



LIFT ANNUAL REPORT 2015



Livelihoods and Food Security Trust Fund



ACKNOWLEDGEMENTS

We thank the governments of Australia, Denmark, the European Union, France, Ireland, Italy, Luxembourg, the Netherlands, New Zealand, Sweden, Switzerland, the United Kingdom, and the United States of America for their kind contributions to improving the livelihoods and food security of rural poor people in Myanmar. Their support to the Livelihoods and Food Security Trust Fund (LIFT) is gratefully acknowledged. We would also like to thank the Mitsubishi Corporation, as LIFT's first private sector donor.

DISCLAIMER

This internal document is based on information from projects funded by LIFT in 2015 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 1200:1, which was the average exchange rate during the year.

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LIFT is managed by the United Nations Office for Project Services



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ABBREVIATIONS AND ACRONYMS

ASEAN	Association of Southeast Asian Nations	MCT	maternal cash transfer
CBO	community-based organisation	MEAL	monitoring and evaluation for accountability and learning
BMP	best management practice	MFI	microfinance institution
CSO	civil society organisation	MMK	Myanmar Kyat
DAR	Department of Agricultural Research	MOAI	Ministry of Agriculture and Irrigation
DC	Donor Consortium	MoLFRD	Ministry of Livestock, Fisheries and Rural Development
DoA	Department of Agriculture	NLD	National League for Democracy
DoF	Department of Fisheries	PGMF	Pact Global Microfinance
DRD	Department for Rural Development	PoVAW	Prevention of Violence Against Women Law
DSW	Department of Social Welfare	PwD	people with disabilities
FMO	Fund Management Office	QSEM	Qualitative Social and Economic Monitoring (report)
FB	Fund Board	REVEAL	Reducing Economic Vulnerability through an Equitable/Inclusive Approach to Livelihoods
FDI	foreign direct investment	SLRD	Settlement and Land Record Department
FRD	Financial Regulatory Department	RCT	randomised control trial
FSWG	Food Security Working Group	SP	social protection
FSIN	Food Security Information Network	SPPRG	Social Policy & Poverty Research Group
GIS	geographic information system	SRG	self-reliance groups
GRET	Group de Recherches et d'Echanges Technologiques	SRI	system of rice intensification
IFC	International Finance Corporation	UNOPS	United Nations Office for Project Services
IGA	income-generation activity	VDC	village development committee
INGO	international non-governmental organisation	VSLA	village savings and loan association
IP	implementing partner	WASH	water, sanitation and hygiene
LBVD	Livestock Breeding and Veterinary Department	WHH	Welthungerhilfe
LEARN	Leveraging Essential Nutrition Actions To Reduce Malnutrition project		
MAHFP	Months of adequate household food provisioning		
MADB	Myanmar Agriculture Development Bank		

WORKING FOR INCLUSIVE AND TRANSFORMATIVE CHANGE



CUMULATIVE NUMBER OF FAMILIES REACHED BY LIFT 2010 - 2015

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

We support the transformation of Myanmar’s rural economy by promoting inclusive growth, with opportunities for smallholder farmers and landless people to take part in Myanmar’s development. 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 207 million, has reached around ten per cent of the country’s rural population.

Projects are implemented through 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.

In 2015, with substantial new funding, LIFT started new phases for the current Delta, Rakhine, Uplands, and Dry Zone programmes, as well as programmes for migration and financial inclusion. These programmes put the updated LIFT 2014 strategy 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’.

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

IN MEMORY OF STEVE DOWALL



Steve Dowall was LIFT's Lead Technical Officer from 2013 until his untimely death in a mountaineering accident in November 2015. During 2015 he led the team through the launch of seven calls for proposals, as well as providing guidance in the appraisal process. His professionalism and good nature were noted by all: "Steve always made time for us," says U Thura Aung, Head of Programme for partner Radanar Ajar. "He was knowledgeable, thorough, considerate and an admirable person." Steve is sorely missed by his colleagues, who thank him for his high standards, hard work and dedication, and for his laughter and exceptional kindness.

EXECUTIVE SUMMARY

1. 2015 marked the Livelihoods and Food Security Trust Fund's (LIFT) sixth year of operations in Myanmar and its sixth year of growth in terms of the people LIFT's programmes reach. By the end of the year, 3.6 million rural people - or roughly ten per cent of Myanmar's rural population - had received LIFT support. In 2015, LIFT worked in 13 states and regions and 93 townships across the country.

2. LIFT continued to deliver strong results. LIFT has met or exceeded its targets for 14 of the 15 indicators for which data exists and targets were set. These include all indicators of its highest-level outcomes of improved rural incomes, resilience and nutrition. Over two million people have achieved measurably improved food security, 680,000 people live in households with increased incomes, and 880,000 people live in households with increased assets, an important measure of household resilience. People are moving out of poverty - there was a 33 per cent decrease in households reporting to have earned less than MMK 50,000 per month, and a 24 per cent increase in those earning at least MMK 100,000 a month. Child stunting also showed a dramatic improvement with a nine per cent reduction in the prevalence of stunted children, although further analysis is required to better understand how this reduction was effected. Other major outcomes are significant increases in use of regulated financial services and crop production. LIFT continues to support women, particularly through improved maternal nutrition, increased financial literacy and access to credit - 93 per cent of LIFT-supported microfinance clients are women - and by insisting on equal wages for men and women in cash-for-work activities (see Chapter 5 for details).

