analysis: data was collected in 29 villages (381 HHs), report in progress</li> <li>• Sensitisation trainings were conducted in 99 villages</li> <li>• Water resource measurement and feasibility study was conducted in three villages of Leiktho sub-township</li> <li>• Mother-to-mother groups have been formed in eight villages</li> </ul>

4	<p>GRET</p> <p>Expanding Rural Financial Markets by Institutionalising Chin MFI</p> <p>Budget: USD 1,320,176</p> <p>From 01/12/2015 to 31/12/2018</p> <p>Ongoing</p>	<ul style="list-style-type: none"> <li>The ToR for the Board of Directors was drafted and the process of identifying independent directors launched</li> <li>A workshop on management information systems was conducted with both the Chin MFI and the Dry Zone MFI</li> <li>The procedure manuals for loan officers, operations and financial management were revised and updated</li> <li>The financial projection process was revised</li> <li>GRET's HQ expert supported the Chin MFI Executive Committee on governance issues, debt fund raising, implementation of PPI, evolution of HR policies, setting a business plan for Kalay expansion, and developing new loan products</li> <li>A market survey in Kalay was conducted and a business plan is being prepared</li> </ul>
5	<p>ICRAF (World Agroforestry Centre)</p> <p>Agroforestry Alternatives to Shifting Cultivation in Myanmar</p> <p>Budget: USD 400,470</p> <p>From 22/10/2014 to 28/02/2017</p> <p>Closing</p>	<ul style="list-style-type: none"> <li>Two agroforestry demonstration pilots have been established in Chin and Shan State and planted with nitrogen-fixing trees</li> <li>Local partners Ar Yone Oo (AYO) and Ecosystem Conservation and Community Development Initiative (ECCDI) are supporting the plot maintenance</li> <li>ICRAF conducted a study to identify wild mushroom in agroforestry plots and their potential for consumption and marketing</li> <li>Local communities were trained in identifying local mushrooms and introduced to mushroom production</li> <li>ICRAF is preparing an exit strategy for the two demonstration plots and transfer to local Forest User Groups</li> </ul>
6	<p>Karen Development Network (KDN)</p> <p>Enhanced Livelihoods for Displaced People (ELDP)</p> <p>Budget: USD 1,837,414</p> <p>From 04/07/2016 to 30/06/2019</p> <p>Inception Period</p>	<ul style="list-style-type: none"> <li>The office and team were set up</li> <li>The MEAL plan was finalised</li> <li>A baseline survey draft report is available</li> <li>A conflict sensitivity analysis is in process</li> <li>The Karen Vocational Training Centre (KVTC) location was identified and authorisations by the government are in process</li> <li>Project orientation workshops were organised in Dawei and Yangon with the partners' team and relevant stakeholders</li> <li>Project inception workshops were organised in Dawei, Thayet Chaung, and Palaw townships with the township stakeholders</li> <li>Village-level project orientation workshops were conducted in all project-targeted villages</li> </ul>
7	<p>Mercy Corps (in partnership with Swiss Contact)</p> <p>Making Vegetable Markets Work (MVMW) for the Poor</p> <p>Budget: USD 4,000,000</p> <p>From 17/06/2014 to 10/06/2017</p> <p>Ongoing</p>	<ul style="list-style-type: none"> <li>The project redesigned its strategy to focus on interventions with proven success (private-sector led extension services and voucher program), while phasing out less successful activities (contract farming)</li> <li>In 2016, the project impacted 10,539 farmers (12,221 since project start) with improved access to inputs and services from East West Seed Int'l Company</li> <li>The project conducted surveys and published reports on consumer preferences and wholesale markets and seed associations under the Vegetable Sector Acceleration Taskforce (VSAT)</li> </ul>
8	<p>Metta Development Foundation</p> <p>Uplands Food Security and Participation in Markets (UFS-PM)</p> <p>Budget: USD 2,123,168</p> <p>From 17/06/2016 to 31/05/2019</p> <p>Inception Period</p>	<ul style="list-style-type: none"> <li>Staff recruitment was completed, and all staff received an orientation training</li> <li>New field staff followed a two-month long ToT for Farmer-Field-School (FFS) in Myitkyina</li> <li>40 Metta staff followed a four-day training on value chain and social enterprises led by AGTALON. Three staff visited a number of agro-enterprise projects in the Philippines</li> <li>MEAL plan is under review</li> <li>Baseline survey design is ongoing</li> <li>Three groundnut varieties (Sin 7, Sin 8, and Sin 13) have been tested with local farmers</li> <li>58 FFS groups were set up (one FFS per village) in Kachin and Shan States. 1,202 farmers participated in these groups and were trained in cropping techniques for groundnut and mustard seed</li> </ul>

		<ul style="list-style-type: none"> <li>In Shan State, Production Management Committees (PMCs) were established for the management of oil mills</li> <li>574 farmers in 26 villages were trained in agroforestry techniques through FFS</li> <li>12 Forest User Groups (FUGs) were formed and eight began the application process for community forest certification</li> <li>The farmers who would like to get new seeds of groundnut, sesame, niger and elephant foot yam have been registered</li> </ul>
9	<p>Myanmar Institute for Integrated Development (MIID)</p> <p>Securing Positive Nutritional Outcomes through Agriculture Extension, Nutritional Education and Institution Building</p> <p>Budget: USD 1,675,410</p> <p>From 14/06/2016 to 31/05/2019</p> <p>Inception Period</p>	<ul style="list-style-type: none"> <li>The office and team in Hakha were set up</li> <li>The MEAL plan and the baseline survey are in progress</li> <li>The selection of 24 target villages was finalised</li> <li>Three FFS groups were formed and three demonstration plots were established for winter crops, including carrots, onion, radish, strawberries and Sacha Inchi</li> <li>The field team was trained on PRA methodology and conducted PRAs in 14 villages</li> <li>A feasibility study for aquaculture was conducted in 14 villages; the assessment report is available</li> <li>The interviews for concept mapping—a qualitative survey about the causes of people not having enough food—were completed in 14 villages; analysis is ongoing</li> <li>A participatory mapping exercise was conducted in 24 target villages; tools for food production and consumption analysis were developed; this information will feed the ongoing farming system analysis in the project area</li> <li>The project team identified two serious diseases affecting ginger: Fusarium Wilt and Bacterial Wilt. The diseases were confirmed by the Plant Disease Division and information was shared with the local farms</li> <li>The project received the official approval from DoA to work with the State Agriculture Institute in Chin State to support curriculum development on nutrition and Uplands agriculture, and to facilitate field exposure for students</li> </ul>
10	<p>PRIME</p> <p>Water for Livelihoods and Smallholder Prosperity (WFL)</p> <p>Budget: USD 5,884,862</p> <p>From 14/12/2015 to 31/12/2018</p> <p>Ongoing</p>	<ul style="list-style-type: none"> <li>Opened project offices in four townships (Kalaw, Pindaya, Taunggyi, His Hseng) and established Demonstration, Training and Research Facilities (DTRF), covering 95 acres of potatoes under drip irrigation for commercial off-take</li> <li>PRIME provided drip irrigation equipment, seeds through a credit system, and training on the establishment of drip systems. Conducted a month-long intensive training for 17 farmers from Site Khaung and Banyin area</li> <li>Project trained 97 farmers in Global G.A.P in 2016; new affordable flat pipe sprinkler irrigation system were marketed, with an overall impact on 211 households</li> <li>Project was jointly organised with CPCL Holland and John Deere mechanised farming demonstrations with 130 farmer participants</li> <li>Andaman Investment Holding (AIH) conducted WFL's independent evaluation process in December 2016</li> </ul>
11	<p>Proximity Designs (IDE)</p> <p>Financial Inclusion—Moving Ahead</p> <p>Budget: USD 5,097,164</p> <p>From 01/10/2015 to 31/06/2018</p> <p>Ongoing</p>	<p>The project will run under Proximity Finance, which is the financial inclusion business unit within Proximity Designs. The project targets all three geographical areas stated in the LIFT financial inclusion programme CfP: the Dry Zone, the Delta, and the Uplands. It will increase direct access to financial services for nearly 30,000 smallholder farmers and small businesses, including 5,600 migration loans.</p> <ul style="list-style-type: none"> <li>15,071 loans were disbursed in 2016 (6,700 loans in the Dry Zone, 2,971 loans in the Uplands, and 5,330 loans to 2015 flood-affected households)</li> <li>Five new branches were opened in Monywa, Mahlaing, Shwebo, Kyaukse, and Waw</li> <li>Piloted and rolled out 1,069 loans for migrant families</li> <li>Enterprise loans were disbursed to 577 families</li> <li>The overall portfolio is 16.5 million with 60,238 clients in 55 townships</li> </ul>

12	<p>SWISSAID</p> <p>Uplands Small-Grants Fund for Civil Society</p> <p>Budget: USD 3,499,929</p> <p>From 29/07/2016 to 30/11/2018</p> <p>Inception Period</p>	<ul style="list-style-type: none"> <li>Partnership agreements were signed between SwissAid, Metta and GRET</li> <li>Staff recruitment and office set up was completed</li> <li>The MEAL plan and the baseline township mapping was finalised with consultant support; the final township mapping report is available</li> <li>The project's operational guidelines were developed</li> <li>Financial guidelines for grantees were developed</li> <li>Orientation meetings for local CSOs were conducted in 12 townships by the area fund teams (AFTs)</li> <li>Target townships were revised due to security concerns in some areas in Northern Shan</li> <li>The first proposals are expected to be received early 2017</li> </ul>
13	<p>TAG International</p> <p>Plan Bee: Introduction and Expansion of Modern Beekeeping and Honey Production in Shan State</p> <p>Budget: USD 1,869,967</p> <p>From 23/10/2013 to 31/03/2019</p> <p>Ongoing</p>	<p>The project was extended for one year in March 2016 to strengthen the implementation of a new project approach, with a focus on individual ownership of hives, vocational training for full-time beekeepers, and apprenticeship during the migration period.</p> <ul style="list-style-type: none"> <li>The project successfully trained 49 new full-time beekeepers and continued to support 16 full-time beekeepers trained in the previous project period</li> <li>Beekeepers trained by the project produced 36 tons of honey in 2016</li> <li>The Apiculture Resource and Business Centre (ARBC) was set up at the end of 2015 and processed and sold 3.7 tons of honey in 2016. Pricing modalities based on fair trade pricing and quality control specifications were revised</li> <li>The project continued engaging with the private sector and expanding the sale of Plan Bee honey to new outlets. Plan Bee honey is now available in City Marts and has received FDA certification. Opportunities for expanding to international markets are still under consideration</li> <li>180 people (122 women) were trained to make honey by-products, i.e., candles and balms; 77 beneficiaries across 18 microenterprise groups sold products at least twice</li> </ul>
14	<p>World Vision International Myanmar/Vision Fund Myanmar (VFM)</p> <p>Financial Inclusion—Moving Ahead</p> <p>Budget: USD 4,500,000</p> <p>From 11/12/2015 to 31/12/2018</p> <p>Ongoing</p>	<p>World Vision International Myanmar provides financial services with its partner Vision Fund Myanmar (VFM) in 11 townships in upland states (Kachin, Shan, Kayah and Kayin). This project will support access to pro-poor financial services in terms of basic credit and saving facilities through innovative products.</p> <ul style="list-style-type: none"> <li>VFM opened five new branches in Tarlay, Lasho, Hsipaw, Loikaw, and Demoso, and transferred Hpa-An and Kyengtung. The Financial Regulatory Department approved new township expansion, allowing project activities to be expanded in Myitkyin and Waingmay</li> <li>From the LIFT grant and VFM investment, VFM provided USD 4.5 million to 15,307 clients from seven townships in Shan, Kayah, and Kayin States. 83 per cent of the clients were women and 30 per cent of the total loans (average size of loan-USD 275) were utilised for rural agriculture</li> <li>VFM developed three product designs: small scale agriculture technology (SSAT), financing for debt consolidation, and credit line</li> <li>Eight agriculture related loans (average loan size USD 1,320) were piloted for small scale farm machinery</li> <li>VFM launched the individual development accounts to encourage saving practices and build a safety net for the poorest clients.</li> </ul>