3. Although the pathways to improved livelihoods differ across the agro-ecological zones of the country, LIFT's interventions reflect a strong, unifying strategy. Activities are designed to lift people out of poverty, with improved and diversified livelihoods, greater resilience, healthier and better diets, and increased opportunities. The projects LIFT funds align with this strategy, but are tailored to the local context, and there were successful interventions in each of the agro-ecological zones where LIFT operates. In the Ayeyarwady **Delta**, interventions along the rice value chain made good progress: LIFT-supported extension services have now reached 57,000 farmers;¹ 90 seed growers produced 7,700 baskets of certified seeds in collaboration with the Department of Agriculture; 18 new paddy storage facilities were constructed; new post-harvest technologies were tested, adapted and introduced; and 22 farmers groups signed contracts with eight millers and two input suppliers, thereby improving the terms on which farmers buy inputs and increasing the price they get for their harvest. In the **Dry Zone**, LIFT-supported microfinance providers reached 35,000 new clients in 305 villages and developed new financial products relevant for the area as a trading hub and a source of domestic and international migration. In the **Uplands**, LIFT partners supported the commercialisation of the high-value vegetable sector through the development of a new extension curriculum on integrated pest management for garlic and potato, and the formation of the Vegetable Sector Acceleration Task Force, a multi-stakeholder platform that brings public, private and civil society partners together to chart an inclusive strategy for the sector. In **Rakhine**, 94 per cent of the 148 kilometres of embankments that LIFT partners constructed to protect paddy land withstood the destructive forces of Cyclone Komen in July 2015. The embankments were built through cash-for-work, which provided a basic income for 26,000 people while protecting 22,000 acres of paddy land.

4. The results are being achieved in a rural economy that is improving almost everywhere. In 2015, LIFT conducted another large-scale household survey, which documented how the country's economic liberalisation since 2011 is enabling rural people to seize new opportunities. The data from the survey has only been partially analysed, but initial indications are that households

¹ From 2010 to the end of 2015.

throughout rural Myanmar continue to experience remarkable improvements in their lives, albeit at a lower rate of improvement than measured in LIFT's last household survey in 2013. The data will continue to be analysed in the first half of 2016 to determine what kinds of impact different LIFT interventions have had, and which people have benefitted most from LIFT's programmes.

5. Despite these general improvements, some households suffered enormously from the floods and landslides of July and August, which upset livelihood activities in many areas where LIFT is active. LIFT was quick to respond, allocating USD 1 million of new funding to re-establish livelihoods and food security. Before the end of August, the funds were fully allocated to existing partners in order to: 1) restart key livelihood activities; 2) minimise increases in household indebtedness; and 3) minimise the impact of loan defaults on the long-term sustainability of LIFT's microfinance partners, and the future access of poor households to affordable financial services. More funds for flood relief were allocated in October, and by the end of the year, LIFT had provided assistance to more than 360,000 flood-affected people, at a cost of USD 4.3 million.

6. The floods and landslides of 2015 underlined how important it is for LIFT to incorporate climate resilience into its programmes. Over 1.4 million acres of farmland were flooded, more than 841,000 acres of crop land were destroyed, and around 242,000 livestock were killed.² Building the resilience of people and communities features strongly in the LIFT strategy, and resilience to climate change is a core component of this. In 2015, LIFT's work focused on: 1) supporting farmers to develop resilient agriculture systems through developing resilient seeds, providing climate-sensitive advisory services and reducing post-harvest losses; 2) diversifying household income through non-farm and off-farm small businesses; 3) improving natural resource management through agroforestry, community forestry and better water management; and, 4) supporting village action plans and disaster risk preparedness. See Chapter 5 for more details.

Table 1.1: LIFT calls for proposals (CfP) in 2015

	Amount (USD in million)	Dates (launch - closing)	Number of proposals Received	Number of projects funded
Financial Inclusion	44.0	February 11 - March 23	32	7 (22%)
Delta 3	16.0	March 12 - April 27	29	8 (28%)
Rakhine (closed CfP)	27.2	January - 31 July	7	7 (100%)
Dry Zone	21.0	April 24 - June 5	33	6 (18%)
Uplands	42.0	July 10 - August 24	75	6 (8%)
Migration (First CfP)	4.0	July 17 - August 21	2	2 (100%)
Skills training in Rakhine	4.2	December 22 – 29 February 2016	6	2 (33%)
Total	158.4		184	38 (21%)

7. The main focus of 2015 was putting LIFT's updated strategy³ into action. Because the pathways to improved livelihoods differ across the agro-ecological zones of the country, LIFT completed the design of new programmes for the Ayeyarwady Delta, Dry Zone, Rakhine and the Uplands, the latter expanding LIFT activities in conflict-affected areas. LIFT also expanded its financial inclusion programme, its private sector engagement, and started a new programme focused on migration. Over the course of the year, LIFT launched seven new calls for proposals for a total of USD 158.4 million. A total of 37 new projects were started and 28 closed, for a total of 54 on-going projects in 2015.