15	<p>Yoma Bank</p> <p>Yoma Bank Agri-Business Finance Program</p> <p>Budget: USD 18,070,000</p> <p>From: 18/12/2015 to 31/12/2018</p> <p>Ongoing</p>	<ul style="list-style-type: none"> <li>• The Special Hire Purchase Programme for agricultural equipment operated across 28 branches in 10 states and regions, including Ayeyarwady, Bago, Magwe, Mandalay, Mon, Sagaing, Shan, Tanintharyi, Yangon, and Nay Pyi Taw</li> <li>• In 2016, hire purchase value reached MMK 57 billion (~USD 43 million) for 2,973 lease contracts. The most common equipment purchased were 2-wheel tractors, 4-wheel tractors, agricultural implements, combine harvesters, and dump trucks</li> <li>• The Agribusiness Finance Programme (AFP) was launched in December</li> </ul>
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Table Annex 4.5: Important updates on three projects during 2016 on Land

Sr.	IP, project title, timeframe, budget, status	Important updates
1	<p>GRET</p> <p>Understanding rural land issues to engage comprehensive policy dialogue in Myanmar</p> <p>Budget: USD 581,136</p> <p>From 23/05/2013 to 22/06/2017</p> <p>Ongoing</p>	<ul style="list-style-type: none"> <li>• In-depth field research on Northern Chin land issues at the Hakha periphery was completed and pre-findings were shared at a workshop conducted in Hakha with 10 participants from seven local organisations; the draft report is available</li> <li>• Under the lead of LCG, GRET contributed to two independent assessments of potential sites for land allocation in Pyapon and Maubin</li> <li>• The report on Yangon Peri-urban research findings is available (Htantabin Township). The project organised a workshop in Yangon to present the report to a wide range of stakeholders involved in urban and peri-urban development. The workshop was attended by 61 people.</li> <li>• Peri-urban land research in Mandalay was completed; the research report is at draft stage</li> <li>• A quantitative land survey was carried out in Amarapura and Patheingyi townships. The survey focused on household composition, livelihoods, access to land and water, and sanitation</li> </ul>
2	<p>Land Core Group</p> <p>Fostering equitable access and control over land and related natural resources in Myanmar</p> <p>Budget: USD 1,699,466</p> <p>From 01/01/2006 to 31/12/2018</p> <p>Ongoing</p>	<ul style="list-style-type: none"> <li>• Inception period and MEAL plan was finalised</li> <li>• The project led the independent assessment of two potential sites for land allocation in the Delta; the findings were presented to the Ayeyarwady Regional Government and to MOALI in Nay Pyi Taw</li> <li>• 44 people followed a TOT training on land law awareness and subsequently trained over 2,100 farmers</li> <li>• The report on contract farming was launched</li> <li>• As part of the land and gender research project, 34 women representing 16 farmers' networks across Myanmar came to discuss and identify key land issues from the female perspective during a nationwide female farmer forum organised in Mandalay</li> <li>• Naga customary tenure research is ongoing</li> <li>• A workshop about conservation and land tenure was organised in Nay Pyi Taw and in Putao</li> <li>• 17,000 copies of the National Land Use Policy were printed and distributed to government officers, MPs and CSOs</li> <li>• Translation of the Voluntary Guidelines on the Responsible Governance of Tenure (FAO) into Myanmar language was completed</li> <li>• MyLAFF now has 640 members and over 1,300 documents related to Myanmar land and natural resource tenure issues available for download</li> </ul>

3	<p>UN-Habitat</p> <p>Land Administration and Management Programme (LAMP)</p> <p>Budget: USD 2,329,736</p> <p>From 02/10/2012 to 29/02/2016</p> <p>Closed</p>	<ul style="list-style-type: none"> <li>• Two pilot project digitising and updating Kwin (land unit) maps and land records in Thayawaddy and Myingyan townships were completed; the pilots clearly demonstrated the benefits of digitising land record and generating high-quality digital Kwin maps and linking these directly with scanned land registration records. The pilot experience will be applicable if the nationwide land map update is implemented in the future</li> <li>• 19 work instructions for various steps of the registration process were designed and delivered</li> <li>• A tailored digital cadastral database (Land Registration Management System) using relational industrial standard software architecture was progressively designed, tested, and rolled out at the township level</li> <li>• CLRDTTC was equipped and refurbished for training. Two curriculum development and seven residential training courses were conducted for 177 participants</li> <li>• Four technical studies on (i) Land Market, (ii) Land Conversion, (iii) Land Education, and (iv) Land Process and Communication were conducted</li> </ul>
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Table Annex 4.6: Important updates on three projects during 2016 in the Migration Programme

Sr.	IP, project title, timeframe, budget, status	Important updates
1	<p>BBC Media Action</p> <p>Kyat Chat: Making the Most of Migration and Money</p> <p>Budget: USD 1,975,602</p> <p>From 01/10/2016 to 31/03/2019</p> <p>Ongoing</p>	<p>Selected Results (three months inception phase):</p> <ul style="list-style-type: none"> <li>• Theory of change finalised and agreed among stakeholders</li> <li>• MEAL plan design and finalised</li> <li>• Do No Harm plan designed</li> <li>• Initiation of the formative research to understand the barriers to information and communication on migration and financial issues</li> </ul>
2	<p>ILO</p> <p>Development of Internal and International Labour Migration Governance</p> <p>Budget: USD 1,999,754</p> <p>From 01/02/2016 to 31/12/2018</p> <p>Ongoing</p>	<ul style="list-style-type: none"> <li>• Development of an Analysis of the Myanmar Law Relating to the Overseas Employment from 1999 in light of the International Labour Standards</li> <li>• Complaints Mechanism Briefing Paper to support MOLIP in its commitment to strengthening its migration legal frameworks</li> <li>• Three more briefing papers on social protection, recruitment, and policy coherency in international labour migration in Myanmar will be published in early 2017</li> <li>• The social protection paper fed into the National Preparatory Meeting for the 9th ASEAN Forum on Migrant Labour (AFML); All but two of the social protection recommendations were incorporated into the final official recommendations document of the AFML</li> <li>• Six five-day trainings on labour migration management for government officials and CSOs at the state and regional levels in Shan State, Mandalay, Rakhine State, Ayeyawady Region, Yangon, and Nay Pyi Taw were conducted, with 219 participants receiving training in migration management</li> <li>• Two consultations conducted with Parliamentarians on labour migration management in Nay Pyi Taw to build parliamentarians' awareness of, and capacity to discuss, the topic of migration in Parliament</li> </ul>

3	<p>IOM, Metta Development Foundation, University of Sussex</p> <p>Capitalising Human Mobility for Poverty Alleviation and Inclusive Development in Myanmar (CHIME)</p> <p>Budget Phase II: USD 1,999,218</p> <p>From 01/01/2016 to 31/12/2018</p> <p>Ongoing</p>	<ul style="list-style-type: none"> <li>• Strategic partnership with the Ministry of Labour, Immigration and Population (MOLIP) formalised</li> <li>• Six pre-study consultation workshops in Shan State, Mandalay, Rakhine State, Ayeyawady Region, Yangon, and Nay Pyi Taw; Study protocol and tools in wide consultations with stakeholders were developed with over 300 participants</li> <li>• Survey team consisting of 74 quantitative surveyors and seven qualitative interviewers were hired</li> <li>• Review of existing laws related to migration was conducted, including a mapping of existing government framework on migration governance and stakeholders</li> </ul>
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Table Annex 4.7: Important updates on 14 projects during 2016 in the Financial Inclusion Programme

	IP, project title, timeframe, budget, status	Important updates
1	<p>Canadian Co-operative Association (CCA)</p> <p>Myanmar: Financial Inclusion Expansion through Co-operatives (MyFINANCE)</p> <p>From 31/10/2016 to 30/06/2019</p> <p>Budget: USD 3,000,000</p> <p>Ongoing</p>	<p>MyFINANCE is a 32-month project that will assist two township level co-operatives in the Dry Zone in transitioning their financial lines of business to sustainability. Within the inception period, the project updates are:</p> <ul style="list-style-type: none"> <li>• New MOU signed between CCA and the Central Cooperative Society</li> <li>• Initiated process to register CCA in Myanmar</li> <li>• CCA organised the 5-day planning mission to Myingyan, Taungtha, and Pakokku with potential country manager Renia Salinas and finalised the project targeted townships; Myingyan and Nathogyi and those townships have 28,017 members and 13,253 members respectively</li> <li>• CCA visited Departments of Cooperative in Nay Pyi Taw, Mandalay, Myingyan, Taungtha, Yesagyo, and Pakokku, and presented project objectives, activities and outcomes</li> <li>• CCA prepared the draft MoU for township level cooperative in Myingyan and Nathogyi</li> </ul>
2	<p>Cordaid Foundation</p> <p>Technical assistance to LIFT/Cordaid partner microfinance institutions</p> <p>Budget: USD 1,000,000</p> <p>From 15/03/2016 to 31/12/2018</p> <p>Ongoing</p>	<p>Cordaid partnered with LIFT to provide technical assistance to microfinance institutions who received loans from Cordaid and the TCX facility. The TA aimed to support the capacity development of the MFIs so that they will improve their operational performance and be able to pay back loans according to the agreed terms.</p> <ul style="list-style-type: none"> <li>• The project has identified three microfinance partners who have received loans from both Cordaid and the TCX/LIFT currency exchange risk hedging facility: Proximity Designs, Vision Fund, and CARD</li> </ul>
3	<p>GRET</p> <p>Creation of a microfinance institution in the Dry Zone, Myanmar</p> <p>From 1/12/2013 to 30/06/2019</p> <p>Budget: USD 3,463,600</p> <p>Ongoing</p>	<p>GRET requested and received approval for a cost extension for this Dry Zone microfinance project in order to separate the Dry Zone Microfinance project from the institutional umbrella of GRET. This project continues to provide three different credit products which are designed to support households involved in agriculture, livestock, and trading and production activities (only income-generating)</p> <ul style="list-style-type: none"> <li>• By the end of December 2016, the project served up to 8,605 members (80 per cent of clients are women) after the first loan disbursement in June 2014. The total cumulative disbursement amount was USD 2,023,575 through 122 VCS in 109 villages by the end of December 2016</li> <li>• The Gross Loan Portfolio was USD 890,733 by the end of December 2016; 59 per cent of the loans were utilised in livestock, 29 per cent in trading and production, and 12 per cent in agriculture</li> </ul>