² Myanmar is in the top ten countries globally most at risk from climate change and the number of people living in areas threatened by storm surges in Myanmar is likely to increase from 2.8 million to 4.6 million by 2050.

³ To maximise the opportunities presented by recent political and economic reforms, LIFT published a new strategy in 2014, which was developed with input from government and partners.

8. LIFT mobilised significant new financial contributions to implement the new programmes. The Fund welcomed Italy and Luxembourg to the Donor Consortium, and its first private sector donor, the Mitsubishi Corporation, bringing the total number of donors to 14. Significant new contributions were also received from the United Kingdom, the European Union, Switzerland and the USA. At the end of the year, total signed commitments from donors reached USD 428 million.

9. 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 2015, LIFT was supporting 41 microfinance partners that collectively reached nearly a million clients (934,500 clients, 93 per cent of whom are women) in 12,658 villages countrywide.⁴ This was 56 per cent of the total microfinance market in terms of clients served by all 168 microfinance institutions in Myanmar. Approximately 50 per cent of the loans disbursed were for agriculture. LIFT microfinance partners provided close to USD 125 million of agricultural loans to more than 450,000 clients in 2015.

10. Equally important in all four agro-ecological zones, LIFT continues to support the integration of smallholder farmers and businesses into 'commercial' agriculture value chains. LIFT's work on inclusive value chains focused on the development of private sector partnerships that stimulate direct and indirect investments in smallholder agriculture. LIFT's private sector partnerships, which are guided by its private sector engagement principles, focus on two key areas of investment: financial inclusion and contract farming. In terms of financial inclusion, LIFT developed two new partnerships in 2015, with Yoma Bank and The Currency Exchange, which together will attract USD 200-250 million in private investment to create sustainable market linkages and support services for smallholder farmers. LIFT also started two new projects with private agri-food firms which together will give 6,000 smallholder farmers access to extension services and reliable markets through contract farming models. See Chapter 4 for more details.

11. LIFT developed new ways of supporting local civil society organisations. LIFT's 2014 strategy explicitly acknowledges that strengthening civil society, as well as the government and the private sector, promotes stronger and more sustainable livelihoods systems, and LIFT has an explicit programme-level outcome of strengthening local groups to support and promote food and livelihood security. In 2015, LIFT introduced two new mechanisms for achieving this: 1) establishing separate small grant funds for each of LIFT's main geographical programmes, to people's organisations and civic groups that are local and constituency-based, particularly at township level; and, 2) entering into a limited number of strategic partnerships with CSOs based on common development objectives and knowledge sharing. The first of these partnerships were established with the Food Security Working Group, the Land Core Group and the Gender Equality Network. There are ongoing discussions about possible strategic partnerships with three other CSOs.

12. LIFT continued to adapt its governance structure as the context evolves. In order to increase the role of government and other stakeholders in the governance of LIFT, a government-chaired Senior Consultation Group was established. The first meeting of the group, which took place in July 2015, was chaired by the Minister of Livestock, Fisheries and Rural Development and was attended by high-level delegates from five other ministries including Finance, National Planning and Economic Development, Environmental Conservation and Forestry, and Social Welfare. Representatives from local and international civil society organisations also participated. In early 2016, the donors to LIFT agreed to go a step further in increasing government involvement in LIFT's governance by inviting the government to join the LIFT Fund Board. This is particularly timely given the strong alignment between LIFT's strategy and the stated priorities of the new NLD-led government, which includes emphasis on rural economic growth that benefits smallholder farmers and landless households.

⁴ See Annex 5 for a list of LIFT-funded microfinance partners and details of their achievements.

13. In addition to results on the ground, LIFT continued to help effect systemic change by demonstrating and communicating results to encourage 'take up' and 'scale up', and by addressing systemic obstacles to rural growth. For example, in 2015, LIFT worked together with government and the private sector to find an innovative approach to alleviate the impediments to foreign investment in the microfinance sector in Myanmar, through hedging currency risks for both investors and microfinance providers. LIFT also worked with the National Economic Social Advisory Council, the Myanmar Agriculture Network and USAID on a working paper outlining key agriculture policy engagements, which will be discussed with the new government. In addition, LIFT continued to support the development and piloting of new systems to improve the land registration system, which is currently in disarray. LIFT's support on land reform was successful in helping policy makers include key gender issues in the National Land Use Policy. See Chapter 4 for more details and a table charting all of LIFT's policy engagement is available in Annex 6.

14. LIFT's other efforts to effect systemic change focused on helping people reach their full economic potential through improved nutrition, skill development and income diversification. One of LIFT's most significant nutrition interventions is the introduction of maternal cash transfers in Rakhine, the Delta and the Dry Zone. Starting in Rakhine in 2014, mothers were given a monthly stipend of MMK 13,000 kyats, or about USD 11, to buy nutritious food and access health services over the course of the first thousand days of a child's life (conception until their second birthday). In addition to cash, pregnant women and mothers learned about the importance of a varied and nutritious diet. The Rakhine pilot was remarkably successful,⁵ so similar projects are being introduced in the Delta and the Dry Zone. In total, maternal cash transfer projects of USD 14.5 million are to be implemented by LIFT, with over 54,000 mothers and children enrolled. Randomised control trials have been designed to measure the impact of the projects with the objective of determining the most cost-effective way to deliver the transfers and accompanying nutrition and health messages.

15. LIFT continued to support the government's *National Strategic Framework for Rural Development* and the ministry responsible for implementing it, the Ministry of Livestock, Fisheries and Rural Development. In 2014, LIFT placed two advisors in the ministry's Department of Rural Development (DRD) with the aim of supporting DRD to develop and implement an operational plan for the strategic framework. In 2015, the two full-time advisors were joined by up to 25 LIFT-recruited national consultants, all working on supporting DRD in two main areas. First, LIFT helped DRD to commence implementation of its three-year comprehensive capacity development plan. Overall, three of the 15 sets of activities in the plan were initiated and successfully implemented in 2015, as per the target for the year. Second, LIFT helped DRD develop its national model for participatory village planning, which was established with timely completion of the 170 village development plans as part of a pilot exercise. The outcome and lessons from the pilot exercise formed the basis for scaling up the village planning process with a focus on policy planning capacity at the union and township level. The model was endorsed by H.E. President of the Republic of the Union of Myanmar.

16. LIFT redesigned its approach and methods for monitoring and evaluation in order to better fit its revised strategy, to increase the accuracy and relevance of M&E results, and to provide a more intentional focus on learning. This change in focus resulted in the development of a new Monitoring and Evaluation for Accountability and Learning (MEAL) framework.⁶ The aim was to increase the capacity of LIFT and its partners to generate and use robust evidence both to measure and improve performance and to influence rural development policy and practice in Myanmar. The development and implementation of this new framework, which was rolled out in 2015, entailed a significant upgrading of M&E systems, capacities and practices both within the FMO and among implementing partners.

⁵ Mothers in the project delivered heavier babies than mothers in the control group. In addition, exclusive breastfeeding amongst mothers in the intervention group doubled, and stunting rates decreased by five per cent.

⁶ The MEAL framework and theory of change is available on LIFT's website www.lift-fund.org

THE LIFT STRATEGY IN ACTION: 'STEPPING UP', 'STEPPING OUT' AND 'HANGING IN'

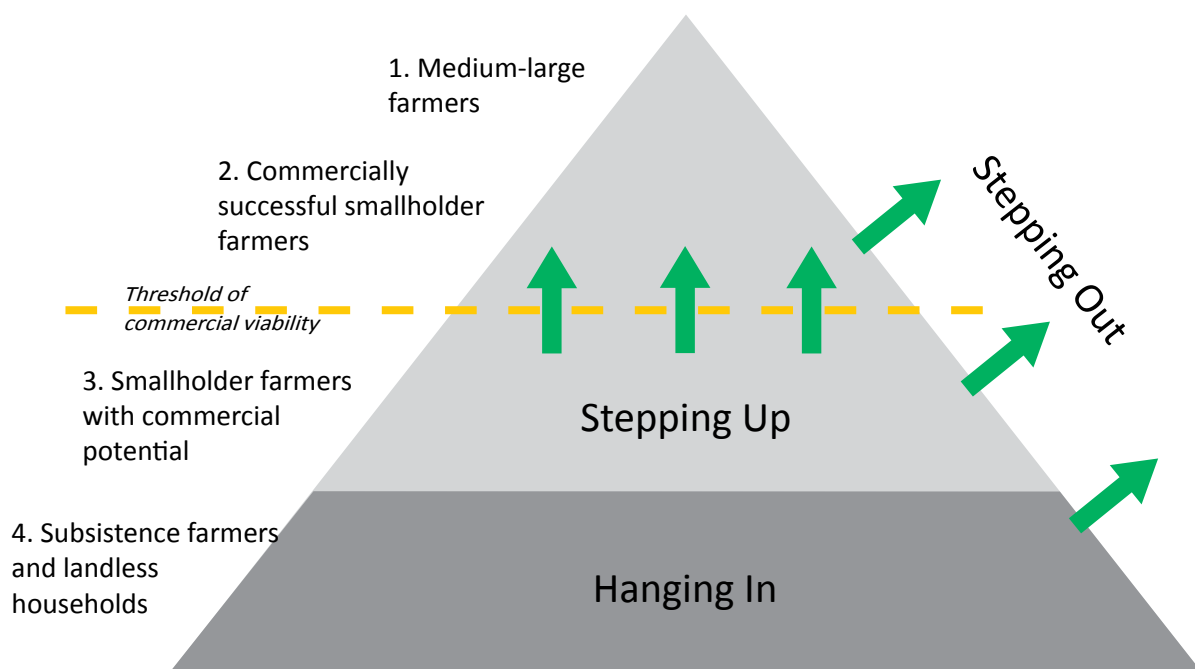
LIFT's household surveys show that rural life in Myanmar is changing rapidly in line with political reforms and new opportunities, and LIFT has also changed - updating its strategy at the end of 2014 to maximise its impact and relevance. The new programmes launched in 2015 put the updated strategy in action.

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. LIFT helps:

1. 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 as well as through enhanced capacity to market production.
2. Rural households or household members to productively 'step out' of agriculture,⁷ 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.
3. 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 1.1: Differentiated livelihood strategies of farmers and landless people⁸



⁷ Here we mean 'own account' farming, essentially farming using family labour.