4	<p>GRET</p> <p>Expanding Rural Financial Markets by Institutionalizing Chin MFI</p> <p>From 14/12/2015 to 31/12/2018</p> <p>Budget: USD 1,320,176</p> <p>Ongoing</p>	<p>Chin MFI intends to expand its pro-poor financial services to a new area, the Kalay Township. This project proposes new products to rural households that will be tested through a pilot phase, and then rolled out in the different townships. GRET's technical support to the Chin MFI, with the support of external experts, will be crucial for the coordination of the legalisation process as well as the strengthening of their managerial, institutional, and operational capacities.</p> <p>Chin MFI produced five key outputs:</p> <ul style="list-style-type: none"> <li>• The Chin MFI project was legalised and a local institution now exists</li> <li>• The strategic processes of the MFI and the managers' capacity was enhanced</li> <li>• The Chin MFI tested and rolled out new demand-driven loan products in Northern Chin and Kalay Township</li> <li>• Chin MFI extended its supply of financial services to Kalay Township</li> <li>• Chin MFI applied as Thitsar Ooyin Company Limited and approved the company registration from the Directorate of Investment and Company Administration (DICA) (Ref. 301FC/2016-2017(YGN), date:15/7/2016)</li> <li>• Staff received microfinance training from the Boulder Institute in Italy, leadership and management training from a local institution, and community-based financial inclusion and microfinance training from Bangkok</li> <li>• To expand to a new township, the project conducted a Township Situation and Market Demand survey in Kalay Township</li> </ul>
5	<p>International Finance Corporation (IFC)</p> <p>Capacity building for Inclusive Financial Sector</p> <p>Budget: USD 3,619,552</p> <p>From 01/07/2014 to 30/06/18</p> <p>Ongoing</p>	<p>This program is supporting the financial inclusion at sector level and institutional level.</p> <ul style="list-style-type: none"> <li>• IFC organised microfinance capacity building trainings such as sessions on business planning and internal audit in Yangon and Mandalay; 105 people from MFIs, FRD and CBM attended, of whom 57 per cent were women</li> <li>• In addition, IFC trained eight people as trainers through a Training of Trainers (ToT) that included five modules: business planning, finance and accounting, human resources, risk management, and internal audit. All training courses in Yangon were conducted in close collaboration with the Myanmar Microfinance Association (MMFA)</li> <li>• IFC provided support for MMFA during its exposure trip to Laos; MMFA studied the Laos Microfinance Association Experience, including its constitution, organisational structure, operations and activities, membership regulation, lobbying and advocacy, and reporting aspects, as well as its challenges and lessons</li> <li>• After one year's experience, MMFA engaged with stakeholders and lobbied to FRD for the improvement of microfinance policies, rules, and regulations</li> </ul>
6	<p>PACT Global Microfinance Fund (PGMF)</p> <p>Myanmar Access to Rural Credit (MARC)</p> <p>Budget: USD 7,327,324</p> <p>From 16/07/2012 to 15/07/2017</p> <p>Ongoing</p>	<p>The project provided a series of trainings to all partner microfinance organisations covering important areas such as auditing, management information systems, product development, risk analysis and management, HR management, and social performance monitoring.</p> <ul style="list-style-type: none"> <li>• By 2016, all nine local microfinance organisations became operationally and financially self-sufficient; all were able to stand on their own and cover operational and financial costs with their retained earnings</li> <li>• According to their strategic business plan, they were in the process of transforming into independent institutions by separating governance from their mother NGOs</li> <li>• By 2016, 62,588 households from 594 villages were reached and provided with microfinance services through the efforts of the MFI. See the performance of all nine local microfinance institutions in Annex 5</li> </ul>

7	<p>PACT Global Microfinance Fund (PGMF)</p> <p>Myanmar Access to Financial Inclusion (MAFIN)</p> <p>Budget: USD 1,700,000</p> <p>From 01/09/2015 to 31/08/2017</p>	<p>PGMF introduced lease financing to rural communities in the Dry Zone. PGMF provided lease financing (with a limitation on the maximum loan amount amounting to MKK 5 million) to 204 clients for productive assets, such as two-wheel tractors, mini-trucks, motorised weaving looms, three-wheel motor bikes, and electric fuel pumps, with which clients were earning daily income. This program not only provided clients with regular income, but also employed an additional two or three employees to manage the assets.</p> <ul style="list-style-type: none"> <li>• PGMF also provided other regular microfinance services, such as savings, agricultural loans, and small business loans</li> <li>• The project was successful in providing microfinance services to 25,509 households in 211 villages</li> </ul>
8	<p>PACT Global Microfinance Fund (PGMF)</p> <p>Rakhine Access to Financial Inclusion (RAFIN)</p> <p>Budget: USD 8,323,497</p> <p>From 14 Dec 2015 to 31 Dec 2018</p> <p>Ongoing</p>	<ul style="list-style-type: none"> <li>• Successfully established microfinance branches in five townships.</li> <li>• Completed feasibility study in two other LIFT Rakhine Program Townships: Myay Pon and Min Bya</li> <li>• The project helped rural communities start up or expand small businesses, such as raising pigs and ducks, selling dried fish, opening small grocery shops, and making vermicelli (Rakhine rice noodle); the project experienced high demand for loans for winter crops and plan to provide them in 2017</li> <li>• The project reached 28,013 households in 324 villages in five townships (Thandwe, Kyauk Phyu, Gwa, Taunggup, and Ann); PGMF was the only microfinance service provider in those townships</li> </ul>
9	<p>Proximity Designs</p> <p>Financial Inclusion—Moving Ahead</p> <p>Budget: USD 5,097,164</p> <p>From 01/10/2015 to 30/06/2018</p> <p>Ongoing</p>	<p>This project will run under Proximity Finance, which is the financial inclusion business unit within Proximity Designs. The project targets all of the three geographical areas stated in the LIFT Financial Inclusion Programme CfP: the Dry Zone, the Delta and the Uplands. It will increase 'direct' access to financial services to nearly 30,000 smallholder farmers, small businesses, including 5,600 migration loans (On-the-Move Loans).</p> <ul style="list-style-type: none"> <li>• 15,071 loans are disbursed in 2016 (6,700 loans in Dry Zone, 2,971 loans in Uplands, 5,330 loans to 2015 flood effected households)</li> <li>• Five new branches are opened in Monywa, Mahlaing, Shwebo, Kyaukse and Waw</li> <li>• Piloted and rolled out 1,069 loans for migrant families</li> <li>• Enterprise loan was disbursed to 577 families</li> <li>• The overall portfolio is 16.5 million with 60,238 clients in 55 townships</li> </ul>
10	<p>The Currency Exchange Fund (TCX)</p> <p>Currency exchange risk hedging facility for microfinance institutions in Myanmar</p> <p>Budget: USD 10,000,000</p> <p>From 17/11/2016 to 31/12/2018</p> <p>Ongoing</p>	<ul style="list-style-type: none"> <li>• TCX reached an agreement with international investors and 13 microfinance institutions in Myanmar regarding debt financing equivalent to USD 70.6 million</li> <li>• With the facility, the MFIs had opportunity to borrow local currency from international investors at an interest rate of 13 per cent per annum without exchange rate fluctuation risk</li> </ul>

11	<p>UNCDF</p> <p>Support to Savings-led Microfinance Market Leaders to Enter Myanmar (Microlead Expansion Programme)</p> <p>Budget: USD 7,006,262</p> <p>From 31/10/2012 – 30/12/2017</p> <p>Ongoing</p>	<ul style="list-style-type: none"> <li>• This project supported the successful institutionalisation of regional microfinance institutions ASA Myanmar and Alliance Myanmar; both achieved operational self-sufficiency during 2016: from 19 per cent to 94 per cent for Alliance and 54 per cent to 99 per cent for ASA – an improvement from 2015 to 2016; they are providing microfinance services with promising business plans leading to operational and financial self-sufficiency in 2017</li> <li>• A seminar on Myanmar Cooperatives Sector Development was conducted and attended by DG and DDG of Coops Departments, all States and Regions Managers of the Department, and international co-op societies such as the Association of Asia Confederation Credit Union, National Association of Training Centers for Cooperatives Philippines, Australian Mutuals Foundation, Cooperative Bank of Vietnam, Development International Desjardins from Canada, and Nepal Federation of Savings and Credit Cooperative Unions. The seminar highlighted a need to develop legal frameworks for financial cooperatives in Myanmar that allow them to provide responsible financial services through merging as credit unions</li> <li>• This project reached 108,319 households in 509 villages and provided savings and credit services</li> </ul>
12	<p>Vision Fund Myanmar (VFM)</p> <p>Flood Impact and Rehabilitation Proposal in Hinthada, Pathein, Sagaing, Hpa-An</p> <p>From 01/10/2015 to 31/07/2016</p> <p>Budget: USD 500,000</p> <p>Closed</p>	<ul style="list-style-type: none"> <li>• Loans amounting to USD 516,03 were disbursed, reached a total of 2,674 beneficiaries (87 per cent women); this indirectly impacted 11,731 family members</li> <li>• Provided support for the set-up of two new VFM branches in Hinthada and Sagaing and assisted two VFM branches in Pathein and Hpa-An in becoming operationally sustainable</li> <li>• Project provided access to pro-poor financial services in these four flood-affected areas</li> <li>• Project closed at the end of July 2016</li> </ul>
13	<p>World Vision International Myanmar</p> <p>Financial Inclusion for Uplands Project</p> <p>Budget: USD 4,500,000</p> <p>From 12/11/2015 to 31/12/2018</p> <p>Ongoing</p>	<p>World Vision International Myanmar provides financial services with its partner VisionFund Myanmar (VFM) in 11 townships in upland states (Kachin, Shan, Kayah and Kayin). This project will support access to pro-poor financial services in terms of basic credit and saving facilities through innovative products.</p> <ul style="list-style-type: none"> <li>• VFM opened five new branches in Tarlay, Lasho, Hsipaw, Loikaw, and Demoso, and transferred Hpa-Ahn and Kyengtung. In order to expend the project activities in Myitkyina and Waingmaw, the Financial Regulatory Department approved this new township expansion</li> <li>• From the LIFT grant and VFM investment, VFM provided USD 4.5 million to 15,307 clients from seven townships in Shan, Kayah, and Kayin States. 83 per cent of the clients were women and 30 per cent of the total loans (average size of loan-USD 275) were utilized for rural agriculture</li> <li>• VFM developed three product designs: Small Scale Agriculture Technology (SSAT), financing for debt consolidation, and credit line</li> <li>• Eight agriculture-related loans (average loan size- USD 1,320) were piloted for small scale farm machinery</li> <li>• VFM launched the individual development accounts (IDA) to encourage saving practices and build a safety net for the poorest clients. 274 of the poorest households received the additional grant of USD 1,241</li> </ul>

14	<p>Yoma Bank</p> <p>Yoma Agricultural Finance Programme</p> <p>Budget: USD 18,070,000</p> <p>From 18/12/2015 to 31/12/2018</p> <p>Ongoing</p>	<ul style="list-style-type: none"> <li>• Special Hire Purchase Programme for agricultural equipment operated in 28 branches of Yoma Bank in 10 states and regions, including Pinyinmana-Nay Pyi Taw (Ayeyarwady, Bago, Magwe, Mandalay, Mon, Sagaing, Shan, Tanintharyi, Yangon, and Nay Pyi Taw)</li> <li>• Launched the Agribusiness Finance Program (AFP) on Dec 15th 2016 at Melia Hotel, Yangon</li> <li>• In 2016, Yoma Bank disbursed about MMK 57 billion (USD 43 million) to 2,973 lease contracts under a special hire purchase program (2 wheel tractor, 4 wheel tractors, agricultural implements, combine harvesters, and dump truck are common items)</li> <li>• Note: 1 USD=1350 MMK</li> </ul>
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Table Annex 4.8: Important updates on four projects during 2016 on Private Sector Partnerships

Sr.	IP, project title, time frame, budget, status	Important Updates
1	<p>Entrepreneurship &amp; Innovation Research Group (IERG) - University of Sydney</p> <p>From 16/12/2013 to 31/03/2017</p> <p>Budget: USD 2,007,290</p> <p>Closing</p>	<ul style="list-style-type: none"> <li>• The project trained a total of 119 mentors and 104 mentors appointed by the Entrepreneurship Development Network Asia (EDNA)</li> <li>• All training components were completed (Batch 1 to Batch 6)</li> <li>• The project has trained a total of 9,313 entrepreneurs since the project start</li> <li>• The project provided trainings to over 315 classrooms across nine regions in Myanmar (11 Field Offices)</li> <li>• The project will close at the end of March 2017</li> </ul>
2	<p>Mercy Corps (in part nership with Swiss Contact)</p> <p>Making Vegetable Markets Work (MVMW) for the Poor</p> <p>Budget: USD 4,000,000</p> <p>From 17/06/2014 to 10/06/2017</p> <p>Ongoing</p>	<ul style="list-style-type: none"> <li>• The project redesigned the strategy to simplify the programme by focusing on interventions with demonstrated success (private sector-led extension services and voucher program), while phasing out less successful endeavours (contract farming)</li> <li>• In 2016, the project impacted 10,539 farmers (12,221 since project start) with improved inputs used and services provided by private sector East West Seed International Company</li> <li>• The project conducted surveys and published reports on Consumer Preference Survey and Wholesale Market and Seed Association under the Vegetable Sector Acceleration Taskforce (VSAT)</li> </ul>
3	<p>Michigan State University</p> <p>Agrifood Value Chain Development in Myanmar: Implications for Livelihoods of the Rural Poor</p> <p>Budget: USD 2,199,178</p> <p>From Jul 2015 to Jun 2018</p> <p>Ongoing</p>	<ul style="list-style-type: none"> <li>• Initiated review of MOALI Agricultural Research System effectiveness in light of new agricultural policy; assisted advocacy in MoALI's policy unit for policy formulation and implementation of the project</li> <li>• Conducted the first Myanmar Aquaculture-Agriculture Survey (MAAS) of 1,102 households in four townships in the Delta region. Conducted agricultural mechanisation scoping and cluster survey, Dry Zone and community value chain survey, and Mon State household livelihood survey</li> <li>• Participated in a series of presentations of research findings at UNOPS, the Myanmar Update conference at Australian National University, Canberra, the University of Sydney Center for Southeast Asian Studies, Myanmar Fisheries Federation and Myanmar Fisheries Partnership, and the USAID Global Learning and Evidence Exchange on Market Systems</li> <li>• All published research reports can be found at <a href="http://www.lift-fund.org">http://www.lift-fund.org</a></li> </ul>