⁸ This diagram is not proportionally representative.

SELECTED RESULTS

2010-2015



LIFT has reached

3.6 million

people



1 million

people are served by LIFT-funded microfinance institutions. 93% of them are women



2.1 million

people have increased their food security by more than one month

9%



reduction in the prevalence of stunting in children under 5 years old (from 32% to 29%)



154,000

households reported increased incomes



196,000

households have improved diets



357,000

members of civil society took part in LIFT-funded training



43,000

households have benefitted from improved market information and linkages



32,000

households were supported through village revolving funds

2. RESULTS

2.1 INTRODUCTION

LIFT continues to deliver strong results, with notable advances in the areas of food security, increased incomes, dietary diversity, crop production and access to financial services. There was also a remarkable nine per cent reduction in the prevalence of stunted children between 2013 and 2015.⁹

The results are based on a combination of data reported by implementing partners, and findings from the 2011, 2013 and 2015 household surveys, which were conducted in the same 92 villages.

LIFT's programmes from 2010 to 2015 reported on 18 indicators, 15 of which had targets assigned to them. Of the 15, LIFT met or exceeded 14 of its targets, including all five purpose-level indicators related to increased incomes and resilience and improved nutrition. LIFT exceeded its targets by more than ten per cent for 11 indicators and met its targets for a further three indicators. Only on one indicator did LIFT not achieve its indicator target and this appears to be directly related to under-reporting by LIFT partners.

2.2 PURPOSE-LEVEL AND PROGRAMME-LEVEL INDICATOR RESULTS

For LIFT, 2015 was a transition year from projects aligned with its earlier 2012 strategy to projects aligned with its new 2014 strategy. The shift in strategy, with subsequent changes in LIFT's logical framework, complicates the reporting of results. The results reported below do not include LIFT's 'new' projects that started in 2015. Twenty-eight LIFT projects came to a close and 37 new projects were signed.

LIFT's old logical framework consisted of 30 indicators. LIFT's new logical framework was heavily revised and has 36 indicators, of which 24 are new or revised. Tables 2.1 and 2.2 overleaf present LIFT's results against its new logframe indicators, reporting on the 18 indicators that are either common to both LIFT's old and new logframes, or new logframe indicators for which data exists for 2011 and/or 2013. For a full list of the 36 indicators in the new logframe, see Annex 3.

The data for these indicators come from either implementing partners' reports or from LIFT-commissioned household surveys. For most indicators, the findings from the household surveys, often stated as a proportion of the survey sample, were extrapolated to LIFT's target population and we report the estimated number of households that portray the measured trait. Some results may differ slightly from results stated in earlier reports, due to adjustments in sampling sizes.¹⁰

A range of external factors, including general economic, market and climatic conditions, can influence achievements in LIFT's target villages. The report does not seek to determine the extent to which the results are attributable to LIFT activities as this requires more analysis of the data. LIFT's household survey 2015, containing more detailed analysis including comparisons between LIFT programme areas and control areas, will be published later in 2016.

⁹ This figure is being further scrutinized for better understanding – see PO 3.3 (proportion of stunted children <5 years in LIFT villages).

¹⁰ For example, when analysing the 2015 household survey data, five of the original 97 villages surveyed were dropped because they were no longer treatment or control villages.

Table 2.1: Purpose indicators and achievements by year

Indicator	Results			2015 target	Per cent Target achieved	Data source
	2011	2013	2015			
PURPOSE (PO): To improve the incomes and nutrition status of poor people in Myanmar by promoting resilient livelihoods and food security						
PO 1: Increased incomes of rural households						
PO 1.1: No. of LIFT households (HH) with increased income	39,288	57,000	154,238	110,000	140%	HH surveys
PO 2: Increased resilience of rural households and communities to shocks, stresses and adverse trends						
PO 2.1: No. of LIFT HHs with increased asset ownership*	40,404	126,342	200,591	100,000	201%	HH surveys
PO 3: Improved nutrition of women and children.						
PO 3.1 No. of LIFT HHs with increased and /or diversified food consumption	84,827	88,000	196,481	200,000	98%	HH surveys
PO 3.2: No. of LIFT HHs with increased food security by > 1 month	N/A	290,000	492,435	200,000	246%	HH surveys
PO 3.3 % of stunted children <5 years in LIFT villages	N/A	32%	29%	N/A	N/A	HH surveys

* In previous LIFT reports, this indicator was measured through implementing partner (IP) data; however, for better quality data this indicator is now measured through LIFT's household surveys.¹¹ Thus, the results presented here are different from results presented in previous LIFT reports.