4	<p>PRIME-SPE</p> <p>Water for Livelihoods and Smallholder Prosperity (WFL)</p> <p>Budget: USD 5,884,862</p> <p>From 14/12/2015 to 31/12/2018</p> <p>Ongoing</p>	<ul style="list-style-type: none"> <li>• Opened project offices in four townships (Kalaw, Pindaya, Taunggyi, His Hseng) and established Demonstration, Training and Research Facilities (DTRF), covering 95 acres of potatoes under drip irrigation for commercial off-take</li> <li>• PRIME provided drip irrigation equipment, seeds through a credit system, and training on the establishment of drip systems. Conducted a month-long intensive training for 17 farmers from Site Khaung and Banyin area</li> <li>• Project trained 97 farmers in Global G.A.P in 2016; new affordable flat pipe sprinkler irrigation system were marketed, with an overall impact on 211 households</li> <li>• Project was jointly organised with CPCL Holland and John Deere mechanised farming demonstrations with 130 farmer participants</li> <li>• The Andaman Investment Holding (AIH) conducted WFL's independent evaluation process in December 2016</li> </ul>
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Annex 5: Summary of achievements by LIFT Financial Inclusion Partners by 31 Dec 2016

LIFT Partners	2015		2016		2015		2016		2015		2016		2016 Balance of savings (USD)
	OSS	FSS	OSS	FSS	Total Asset (USD)	All Client	All Client	Total Asset (USD)	All Client	All Client	Women Client	2016 Outstanding loan amount (USD)	
<b>Local Microfinance Institutions</b>													
1	Ar Yone Oo	190%	100%	179%	139%	643,435	798,730	5,772	7,161	7,112	7,112	379,438	143,510
2	Border Development Association	187%	104%	196%	151%	677,485	849,190	6,099	6,934	6,930	6,930	621,646	150,199
3	Environmental Conservation and Livelihood Outreach Foundation - ECLOF	168%	97%	158%	128%	679,734	805,561	7,339	7,596	7,545	7,545	701,864	196,312
4	Myanmar Heart Development Organization	199%	105%	156%	132%	494,082	680,835	6,396	7,335	7,152	7,152	542,304	130,645
5	Ratana Metta Organization	175%	92%	161%	129%	607,338	800,601	6,165	7,195	7,059	7,059	713,002	138,927
6	Social Vision Service	167%	92%	149%	129%	477,128	640,857	5,825	6,871	6,819	6,819	506,720	110,223
7	The Sun Institute	111%	60%	147%	132%	340,929	613,623	5,342	7,230	7,105	7,105	496,169	101,264
8	Wan Lark	106%	50%	150%	135%	433,499	584,991	4,965	6,049	5,823	5,823	515,188	80,265
9	YMCA Microfinance	201%	99%	162%	134%	484,159	643,958	4,683	6,217	6,110	6,110	409,464	102,311
<b>Cooperatives</b>													
10	38 Savings and Credit Cooperatives			102%		253,301	725,893	9,746	19,029	9,514	9,514	473,638	636,232
<b>International Microfinance Institutions</b>													
11	Alliance Myanmar	19%	19%	94%	87%	937,197	5,046,180	10,060	21,857	18,427	18,427	4,738,897	684,455
12	ASA Myanmar	54%	32%	99%	98%	2,306,550	9,808,470	31,397	67,433	67,433	67,433	8,669,113	1,282,532
13	Fullerton Myanmar	35%	55%	126%	81%	6,461,940	17,295,017	36,096	58,469	53,207	53,207	11,145,860	N/A

	LIFT Partners	2015		2016		2015		2016		2015		2016		2016 Balance of savings (USD)
		OSS	FSS	OSS	FSS	Total Asset (USD)	All Client	Total Asset (USD)	All Client	All Client	All Client	Women Client	Outstanding loan amount (USD)	
14	Gret Microfinance (Chin)	137%	105%	161%	109%	1,872,000	9,647	1,981,167	10,065	6,236	6,236	1,913,749	N/A	
15	Gret Microfinance (Dryzone)	75%	52%	108%	95%	901,073	4,324	1,600,440	8,656	6,983	6,983	881,826	N/A	
16	Pact Global Microfinance Fund <sup>95</sup>	151%	129%	136%	106%	126,258,448	1,008,983	165,502,635	1,201,507	1,177,477	1,177,477	144,435,650	48,238,835	
17	Proximity Designs	105%	103%	119%	104%	9,730,957	47,884	13,376,660	79,198	41,423	41,423	11,698,644	N/A	
18	Vision Fund Myanmar	66%	62%	71%	67%	8,873,893	58,943	18,970,073	104,157	90,397	90,397	14,996,046	N/A	
	Private Bank													
19	Yoma Bank's Agri Finance Program (Hire purchase of agricultural equipment and machines)								2,973	209	209	38,820,208	N/A	
	Total for all LIFT financial inclusion					139,560,710	1,269,666	240,724,881	1,635,932	1,532,961	1,532,961	242,659,426	51,995,711	

OSS = Operational self-sufficiency, FSS = Financial self-sufficiency

$$\text{OSS} = \frac{\text{Total Income}}{\text{Total Expenses}} \times 100$$

$$\text{FSS} = \frac{\text{Total Income}}{\text{Expenses+Interest on Investment+Provision for Loan Loss+Inflation Rate}} \times 100$$

<sup>95</sup> PGMF's number of borrowers received loan in 2015 was 673,828 which was reported in LIFT 2015 annual report as number of client. Actually, its number of clients by end of 2015 was 1,008,983.

## Annex 6: Policy Engagement in 2016

Financial Inclusion	
<p>Policy Issue : Microfinance Market Development LIFT IP: UNCDF Collaborators : Basix, ACCU, ASA Myanmar Ltd.</p>	<p>MicroLead Expansion Myanmar Project supports three regional market leaders, Basix, ACCU and ASA, to play a catalytic role to drive overall market development in Myanmar. The project aims to crowd-in and attract investors to capitalise or refinance lending portfolios, allowing public institutions to limit their investments to smart subsidies. The project aims to improve the regulatory environment by allowing for increased savings mobilisation.</p> <p>During 2016, the project generated and disseminated knowledge related to the financial behaviour and preferences of poor people, product development, management of financial services, and greenfield operations among FSPs, policy makers, donors and other stakeholders. It has produced six case studies: 1) Microfinance for Poverty Alleviation in Myanmar; 2) <i>Financial Service Providers' and Women's Economic Empowerment in Myanmar</i>; 3) <i>Mobilising Savings in Myanmar: opportunities and challenges</i>; 4) <i>Funding challenges for the microfinance sector in Myanmar</i>; 5) <i>ACCU Case Study: Fostering Saving and Credit Cooperatives in Myanmar</i>; and 6) <i>Microfinance for Poverty Alleviation in Myanmar</i>.</p> <p>The project also completed five policy briefs: 1) <i>Organisational Structure of the National Federation of Savings and Credit Cooperatives</i>; 2) <i>Agriculture Value Chain Finance in Myanmar: A Role for UNCDF</i>; 3) <i>ASA Microfinance Myanmar Ltd: A Successful Model</i>; 4) <i>MFI Directives on Consumer Protection, Rural and Urban Credit Markets and the Prevention of Client Over-indebtedness in Myanmar</i>; and 5) <i>The Need for Formal Financial Sector Savings in Myanmar and Options for Development Partner Engagement</i>.</p>
<p>Policy Issue : Microfinance Regulatory Framework Reform Implementer : IFC Collaborator : MMFA</p>	<p>Microfinance Development Program supports MMFA to develop microfinance policy and regulatory framework. The association hosts workshops at its Microfinance Training Centre so that MFIs, government departments, investors, and donors can discuss microfinance policy and regulatory issues. Based on these discussion outcomes, MMFA produces papers to advocate FRD adopt relevant reform actions.</p> <p>In 2016, MMFA prepared a White Paper on policy reform in the microfinance regulatory framework based on the feedback from its members. The proposed reform recommended the inclusion of an allowance for MFIs to obtain funding from external sources, an increase in the paid up capital for licensed MFIs, and a decrease of the minimum interest rate for deposits from 15 per cent to 10 per cent, together with other suggestions. The White Paper also contributed to a series of notifications on policy reform issued by FRD that have significantly improved the regulatory environment in which MFIs operate.</p>
<p>Policy Issue : Developing rural term loans from formal private banking Implementer : Yoma Bank</p>	<p>The Yoma Bank Agribusiness Finance Program aims to increase agrarian productivity in Myanmar by providing sustainable hire purchase services to rural agri-businesses. LIFT resources have been employed to create a loan loss reserve. The hire purchase services might otherwise not be commercially viable given the prevailing interest rate ceiling and the bank's lack of experience with rural agricultural entrepreneurs. This initiative supported agricultural mechanisation and input policy implementation of MOALI, especially its AMD "to help support increased use of well-adapted, quality farm machinery and equipment in an effort to transform into a modern agricultural mechanisation system.": Ministry's policy document.</p> <p>During the three years of the project, the bank expects to become more familiar with this previously unexplored market as it gathers data over the course of the programme. This will allow the bank to independently map the risks of lending to the Myanmar rural population.</p>

Food Security	
<p>Policy Issue : Agriculture Development Policy and Strategy Formulation Implementer : LIFT agricultural advisors Collaborators : MOALI departments especially DOP and state/regional governments, private sectors, CSOs and development partners</p>	<p>In 2016, MOALI began formulating an agricultural development policy in line with the new government's economic policy mandates. This process has coincided with the design of the Agricultural Development Strategy (ADS) in collaboration with LIFT, ADB, and FAO. Two LIFT agricultural advisors at MOALI have been working closely with DOP to provide technical assistance to the ministry throughout the process. As a result, both the strategy and policy were successfully developed along with an agriculture and food security investment plan by the end of 2016. The Ministry was also able to submit a proposal for grant funding from the Global Agriculture and Food Security Program (GAFSP) in early 2017 to promote agricultural development and food security in Myanmar.</p> <p>The agricultural development policy included a shared vision and long-term collaboration among the public, private sector and farmers. Based on the three pillars of governance, productivity and competitiveness the vision is developed as: "An inclusive, competitive, food and nutrition secure and sustainable agricultural system contributing to the socio-economic well-being of farmers and rural people and further development of the national economy." Key strategic elements are value chain development, inclusiveness, diversification, and farming-non-farming linkages.</p> <p>The strategy is considered a living document. The two advisors have continued to work with MOALI to broaden consultations on the strategy from state/regional governments, line departments, private sector, and CSOs (especially farmers' groups) and development partners in all state and regions. This consultation work is expected to be completed in August 2017.</p>
<p>Policy Issue : Improved Policy Implementation for Food Security Implementer : FSWG</p>	<p>The Harnessing Resources and Partnerships to Achieve Food Security in Myanmar Phase II project aims to build capacities to support the engagement of increasingly knowledgeable, skilful and accountable food security actors with well-informed and motivated policy makers to make and implement effective food security policies in Myanmar.</p> <p>In February, FSWG organised a two-day workshop for a public consultation on Agriculture Investment Law. At the workshop, the Secretary of Farmers and Labourers' Welfare Enhancement Committee requested FSWG to organise similar public consultations with key stakeholders in states and regions for 2012 Farm Land Law. Accordingly, FSWG will organise public consultation on that law in 2017.</p> <p>The project also convened a policy advocacy planning workshop in July with the Agriculture, Livestock and Rural Development Special Committee, Pyithu Hluttaw. A framework of FSWG's policy advocacy strategy and action plan and policy priorities for one year were agreed at the workshop.</p>
<p>Policy Issue : IEC sector development for rural agriculture LIFT IP: UNESCO Collaborators : MOI, MOALI, YAU, ABCID, Thomson Reuters Foundation, Myanmar Now, Dant Da Lun Management and Consulting Services</p>	<p>The Communication for Sustained Livelihood and Food Security project works closely with the government and private media and partner telecommunications operators to develop the competencies of print, broadcast and online journalists and enhance coverage of rural agricultural development issues that matter to LIFT's rural beneficiaries.</p> <p>In 2016, the project established an Editorial Committee/task force with MOI, MOALI, Farmers Channel, YAU, ABCID and Thomson Reuters Foundation to increase the capacity of relevant actors to oversee the production of IEC multimedia materials, news and feature services. It also initiated a partnership with the Myanmar Book Aid and Preservation Foundation to build the capacity of 1,000 extension workers and information officers from the government and local organisations on communication for development, ICT literacy and information and knowledge management.</p>