DISCUSSION OF PURPOSE-LEVEL RESULTS:

PO 1: Increased incomes of rural households

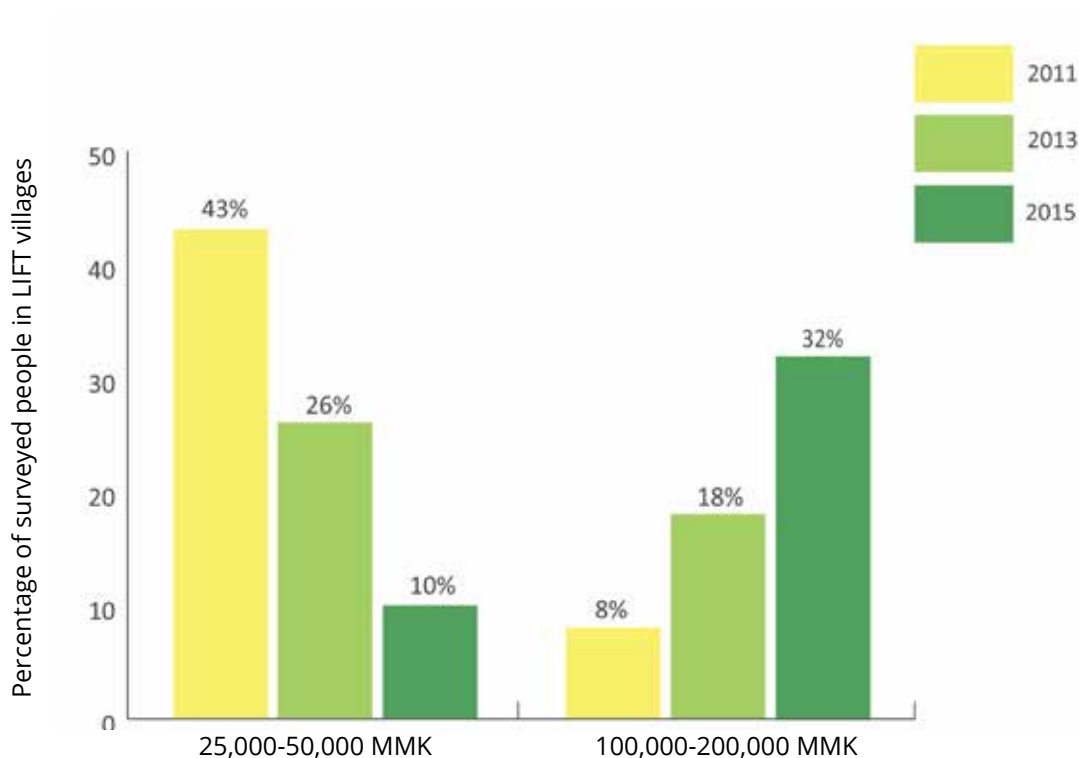
PO 1.1: Number of LIFT households with increased income

From LIFT's household surveys, of the households that grew crops during the previous year (ranging from 51.7 per cent in 2011 to 53.2 per cent in 2015), a steadily increasing percentage of households reported that their income had increased: 18 per cent in 2011 to 26 per cent in 2013 and to 35 per cent in 2015. When extrapolating these results to the number of households living in villages covered by LIFT programmes from 2010 to 2015, approximately 40,000 households, 57,000 households, and 154,000 households would have experienced an increase in agricultural income in 2011, 2013 and 2015 respectively. The sharp increase in the number of households in 2015 is likely due to the cumulative effects of accessing agricultural extension and financial services and adopting new agricultural practices over time. LIFT surpassed its original target of 110,000 households by 40 per cent due to the expansion of LIFT's programmes over time.

The household surveys also uncover a considerable shift of households earning a 'poor-level income' to a 'middle-level income'. As seen in Figure 2.1 above, there has been a sharp decrease (nearly 33 per cent) in households reporting to have earned less than MMK 50,000 per month. In contrast, there is a sharp increase (24 per cent) in those reporting to have earned at least MMK 100,000 a month.

¹¹ Many implementing partners report the number of households that acquired assets directly from projects, including live-stock purchased with the support of revolving funds or kits supplied following vocational training. However, few implementing partners do surveys to determine whether households purchase new assets as a result of benefits from projects. Therefore, the figures reported by implementing partners are very likely to under report changes in asset ownership.

Figure 2.1: Monthly household income levels from LIFT household surveys



PO 2: Increased resilience of rural households and communities to shocks, stresses and adverse trends

PO 2.1: Number of LIFT households with increased asset ownership score¹²

In LIFT household surveys, many residents in LIFT villages report that their total assets and wealth have increased over the life of LIFT. In 2015, 24 per cent perceived that their assets had increased over the previous two years, as compared to 18 per cent in 2011. When extrapolating these findings to LIFT’s target population, in 2015 over 200,000 households would have increased assets and wealth compared to only 88,000 households two year previously. *LIFT achieved 200 per cent of its 2015 target.*

It is also interesting to note the type of assets that people have acquired. Five significant assets that show considerably increased ownership are listed below.

Table 2.2: Percentage change of households in LIFT villages owning specific assets

Item	Increase (2011 to 2015)
Mobile phone	52%
Solar panel	42%
Gold/jewellery	24%
TV/satellite dish	18%
Motorcycle	17%

¹² Please see box on resilience, page 84. LIFT is developing an index for measuring resilience, of which increased assets is an important component.

Another related finding is that from 2011 to 2015, there was an 18 per cent reduction in the number of respondents who think that their assets have decreased over the past two years, indicating a possible reduction in households having to sell assets in response to cash flow problems. More analysis will be done on the data to determine what types of households are seeing the greatest changes in their asset ownership.