<p>Policy Issue: Aquaculture development LIFT IP: WorldFish Collaborators: DOF, GRET, NAG and PACT</p>	<p>The Promoting Sustainable Growth of Aquaculture in Myanmar to Improve Food Security and Income for Communities in the Ayeyarwady Delta and Central Dry Zone project aims to promote the sustainable growth of aquaculture in the Delta and suitable agro-ecological areas in the Dry Zone. The project will document innovation and learning for policy engagement on small scale aquaculture (SSA) and contribute to sustainable agriculture, food security and rural development.</p> <p>In 2016, project sites and promising aquaculture technologies for each site were selected, and farmers groups were formed and trained in aquaculture. The project produced five policy briefs on freshwater fisheries, coastal fisheries, marine fisheries, aquaculture, and an overall summary. As policy-makers need to make practical decisions under time constraints, the briefs provided evidence and actionable recommendations. The targeted audience of the briefs includes MoALI, DoF, MFF and private sectors, fisheries associations, partners and donors (SDC, LIFT, DANIDA and Norad).</p> <p>The project also supported DOF to build its research capacity to better understand the impact of SSA on the sector. This would develop institutional capacity of DOF at district and township levels.</p>
<p>Policy Issue: Fishery Management at State Level LIFT IP: Better Life Organization Collaborators: DOF, and other CSOs such as Rakhine Thahara</p>	<p>In the Tat Lan extension the Sustainable Food Security and Livelihoods Program has been working to amend the by-laws of Rakhine State Freshwater Fisheries Law. BLO and other LIFT-funded Tat Lan Programme partners and CSOs, including Rakhine Thahara Association, worked through the Rakhine Fisheries Partnership Platform to include community-based fisheries co-management in the law. However, new by-laws are required to implement the law in order to properly process the registration application of fishery workers group and non-fishing zones. BLO, together with other CSOs, is continuing to work closely with DOF on these tasks.</p>
<p>Policy Issue: Livestock Sector Development LIFT IP: FAO Collaborators: LBVD, UVS</p>	<p>For the long-term sustainable development of the livestock sector, the Improving Farmer Livelihoods in the Dry Zone through Improved Livestock Health, Productivity and Marketing project has assessed and identified six specific priority areas with LBVD for policy development at union level. In 2016, the project provided policy advice to the LBVD in six areas.</p>
<p>Policy Issue: Integrated development and sustainable agriculture in the dry zone LIFT IP: CAPSA-UNESCAP Collaborators: DRD, DOA, DAR, DOP, APCTT, CSAM and NAG</p>	<p>An Integrated Rural Economic and Social Development Programme for Livelihoods Improvement project aims to strengthen the capacities of policymakers, LIFT development partners, and the private sector for poverty reduction and inclusive, sustainable development in the Dry Zone.</p> <p>In 2016, six policy-oriented events for improving climate-resilient and sustainable agriculture were held in Nay Pyi Taw, Magway and Monywa with MoALI policy makers and other stakeholders. Four of six planned policy briefs were developed in both English and Myanmar and disseminated to policy makers and wider stakeholders via SATNET Asia and UNCAPSA websites. The policy briefs focused on 1) supporting value chains for seed development of pulses, legumes and oil crops; 2) stakeholder interventions for sustainable agriculture; 3) policies, institutions and processes to support climate resilient and sustainable agriculture; and 4) strengthening policies and processes for sustainable agricultural mechanisation development.</p>
<b>Gender</b>	
<p>Policy Issue: Gender equality and women empowerment LIFT IP: GEN Collaborators: MSWRR</p>	<p>The Deepening Commitment to Gender Equality in Myanmar project seeks to promote gender equality and women's empowerment in Myanmar.</p> <p>In 2016, GEN continued to make contributions for a comprehensive PoVAW Law that includes clear and just definitions of key concepts. In collaboration with the Global Justice Center, a US-based legal think-tank, GEN also prepared and submitted the Myanmar CSO shadow report to 64th Session of UN CEDAW Committee. GEN maintained its focus on calling for the implementation of the National Strategic Plan for the Advancement of Women (NSPAW) and for the adoption of a CEDAW compliant on PoVAW Law. In December, GEN participated in the first meeting of the Myanmar National Committee for Women's Affairs (MNCWA). This high-level inter-ministerial committee will advance women's rights by allowing coordination between ministries to mainstream gender issues and ensure proper budget commitments to realise NSPAW and the CEDAW implementation plan.</p> <p>Also, in June, GEN held the Women's Empowerment Leads to True Transformation Stakeholder Workshop in Nay Pyi Taw with 120 parliamentarians to raise awareness about giving women space within governance structures.</p>

Inclusive Value Chains	
<p>Policy Issue : Vegetable Sector Development  Implementer : Mercy Corps  Europe Collaborators : Swisscontact and East-West Seed International</p>	<p>The Making Vegetable Markets Work for Smallholders for the Poor (MVMW) project in Southern Shan and Rakhine States assisted the Vegetable Sector Acceleration Task Force (VSAT) to improve the enabling environment for the vegetable sector. The VSAT is a working group of the Myanmar Agricultural Network, itself a part of the World Economic Forum-created Grow Asia initiative. MVMW funds many VSAT activities and the fees of the secretary. VSAT has coordinated several events, including a study tour to Vietnam, research studies, and policy roundtables.</p> <p>MVMW also designed and implemented two research studies: <i>Consumer Preference Survey</i> and <i>Wholesale Market Management Plan</i>. MVMW helped create the Seed Sector Roadmap and the development of the National Seed Association Constitution. To discuss the research, roadmap and constitution, MVMW convened industry stakeholders in Nay Pyi Taw for policy roundtables and workshops.</p>
<p>Policy Issue: Agriculture Value Chain  LIFT IP: Michigan State University</p>	<p>The Agrifood Value Chain Development in Myanmar: Implications for Livelihoods of the Rural Poor project promotes inclusive agricultural productivity growth, improved nutritional outcomes, and enhanced livelihood resilience through an improved policy enabling environment.</p> <p>In 2016, the project contributed to the development of a USAID-supported White Paper on agriculture, <i>From Rice Bowl to Food Basket: Three pillars for modernizing Myanmar's Agricultural and Food Sector</i>. The project provided inputs on the draft and participation at multiple presentations, workshops and conferences with government officials, especially from MoALI; development partners; CSOs, and private sector actors. The principles and policies set out in the White Paper have had a significant impact on the development of MoALI's draft agricultural policy and agricultural development strategy. The strategy paper identifies opportunities for broad-based and inclusive rural economic growth through smallholder diversification and intensification, while the agricultural policy is market driven and development oriented. The new overarching policy statement is as follows:</p> <p>"Myanmar's agricultural policy is to improve food and nutrition security and food safety for all the people and to enable smallholder farmers to increase their incomes through higher productivity and diversified production in response to market demand, as well as to enhance exports through the internationally competitive private agri-business sector".</p> <p>The project also participated in a fishery policy brief writing workshop organised by Myanmar Fisheries Partnership, a newly formed coalition of government, non-government and private organisations working on fisheries issues in Myanmar. The workshop resulted in the production of five fisheries policy briefs in English and Myanmar.</p> <p>To assist MoALI in policy formulation and implementation, the project has also established an agricultural policy unit within the Department of Planning. MoALI approved an international advisor joining the new unit.</p>
Land	
<p>Policy Issue : Land Tenure Policy  LIFT IP: LCG  Collaborators : MOI, MOALI, YAU, ABCID, Thomson Reuters Foundation, Myanmar Now, Dant Da Lun Management and Consulting Services</p>	<p>The Fostering Equitable Access and Control Over Land and Related Natural Resources in Myanmar project actively contributed to the development of the NLUP, which was approved by the U Thein Sein administration in January 2016. It is the first time a policy document approved by the government of Myanmar recognises customary tenure rights of ethnic groups. The project also strengthened relationships with the new government, including the Ministry of Natural Resources and Environmental Conservation, as well as local administrations in the Ayeyarwady Delta and in Mon State.</p> <p>The project conducted two policy dialogue events: the <i>National colloquium on conservation and land tenure</i> workshops and the <i>Contract farming CSO</i> workshop. The project also funded and facilitated an ASDO-organised <i>Farmers, Fishers and Rural Development forum</i> in Ayeyarwady with relevant line ministries to map out key issues and challenges faced by farmers and fishers. The project also designed and facilitated a Spectrum-organized Form 7 workshop with Pyithu Hluttaw's Farmers Affairs Committee in Parliament, Nay Pyi Taw.</p> <p>To inform policy makers about key land issues, the project launched three major reports concerning customary tenure, contract farming and Ayeyarwady land assessment. The customary tenure report and contract farming report launches were convened in large advocacy-style workshops. The Ayeyarwady land tenure assessment launch included the LIFT FMO and the Ayeyarwady regional government.</p>

Migration	
<p>Policy Issue: Policy and legal framework development for internal and external migration LIFT IP: ILO Collaborators: Ministry of Labour, Immigration and Population</p>	<p>The Developing International and Internal Labour Migration Governance project aims to improve internal and international migration legislation and develop policies that enable women and men to migrate safely and better contribute to the future development of Myanmar. During 2016, some progresses on policy related works have been made:</p> <p><u>Migration agreements between Thailand and Myanmar</u> In 2016, the governments of Myanmar and Thailand signed (1) an agreement on border crossing between (2) MoU on labour cooperation and (3) an agreement on the employment of workers. In order to inform these agreements, MoLIP and the Anti-Trafficking Police held consultation meetings with ILO, along with IOM and CSOs from Thailand, for their input before negotiating with Thailand.</p> <p><u>Briefing papers development for policy advocacy</u> The project is producing three briefing papers on complaints mechanisms, recruitment and social protection. The briefing paper on complaints mechanisms was completed, translated into Myanmar and shared with the CSO/LO Network, MoLIP's migration division, and parliamentarians. This paper reviews the current complaints mechanisms for Myanmar migrants and provides examples of good practices. The social protection paper was drafted and will inform the National Preparatory Meeting for the 9<sup>th</sup> AEAN Forum on Migrant Labour in 2017. The recruitment paper was being drafted at the end of the year.</p> <p><u>Capacity building on laws and policies governing overseas migration</u> To ensure that stakeholders at state and region level are well informed and can participate in the process of policy development, ILO convened six five-day labour migration management trainings for government officials and CSOs at state and region level in Shan, Rakhine, Nay Pyi Taw, Yangon, Mandalay and Ayeyarwady.</p> <p><u>Legal Reform on migration</u> MoLIP reviewed the Law Relating to Overseas Employment (1999). ILO provided technical assistance to help the MoLIP's migration division revise the law. The project initially planned to contract a national labour lawyer to assist with briefing papers and policy recommendations, but was unable to identify a lawyer. So far, the project developed a policy brief on analysis of the 1999 law in light of international labour standards.</p> <p>Parliamentarians also engaged in migration discussions and raised questions in parliament. The issue of domestic work was highlighted and the Minister of MoLIP proposed to parliament that a law be developed to protect domestic workers.</p> <p><u>National Plan of Action on International Labour Migration</u> The project worked with MoLIP to review the implementation of National Plan of Action on Labour Migration Management (2013 – 2017). During a two-day stakeholders' meeting organised by the project in March, MoLIP shared its activities on the national plan with all the participants from relevant government departments, UN agencies, CSOs and labour organisations.</p> <p><u>Capacity building of parliamentarians to develop evidence based policy</u> The project, together with the National Democratic Institute, organised two consultation meetings with parliamentarians - one on labour migration management and the other on a complaints mechanism briefing paper. The attending parliamentarians sit on several committees, including those concerned with local and overseas employment, international relations, and women and children.</p> <p>The project then held a two-day briefing session with parliamentarians on the ILO's work in Myanmar. A series of questions on how to provide greater protection to migrants and a request for information about the Philippines' labour law on migration were tabled. The project sent the Chair of Local and Overseas Employment Committee from Amyotha Hluttaw to the Philippines.</p>