Implementing partners reported that slightly more than 44,000 households had increased their assets in 2013 and 54,000 households in 2015. Although these are considerable increases in the number of households with an increase in assets, it is only 54 per cent of LIFT's original target. Many IPs reported the number of households that acquired assets directly from projects, including livestock purchased with the support of revolving funds or kits supplied following vocational training. However, few implementing partners did surveys to determine whether households that benefitted from the project purchased new assets as a result of those benefits. Therefore, the figures reported by implementing partners are very likely to under report changes in asset ownership. Further analysis of the household surveys should enable more complete reporting on this indicator.

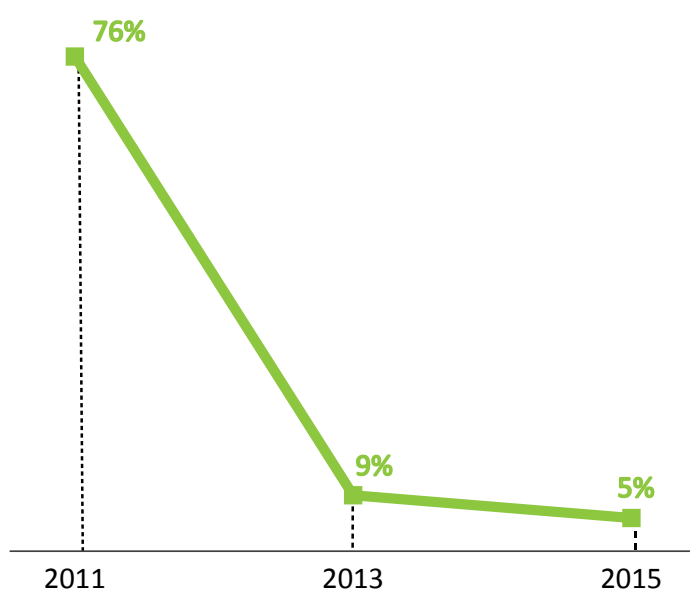
PO 3.1 Number of LIFT households with increased and /or diversified food consumption

As measured by the household surveys, there has been a steady increase in the proportion of households in LIFT villages reporting an increase in a household diet diversity score (HDDS). In 2011, 2013 and 2015, the proportion of households with a score of six or higher was 38 per cent, 57 per cent, and 62 per cent respectively. Extrapolating these results over the number of LIFT supported households, it is estimated that by the end of 2015, 196,000 households had graduated to a diet diversity score of six or higher. *This is 98 per cent of the original 2015 target of 200,000 households.*

PO 3.2: Number of LIFT households with an increase in food security by at least one month

Comparisons between the three rounds of the household survey show marked improvement in household food provisioning. In the 2011 survey in LIFT villages, 76 per cent of households reported that there were some months in the preceding year when they did not have enough food to eat. By 2013, this figure fell to 8.5 per cent and by 2015, it fell to 5.1 per cent. In 2011, the mean number of months of adequate household food provisioning (MAHFP) in the sample of LIFT villages was 9.6 months. The mean MAHFP had increased to 11.8 months in 2013 and to 11.9 months in 2015. There were also significant improvements in the mean MAHFP in control villages between 2011 and 2015, suggesting that not all of these results can be attributable to LIFT-funded projects.

Figure 2.2: Decrease in the number of households reporting food insecure months 2011 - 2015



Other survey results show that food availability is still increasing, but now at a lesser rate. In 2011, 14 per cent of households reported that food availability from all sources over the past 12 months had increased compared to the previous year. The proportion of households reporting an increase in food availability grew significantly to 24 per cent in 2013, but was only 20 per cent in 2015.

Extrapolating the MAHFP results over the number of LIFT-supported households at the end of 2015, it is expected that 60 per cent of households, or 492,435 households, would have graduated from a score of 10 or less to a score of 11 or 12 months, in terms of adequate household food provisioning. *This achievement surpasses the original target of 200,000 households by 146 per cent.*

PO 3.3: Percentage of moderately/severely stunted children under five years of age in LIFT villages

The indicator of child stunting has seen remarkable improvement with a reduction by three percentage points in the prevalence of stunted children, from 32 per cent at the end of 2013 to 29 per cent at the beginning of 2016. This equates to a nine per cent decline in the prevalence of stunting in villages where LIFT is active. There is evidence of factors that may have contributed to this decrease, such as an improvement in food diversity (indicator PO 3.1) and a dramatic increase in food security (indicator PO 3.2). Nevertheless, further investigation is needed to ascertain whether or not this is a statistically significant reduction in stunting and whether this can be attributed to LIFT interventions. To better understand this change and LIFT's possible role, further analysis is planned to include participants' exposure to various nutrition-related interventions, stunting rates by children's age groups and geographic regions, and levels of maternal nutrition, exclusive breastfeeding, and water and sanitation-related practices.

PROGRAMME-LEVEL (PR) RESULTS AND DISCUSSION:

Please refer to table 2.3 overleaf.

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

Pr 1.1: Number of LIFT households reached by advisory services

Ten IPs reported providing an additional 46,519 households in 2014 and 2015 with advisory services, reaching a cumulative total of 139,090 households.¹³ With the start-up of LIFT's new programmes in the Delta and Dry Zone and an expansion in Rakhine, there has been a significant increase in this activity.