Nutrition	
<p>Policy Issue : MCCT for 1000 Days Window</p> <p>LIFT IP: Save the Children International</p> <p>Collaborators : MOHS, GAD, 3MDG, MNMA, PGMF, IPA, IRC</p>	<p>The State Counselor has highlighted the need to promote better nutrition, especially among the younger generation. Maternal and Child Cash Transfer (MCCT) programming is the first of eight flagship programs in NSPSP of MSWRR. A drafted Myanmar National Action Plan for Food and Nutrition Security (MNAPFNS) 2016–2025 also prioritises MMCTs.</p> <p>LIFT supports three MCCT pilot projects implemented by SCI in the Delta, Rakhine and Dry Zone with the aim of generating evidence to inform policy decisions, programme design, and budget allocations by DSW.</p> <p>The pilot projects have attracted interest from MSWRR, which approached LIFT to discuss collaboration with the ministry to support a statewide MCCT program in Chin State. After two years of financial support from LIFT, the government will assume full management and financial continue the MCCT in Chin with its own funding.</p>
<p>Policy Issue : Rice Fortification</p> <p>LIFT IP: PATH</p> <p>Collaborators : DOPH, NNC, FDA, DMR, DOA, DAR, MMCWA, MCU, NUDI, PSI, MMBDC</p>	<p>The Introduction of Fortified Rice in Myanmar project worked to formulate an unprecedented rice fortification policy in Myanmar to reduce micronutrient deficiencies. Fortified rice and rice fortification policy development is considered a priority for nutrition based on the draft MNAPFNS 2016–2025 that identifies several food fortification strategies to address micronutrient deficiencies.</p> <p>In 2016, the project team has bolstered government engagement and secured critical FDA approval for fortified kernels and several fortified rice production plants. The team also made significant progress on rice fortification policy development via the rice fortification working group and focal team meetings with key stakeholders including government departments - DOPH, NNC, DMR, DOA, DOAR and DOCA.</p> <p>In March, the project team presented the first draft of rice fortification policy which was endorsed. In December, at the RFWG Meeting, the project team presented the first draft of landscape analysis of the rice sector in Myanmar to support development of rice fortification policy.</p> <p>PATH has proposed that the NNC should hold bilateral meetings with each ministry at the stage of seeking decisions for a policy formulation.</p>
Social Protection	
<p>Policy Issue : Community-based Social Protection</p> <p>LIFT IP: HelpAge International (Myanmar)</p> <p>Collaborators : Mandalay YMCA, DSW, regional governments</p>	<p>The Dry Zone's Social Protection project aims to build sustainable community-based mechanisms for addressing vulnerability, while promoting capacities of DSW and regional governments to gradually complement community efforts according to the National Social Protection Strategic Plan (NSPSP). In 2016, village development committees and social protection sub-committees were formed in 180 target villages in Pakoku, Yesagyo, Mahlaing, Myingyan, Taungtha and Natogyi Townships.</p> <p>The project completed two studies to generate learning for government and NGOs. The first study is about existing community-based social protection mechanisms addressing the needs of the most vulnerable community members. The second study provides a baseline assessment of vulnerability and social protection in the target areas.</p>
<p>Policy Issue : Social Pensions for the Elderly</p> <p>Implementer : HelpAge International Myanmar</p> <p>Collaborators : Mandalay YMCA, DSW, regional governments</p>	<p>The Strengthening the Ministry of Social Welfare to Fulfil Its Role in Expanding Social Protection project strengthened the ministry to achieve sound policies and effective public expenditure in social protection.</p> <p>During 2016, the project worked closely with the MSWRR to operationalise the social pension flagship program of the NSPSP. As a result, the Law Relating to Older Persons was enacted in December 2016. A national policy and a five-year action plan on ageing were also initiated in 2016 and will be completed in 2017.</p> <p>The project also supported capacity building of DSW and GAD through training, knowledge development and hands-on experience in designing and implementing cash transfer pilots for the first time. This cash transfer pilot is now being replicated with adjustments in the LIFT-funded MSWRR MCCT scheme which will be implemented in Chin in April 2017. These efforts also contributed to a budget increase for MSWRR to implement a universal social pension for elderly aged 90 and over and scale up MCCT programming.</p>

<p>Policy Issue : Social protection research for evidence-based policy making  Implementer: LIFT  IP: SPPRG  Collaborators : DRD, DSW, DSS, The Leprosy Mission Myanmar , ActionAid Myanmar and HelpAge International (Myanmar), Sagaing Regional Government, Shan State Government, PAO, PYN</p>	<p>The Inclusive Livelihoods &amp; Social Protection Research project builds the capacity of key government and non-government stakeholders to gather, analyse and effectively utilise evidence to develop policies for livelihoods, social protection and key social policy issues.</p> <p>During the reporting period, the project conducted workshops with the government on two major research projects with DRD: 1) Dimensions of Poverty, Vulnerability and Social Protection in rural communities; and, 2) Poverty Reduction Through Rural Development: the Evergreen Village Project.</p> <p>The workshops have contributed to evidence-based decision-making on key elements of the government’s poverty reduction programme. These experiences have increased the capacity and willingness of DRD to engage in evidence-based policy-making, and will enable them to undertake their own research in the future. This has led to requests from other government departments (e.g., Co-operatives) to undertake similar research to assess programme effectiveness and generate evidence for better decision making.</p>
<p><b>Rural Development</b></p>	
<p>Policy Issue : Technical Assistance to DRD  Implementer : LIFT TA Team  Collaborator: DRD</p>	<p>In 2016, LIFT’s technical assistance team supported DRD in developing its capacity at both union and township levels to conduct local development planning and investment programming. Building on the village development planning (VDP) pilot exercise in 2015, the technical assistance team built technical capacity of DRD officers at 34 townships to provide onward training to village communities at 170 villages to develop their village investment programme and organise implementation of small village development projects with MMK 5 million government investment fund allocated to each village.</p> <p>The team also worked with DRD to consolidate and integrate village development plans and investment programmes in 29 townships.</p> <p>The project also supported capacity building of DSW and GAD through training, knowledge development and hands-on experience in designing and implementing cash transfer pilots for the first time. This cash transfer pilot is now being replicated with adjustments in the LIFT-funded MSWRR MCCT scheme which will be implemented in Chin in April 2017. These efforts also contributed to a budget increase for MSWRR to implement a universal social pension for elderly aged 90 and over and scale up MCCT programming.</p>
<p>Policy Issue : Social protection research for evidence-based policy making  Implementer: LIFT  IP: SPPRG  Collaborators : DRD, DSW, DSS, The Leprosy Mission Myanmar , ActionAid Myanmar and HelpAge International (Myanmar), Sagaing Regional Government, Shan State Government, PAO, PYN</p>	<p>The Inclusive Livelihoods &amp; Social Protection Research project builds the capacity of key government and non-government stakeholders to gather, analyse and effectively utilise evidence to develop policies for livelihoods, social protection and key social policy issues.</p> <p>During the reporting period, the project conducted workshops with the government on two major research projects with DRD: 1) Dimensions of Poverty, Vulnerability and Social Protection in rural communities; and, 2) Poverty Reduction Through Rural Development: the Evergreen Village Project.</p> <p>The workshops have contributed to evidence-based decision-making on key elements of the government’s poverty reduction programme. These experiences have increased the capacity and willingness of DRD to engage in evidence-based policy-making, and will enable them to undertake their own research in the future. This has led to requests from other government departments (e.g., Co-operatives) to undertake similar research to assess programme effectiveness and generate evidence for better decision making.</p>
<p><b>Rural Development</b></p>	
<p>Policy Issue : Technical Assistance to DRD  Implementer : LIFT TA Team  Collaborator: DRD</p>	<p>In 2016, LIFT’s technical assistance team supported DRD in developing its capacity at both union and township levels to conduct local development planning and investment programming. Building on the village development planning (VDP) pilot exercise in 2015, the technical assistance team built technical capacity of DRD officers at 34 townships to provide onward training to village communities at 170 villages to develop their village investment programme and organise implementation of small village development projects with MMK 5 million government investment fund allocated to each village.</p> <p>The team also worked with DRD to consolidate and integrate village development plans and investment programmes in 29 townships.</p>

## Annex 7: LIFT studies delivered in 2016

Publication and LIFT Partner	Description
Focus Area: Rural transformation	
<p>Off-farm Employment and the Rural Non-farm Economy around Yangon MSU, CESD, International Food Policy Research Institute</p> <p>Focus area: Rural Transformation</p>	<p>Purpose: This brief presents findings from the Myanmar Aquaculture-Agriculture Survey (MAAS) on the characteristics of off-farm employment in four townships located close to the city of Yangon. The research highlight focusses on the characteristics of off-farm employment in two clusters.</p> <p>Findings: Off-farm employment is extremely important even among the wealthiest households and largest landholders. Off-farm labour markets in the areas surveyed appear well-integrated, yet there is a large gender disparity in the wages paid for comparable forms of work.</p>
<p>Agricultural Mechanization and Structural Transformation in Myanmar's Ayeyarwady Delta MSU, CESD, International Food Policy Research Institute</p> <p>Focus area: Rural Transformation</p>	<p>Purpose: This brief aims to understand the current levels and rates of mechanisation, and its characteristics and drivers in Myanmar by analysing a representative farm survey that was conducted in four townships close to Yangon.</p> <p>Findings: Agricultural mechanisation is already well advanced in the village tracts surveyed, almost completely replacing the use of draft cattle. Economic reforms and the growth in the non-farm sector have stimulated an ongoing process of structural transformation, in which labor is moving from agriculture to urban industrial and service sectors, resulting in labour shortages and increases in real wage rates. These have been major drivers of mechanisation in the agricultural sector. The increasing availability of financial services as well as the rise of rental markets for large-scale equipment has further improved access to these machines for farmers.</p>
Focus Area: Agriculture	
<p>Learning Together in the Ayeyarwady Delta Compiled by LIFT FMO, edited by U Htet Kyu</p> <p>Focus area: Agriculture</p>	<p>Purpose: This report shares the experiences of LIFT's partners in the implementation of their projects during Delta 2. The report presents lessons shared at a series of workshops organised by LIFT in October 2014, focusing on agricultural production and postharvest loss reduction, integrating farmers in the rice value chain, making income generation activities profitable, organising collective services. Participants also shared their experience of hire-purchase models, market price information and agricultural finance.</p> <p>Findings: Access to finance has increased considerably in the Delta with LIFT support, along with an increase in MADB loans and the recent expansion of cooperative loans in most villages. Obstacles to smallholder farmers in the rice value chain include limited investment capacity; inadequate access to technology and quality inputs; weak market integration and agricultural services; and little or no space for horizontal linkages and synergies among farmers. Extension services and the availability of finance are key factors to increasing productivity as farmers move from low to high input-output systems. Contract farming can stimulate access to production factors and has a role in strengthening relationships between farmer groups, rice millers, and input traders. Post-harvest technology and practices play a key role in maintaining seed quality and reducing losses.</p>

<p>Analysis of Farm Production Economics World Bank and Agrifood Consulting International (ACI)</p> <p>Focus area: Agriculture</p>	<p>Purpose: This is a national survey to collect key household data related to agricultural production and income for monsoon and summer crops, conducted in late 2013 and mid-2014. This information is intended to form the basis of models to assess household level responses to changing economic conditions and policies.</p> <p>Findings: Myanmar’s farming systems are diversified more than commonly thought. While during the monsoon season most farms produce paddy, during the cool and dry seasons most farms produce crops other than paddy, mainly beans and pulses, oilseeds, and maize. The analysis reconfirmed that agricultural productivity in Myanmar is low, irrespective of indicator, limiting the sector’s contribution to poverty reduction. Low productivity is a result of multiple factors, many of them associated with the undersupply of quality public services such as research, extension, and rural infrastructure. Redesign of public programmes is needed to shift from exclusive paddy production promotion to broad-based agricultural development support. This is vitally important as paddy is less profitable and costlier to produce than other crops in most areas, especially during the cool and dry seasons</p>
<p>The Emergence of Farmers’ Organisations in Myanmar GRET, FSWG</p> <p>Focus area: Agriculture</p>	<p>Purpose: This study aimed at understanding the dynamics of farmers’ organisations in Myanmar.</p> <p>Findings: The first finding is the lack of clarity and shared understanding on farmers’ organisations in the country. Even the term ‘farmers’ organisation’ is subject to a variety of perceptions. The report tries to elaborate a definition that takes into account several dimensions of farmers’ organisations including: membership, functions, funding and structuring. A typology of the farmers’ organisations that have been interviewed during the research is developed, including case studies. The report highlights current trends in the emergence of local farmers’ organisations, and their role in delivering social and economic services to members, despite the lack of recognition and support from other stakeholders (local and national governments, donors and NGOs). Recommendations are given to enhance the role of farmers’ organisations and help them represent farmers genuinely. Specific recommendations are directed at the Food Security Working Group.</p>
<p>Aquaculture in Transition: Value Chain Transformation, Fish and Food Security in Myanmar MSU, CESD, International Food Policy Research Institute</p> <p>Focus area: Agriculture</p>	<p>Purpose: This study presents findings from a new field survey of the farmed fish value chain that is more detailed and broader than any previous study conducted in Myanmar. The survey focused only on inland (freshwater) fish farming.</p> <p>Findings: Fish farming is important to Myanmar’s food security. Fish is the leading purveyor of animal protein and the lead provider of micronutrients to Myanmar consumers. However, fish farming accounts for only about 20 per cent of domestic fish consumption in Myanmar, yet it was observed that, as household expenditure increases, the amount of farmed fish consumption increases significantly more than the amount of captured fish consumption. Another finding is that fish farming output in the Delta, which accounts for 90 per cent of Myanmar’s farmed fish, increased by 250 per cent over the past decade. This is due to a combination of growth in pond area and yields. Yet, despite this rapid growth, there is little diversity in the production technologies used, or in the species produced.</p> <p>There is a lot of pent-up demand for farmed fish in Myanmar. The fish farming value chain is highly dynamic in some respects, but lags behind other countries in the region in many others. This unevenness reflects the effects of Myanmar’s long isolation and recent, partial, economic transition. The fish farming sector has massive potential to grow and develop further by becoming more competitive, spatially diversified and small-holder inclusive.</p>

<p>Vegetable Consumption, Preferences, and Supply Chain Mercy Corps</p> <p>Focus area: Agriculture</p>	<p>Purpose: While organisations were aware that demand for vegetables was increasing, there was an information gap around consumers’ preferences for vegetables – how they perceived quality, their buying patterns, eating habits and perceptions towards chemicals and food safety. The research reported here is the first consumer preferences research of Myanmar’s vegetable sector.</p> <p>Findings: High importance is placed on the aesthetic quality of vegetables, and less on taste. Shelf-life is important to retailers because it may take them 2-3 days to sell what they buy and they want produce on the second or third day to still “look fresh” and attract a good price. The key consideration for supply chain actors is to buy vegetables that will transport well and sell quickly at the best price. There is some dissatisfaction among consumers about the cleanliness of wet markets and a shift is underway to more supermarket traffic. Organically grown vegetables is an appealing idea to consumers, as most want to reduce chemical intake, but the implications of chemical-free/organic growing on end price or on the look and taste of chemical-free produce is not well understood. There are many information gaps and opportunities to educate consumers, retailers and other actors in the supply chain about vegetable quality and safety. Consumers are open to trying new things, but in the vegetable sector they are not used to seeing new varieties or types of vegetables. Strong relationships with elements of trust and loyalty exist between players in the vegetable supply chain. The players in the supply chain who absorb the most risk are the farmers and the traders who provide inputs to farms and accept the produce to sell on. They risk being left with unsold produce or having to sell produce at too low a price. Wholesalers in urban markets also take risks because they agree to prices before the produce arrives in the market. They thus risk having paid too much if a day later, when the produce arrives, another region has flooded the market with the same kind of vegetables dropping the price. Brokers face the least risk in the chain. Traders, brokers and wholesalers all play roles in setting prices.</p> <p>Risks are minimised by different actors in the supply chain. One way risk has been reduced has been through improved communication between actors. This has been facilitated by the rise of the mobile phone. However, while there are good communication links between those who are dealing and profiting from the vegetable market supply chain, the communication link between the household consumer and the supply chain is weak. There appears to be little awareness among consumers of opportunities for them to communicate to suppliers regarding what they want to see in the vegetable markets where they shop.</p>
<p>Revitalized Agriculture for Balanced Growth and Resilient Livelihoods: Towards a Rural Development Strategy for Mon State CESD, IFPRI, MSU</p> <p>Focus area: Agriculture</p>	<p>Purpose: The purpose of this report is to provide national-and state level policymakers, private-sector investors, civil society, and donors with an analysis of the rural economy of Mon State and pathways to improved prosperity for its population.</p> <p>Findings: While the Mon State rural economy faces substantial challenges, there is good reason for optimism if the Mon State and Union governments can work together with the private sector, including farmers, to develop a vibrant rural economy that raises rural incomes and improves the welfare of the rural population. Achieving this goal requires the design of a comprehensive rural development strategy for Mon State, which adheres to the following principles:</p> <ol style="list-style-type: none"> <li>1) Inclusiveness: clearly understanding the strengths and weaknesses, and the respective role of all stakeholders - government, private sector, and civil society;</li> <li>2) Decentralisation: practicing decentralised decisions-making, bottom-up planning and co-learning, and</li> <li>3) Sustainability: Balancing short-term gains with long-term growth.</li> </ol>

<p>Study of Cooperative Approaches to Farmer Organisations and Cooperatives in LIFT Partner Projects M-CRIL</p> <p>Focus area: Agriculture</p>	<p>Purpose: The purpose of this study is to undertake a qualitative analysis of the farmer organisations promoted by different LIFT IPs and to establish the relative effectiveness of different approaches which are best suited for replication and scaling up.</p> <p>Findings: There does not appear to be a large number of strong and well-functioning farmers' organisations in Myanmar. Whatever limited number of such organisations exist in Myanmar, there is a lot of additional capacity building support needed to enable them to work as vibrant member-owned farmer organisations.</p>
<p>Focus Area: Nutrition</p>	
<p>Undernutrition in Myanmar: Part 1: A Critical Review of Literature LEARN (Save the Children)</p> <p>Focus area: Nutrition</p>	<p>Purpose: This report provides a user-friendly synthesis of current data on the food and nutrition security situation in Myanmar to better understand the linkages between food security, livelihoods, and nutrition in the country as a whole as well as in specific geographic areas that are of interest to LIFT. By analysing and synthesising recent primary and secondary data collected on food and nutrition security by different agencies at the national, state/regional, township, and community levels, this report seeks to present a coherent picture of the current situation in Myanmar.</p> <p>Findings: This report presents what is known about the immediate determinants of undernutrition and how they are affected by underlying food security, caregiving, and environmental conditions, which are in turn shaped by income poverty, lack of access to capital and basic economic and social conditions. As the purpose of this report is as much to present what is known about food and nutrition security in Myanmar as it is to identify what is not known, the structure of the report is intended to highlight gaps in knowledge and areas for further research. Section 2 presents national level data on the food and nutrition security situation in Myanmar in the past five years. Sections 3, 4 and 5 present data on food and nutrition security from the various agro-ecological zones that are of interest to LIFT, namely the Coastal/Delta, Dry, and Uplands. Each section is organised in the same way, beginning with data on the prevalence of undernutrition in the geographic area, followed by findings on potential causes of undernutrition, organised according to immediate, underlying and basic determinants.</p>
<p>Undernutrition in Myanmar: Part 2: A secondary analysis of LIFT 2013 Household Survey Data LEARN (Save the Children)</p> <p>Focus area: Nutrition</p>	<p>Purpose: In order to better understand the contributing factors of undernutrition in LIFT programme areas and the links between child nutritional status and independent variables of programmatic importance to LIFT (such as income, livelihoods, food security, and water, sanitation, and hygiene [WASH]), LEARN commissioned a secondary analysis of nutrition-related data from the 2013 LIFT Household Survey. The purpose of this report is to present the findings of this analysis</p> <p>Findings: In 2013 undernutrition affected a significant proportion of children under five in LIFT programme areas. Nearly 4 out of every 10 children were stunted, and about 8 per cent of children were acutely malnourished. Evidence suggests that young children are routinely ill, with about 15 per cent of children reportedly suffered from diarrhoea in the previous two weeks. At the same time, dietary quality of young children was poor. Only about one-fifth of children 6 to 23 months of age in LIFT programme areas received an adequately diverse diet. While the rate of undernutrition in all LIFT programme areas was high, there were some key differences by zone. The Uplands was characterised by high rates of stunting and low levels of wasting. Diarrhoea was more common in the Uplands than in the other two zones. Chin State, which was characterised by very high rates of stunting and diarrhoea and extremely poor dietary diversity, stood out as being worse off than other states in the Uplands area. The Dry Zone was characterised by medium levels of stunting and high levels of wasting. Diarrhoea was less prevalent in the Dry Zone than in the Uplands and the Coastal/Delta Zone, though the latter difference was not found to be statistically significant.</p>

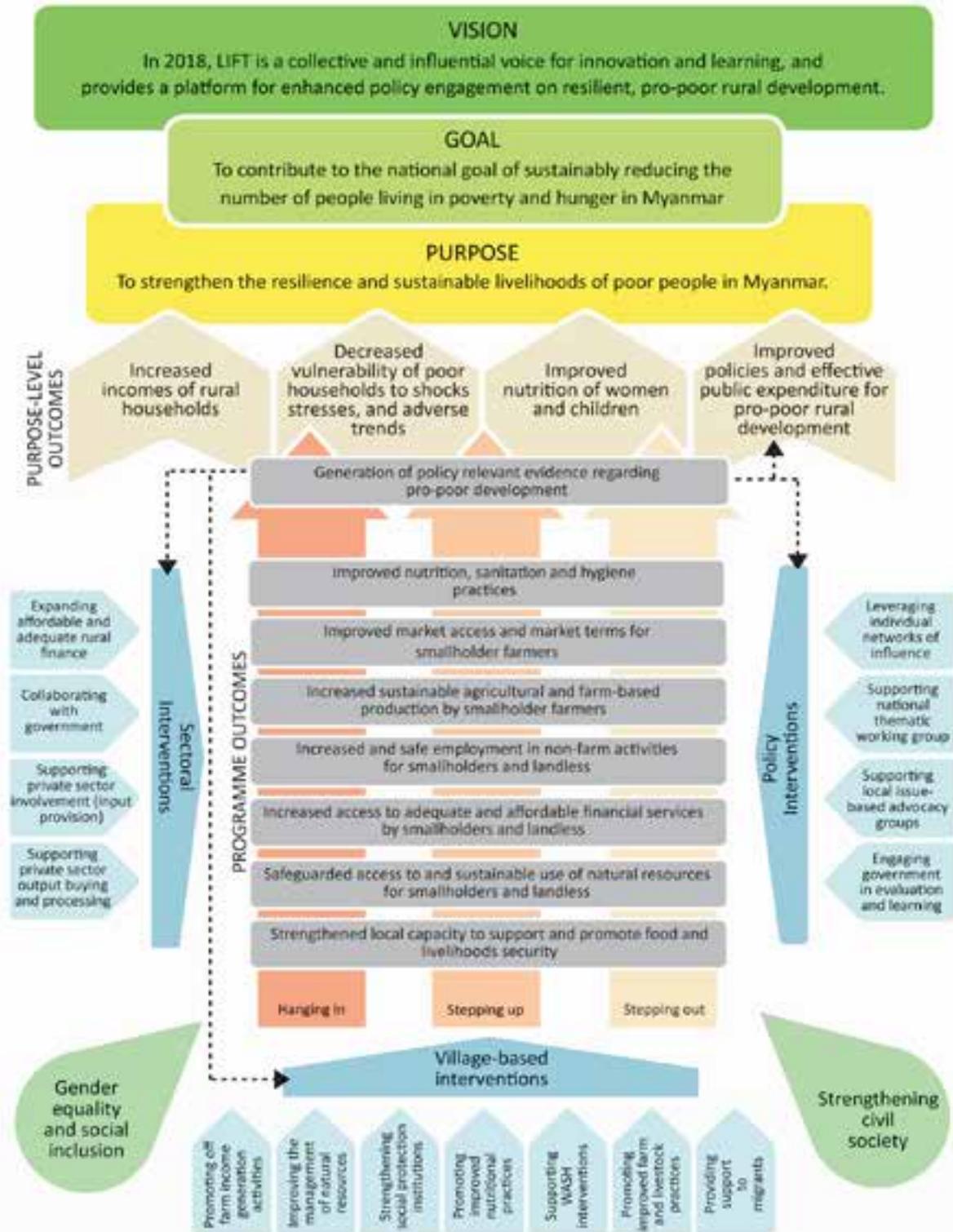
	<p>While about 30 per cent of children 12 to 23 months of age in the Dry Zone had adequate dietary diversity, only about 5 per cent of infants 6 to 11 months had consumed four or more food groups in the previous day. The Coastal/Delta Zone had roughly the same levels of undernutrition as the Dry Zone. About one-third of children under five were stunted and about 10 per cent were wasted. Diarrhoea was less common in the Coastal/Delta Zone than in the Uplands. The diets of infants 6 to 11 months of age in the Coastal/Delta Zone were extremely poor. The prevalence of stunting was higher among older children while the prevalence of wasting was higher among younger children, particularly from 6 to 23 months of age. Growth faltering caused by repeated bouts of illness and acute malnutrition may be a risk factor for stunting later in childhood. This underscores the importance of ensuring good nutrition for children in the critical window from birth to 2 years, as well as for mothers during pregnancy.</p>
<p>Focus Area: Land</p>	
<p>Land Dynamics and Livelihoods in peri-urban Yangon: the case of Htantabin Township GRET</p> <p>Focus area: Land</p>	<p>Purpose: This study was undertaken with the very broad objective of exploring land dynamics in a peri-urban, yet still largely rural, setting in the wake of land “transition” and 2012 Farmland Law. A second goal of the study was to explore the relationship between these dynamics and livelihood changes in the area.</p> <p>Findings: The beginning of the urbanisation process that was observed included many positive aspects. For example, landless households have more opportunities to diversify their sources of income by accessing jobs in industrial zones where the salaries are overall higher than in farm labour. The urbanisation process was also impacting on land prices; the price of a single acre of land situated by main or even side roads can easily surpass lifetime incomes obtained from agriculture. This has also negative impacts as housing land in villages is too expensive for the lowest income groups. While urbanisation fosters immigration to the area, competition for village or farm land will increase. There is also the possibility that the number of squatters in townships will rise. These squatters are often highly vulnerable and lack access to basic services such as water, health and education, and experience a lack of social cohesion.</p>
<p>Aquaculture, Land Ownership, Land Markets and Tenure Security in Myanmar MSU, CESD, International Food Policy Research Institute</p> <p>Focus area:</p>	<p>Purpose: This brief presents survey findings on land use and land tenure security in Myanmar’s Ayeyarwady delta, and examines two pieces of conventional wisdom with respect to land: first, that aquaculture in Myanmar is dominated by large farms, and second, that legal restrictions prevent the conversion of paddy land into fish ponds. The survey also attempted to shed light on the dynamics of land markets, and the interplay between land tenure security, land markets, and land use change. existence of numerous small fish farms which serve as an important entry point into aquaculture for smaller landholders. In addition, although conventional wisdom suggests that conversion of agricultural land to ponds is constrained by stringent regulations, the research demonstrates that conversion of paddy land into ponds has taken place, driven by both market- and, disproportionately, non-market forces. Weak tenure security has played a critical role in enabling the conversion of land from paddy to aquaculture. In this context several corrective policy options are desired: (i) Relaxation of policy constraints on agricultural land use, including the simplification of agricultural land categorisations, (ii) Strengthening existing tenure by extending the coverage of legal documentation in accordance with the Farmland Law 2012, and (iii) Strengthening dispute arbitration mechanisms and speeding up their implementation to ensure swift and equitable solutions to cases of land confiscation/appropriation and to forestall the possibility of future incidents occurring.</p>

Focus Area: Financial Inclusion	
<p>Smart Money Management: A Basic Financial Literacy Booklet LIFT</p> <p>Focus area: Financial Inclusion</p>	<p>Purpose: The booklet has mainly been developed for rural communities and is presented in an easily understandable format through the use of cartoons and mock-up stories that address the solutions and coping mechanisms for household level financial issues. It is an educational tool.</p>
<p>Credit Access and Utilization in Agriculture and Aquaculture in the Ayeyarwady Delta MSU, CESD, International Food Policy Research Institute</p> <p>Focus area: Financial Inclusion</p>	<p>Purpose: This brief presents analysis of data from the Myanmar Aquaculture-Agriculture Survey (MAAS) on access to and use of credit in agriculture. The analysis describes the access to, and conditions and utilisation of formal agricultural loans from the Myanmar Agricultural Development Bank (MADB), loans from other sources utilised in agriculture and aquaculture, and community-level data on access to credit used for general purposes. Findings: (i) MADB is by far the most important source of loans for agriculture, and plays a crucial role in ensuring that most farmers have access to credit at affordable rates; (ii) Informal lenders (predominantly relatives/friends and moneylenders) are by far the most common sources of informal credit for agriculture, but are also among the most expensive. The households with the smallest landholdings and lowest per capita expenditures are the least creditworthy and are heavily dependent on these sources, and thus face a double burden of limited resources and expensive debt; (iii) The prevalence of output-tied loans in agriculture is insignificant, with no loans of this type being provided by traders or input suppliers. In the case of aquaculture where such loans are available from fish traders to large farms, these loans are advantageous to borrowers, because average loan sizes and loan durations are greater than for those from other informal sources, and average rates of interest are lower; (iv) Access to loans from semi-formal sources (microfinance institutions, cooperatives, etc.) improved sharply from 2011 and 2016. Although this marks a very positive development, loans from these sources represent only a small share of those invested in agriculture and aquaculture, suggesting potential to tailor them more effectively to meet the needs of farm households.</p>
<p>LIFT Microfinance Projects Evaluations MCRIL (Micro-credit Ratings International Limited)</p> <p>Focus area: Financial Inclusion</p>	<p>Purpose: The purpose of the evaluation is to assess the extent to which the microfinance organisations implementing the five projects implemented by Pact Global Microfinance Fund (PGMF), Gret and Proximity Designs (IDE) have continued providing financial services beyond the project timeframe and to discern overall lessons and best practices. The findings from this external evaluation is expected to assist LIFT and its partners to develop and implement more effective microfinance projects and help the microfinance sector of Myanmar develop and deliver better services. Findings: The financial and operational ratios of the three PGMF projects, which aim to build the capacity of three national NGOs to become viable microfinance organisations show that the three organisations are all sustainable and have carry-on beyond their project periods. All these projects attained operational self-sufficiency early on and financial self-sufficiency within a year. Similarly, GRET has also achieved operational and financial self-sufficiency. However, Proximity is still to become financial self-sufficient as it has been receiving grants for technical support from several sources.</p>

Focus Area: Resilience	
<p>A Strategic Resilience Assessment of the Ayeyarwady Delta Mercy Corps</p> <p>Focus area: Resilience</p>	<p>Purpose: The purpose of this study was to evaluate the potential of households and communities in Myanmar’s Ayeyarwady Delta region to learn, cope, adapt, and transform in the face of shocks and stresses, and therefore ultimately achieve improved well-being outcomes. Mercy Corps’ Strategic Resilience Assessment (STRESS) process was employed to analyse the dynamic social, ecological and economic systems within which Delta communities are embedded and how these conditions determine vulnerability to shocks and stresses, and threaten household and community well-being.</p> <p>Findings: The Delta’s overall risk profile is predominantly influenced by climate and topography, but development challenges such as poor agricultural productivity, debt, unsustainable fishing practices, and rapid deforestation, deepen vulnerability, particularly for smallholder farmers and landless households. To equip stakeholders with the capacity to manage risk by reducing shock and stress exposure and impact, interventions should focus on helping people shift from reactive to proactive thinking. The study finds that interventions should focus on awareness, access, networks, and decision-making, as well as on capacity building.</p> <p>The Delta STRESS findings indicate that sustained improvements in livelihoods outcomes can only be achieved with a transformation in governance associated with land management and supporting infrastructure.</p>
Focus Area: Migration	
<p>Rural-urban Migration around Yangon City, Myanmar MSU, CESD, International Food Policy Research Institute</p> <p>Focus area: Migration</p>	<p>Purpose: This brief addresses internal migration by exploring the characteristics of migrants and migration in four townships located close to Yangon.</p> <p>Findings: Rural-urban migration has increased dramatically since 2010 around Yangon, where it represents a far more important migration flow than international migration. Propensity to migrate was not found to differ widely across categories of households with different resource endowments and livelihood strategies, or by gender, although households with small landholdings appear slightly more likely to produce migrants than households with either large landholdings or no land. Even though more than 80 per cent of migrants make regular remittances, suggesting that urban wages are sufficient to allow for some savings, the migration flow equates to a significant reduction in the population of young, able-bodied workers available in agriculture. However, these were partially replaced by inflows of migrant labour from remoter areas with more limited employment prospects.</p>
<p>Country of origin complaints mechanism for overseas migrants from Myanmar ILO</p> <p>Focus area: Migration</p>	<p>Purpose: This briefing paper is the first in a series of briefing papers providing technical input on particular migration issues. The briefing paper provides the international legal framework and guidelines governing complaints or grievance mechanisms for migrants. It analyses different mechanisms currently available to Myanmar migrants and provides examples of good practices from other countries of origin.</p> <p>Findings: (i) The MoLIP complaints mechanism provides the first centralised system for receiving complaints from overseas migrants. This mechanism should be strengthened and Myanmar should look at similar mechanisms and relevant laws in Nepal, Sri Lanka and the Philippines for guidance; (ii) Dispute resolutions, mediation, and other alternative dispute settlements should be fully explored before administrative or judicial litigation processes. In other countries this has meant that particular national actors play a role in informal dispute resolution as a first attempt before a case is registered with a government body or court. Creating a space for informal negotiation of migrant worker complaints would be beneficial as it ensures a larger number of cases are addressed quickly and cost-effectively; (iii) The Law Related to Overseas Employment, presidential directives, MoLIP regulations and Ministry of Foreign Affairs guidelines should charge embassy representatives with the responsibility of protecting migrant workers abroad, and outline the roles and responsibilities of embassy officials in addressing migrant workers’ complaints. (iv) One major gap in the current system is the challenge to deal with complaints related to sub-agents and unlicensed brokers. There is as yet no agreement on the best policy regarding supervising and regulating sub-agents and local representatives.</p>

## Annex 8: Theory of Change

### Livelihoods and Food Security Trust Fund Theory of Change





## **THE LIVELIHOODS AND FOOD SECURITY TRUST FUND**

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