The projects that conducted advisory services used a variety of methods and activities, such as demonstration plots, farmer field schools, learning centres, technical training, management advice for family farms, exchange visits, study tours and agricultural fairs. For example, the Mercy Corps and East-West Seed field teams organised farmer outreach and extension training for supply chain development, with seedling trays, plastic mulching and trellis netting across southern Shan. Terre des hommes (Tdh) trained farmers in hydroponic systems, drip irrigation systems and pest management. The International Rice Research Institute (IRRI) provided advisory services to Department of Agriculture personnel, NGO staff and farmers in the Delta and Dry Zone in crop management practices, stress-tolerant crop varieties and postharvest practices. LEAD provided training through farmer field schools in seed production, home gardening and vermiculture (using worms), as well as refresher training for livestock and agriculture extension workers. *For this indicator, LIFT achieved 111 per cent of its 2015 target.*

¹³ For this indicator, "the number of households reached" is defined mainly as the number of people trained in agricultural-related activities, with the assumption that one trainee represents one household.

Table 2.3: Programme-level indicators and achievements by year and 2015 target

Indicator	Results			2015 Target	Per cent achieved	Data source
	2011	2013	2015			
Pr 1: Increased sustainable agriculture and farm-based production by smallholder farmers						
Pr 1.1: Number (No.) of LIFT households (HHs) reached by advisory services*	18,973	92,571	139,090	125,000	111%	IP data
Pr 1.3: No. of LIFT HHs with an increase in production – crops only	26,784	60,000	96,218	90,000	107%	HH survey
Pr 2: Improved market access and market terms for smallholder farmers						
Pr 2.1: No. of LIFT HHs who are members of functional producer groups*	9,911	38,085	45,620	38,709	118%	IP data
Pr 3: Increased and safe employment in non-farm activities for smallholders and landless						
Pr 3.1: No. of LIFT HHs supported in non-agricultural skills development*	7,436	11,914	15,346	13,486	114%	IP data
Pr 3.2: No. of trained people who establish enterprises or get employment*	N/A	29,155	74,034	71,219	104%	IP data
Pr 3.3: No. of LIFT HHs with increased income from non-agricultural activities*	N/A	17,164	18,765	30,000	63%	IP data
Pr 4: Increased access to adequate and affordable financial services by smallholders and landless						
Pr 4.3: No. of LIFT HHs accessing financial services*	8,103	151,212	934,511**	130,000	711%	IP data
Pr 5: Improved nutrition, sanitation and hygiene practices						
Pr 5.1: No. of LIFT HHs reached with nutritionally sensitive information*	N/A	7,515	65,842	42,394	155%	IP data
Pr 5.6: No. of LIFT HHs using protected water source*	26,930	82,789	162,847	114,602	142%	IP data
Pr 6: Safeguarded access to and sustainable use of natural resources for smallholders and landless						
Pr 6.2: No. of LIFT HHs participating in protected/managed natural resources*	N/A	32,854	37,914	32,000	118%	IP data

Indicator	Results			2015 Target	Per cent achieved	Data source
	2011	2013	2015			
Pr 7: Strengthened local capacity of communities, local government, CSOs and private enterprises to support and promote food and livelihood security						
Pr 7.1 % of LIFT funds managed by national entities	21%	24%	14%	N/A	N/A	IP and FMO data
Pr 7.2: No. of local NGOs supported to promote food and livelihood security*	N/A	200	206	40	515%	IP data
Pr 8: Generation of policy-relevant evidence regarding pro-poor development						
Pr 8.1: No. of LIFT-supported policy oriented events organised*	N/A	N/A	54	N/A	N/A	IP and FMO data

* Data are reported as cumulative totals

** As of 2015, this indicator also includes the clients of those financial institutions that receive institutional support from LIFT.

Pr 1.3: Number of LIFT households with an increase in production – crops only

Survey data indicates that a steady proportion of households in LIFT villages have experienced an increase in crop yields over the life of LIFT. In all three survey rounds, of those who grew crops during the previous year, roughly a quarter reported that their crop yield had increased. Extrapolating these results over the number of households in LIFT's targeted villages, roughly 26,000, 60,000 and 96,000 households experienced an increase in crop production in 2011, 2013 and 2015 respectively. *This means LIFT achieved 107 per cent of its 2015 target.*

Survey data also indicates that the mean crop yield for rice has increased steadily over the life of LIFT. Figure 2.3 shows that, for rice grown both in the monsoon and after the monsoon, the mean yield increased by about six baskets per acre from 2011 to 2015.

Figure 2.3: Mean paddy crop yields in the LIFT household survey areas



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

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

From 2011 to 2013, a considerable number of producer groups were formed, through 27 LIFT-funded projects. Examples of such groups include agricultural producer groups, livestock producer groups and fisheries producer groups. From 2013 to 2015, Mercy Corps/Swiss Contact, EDNA-University of Sydney, and the implementing partners in the Tat Lan programme reported an additional 7,535 households becoming members of functional producer groups, for a total of over 45,000 households in 2015. *LIFT exceeded its target of almost 40,000 households by 118 per cent.*

A significant portion of this result was achieved by facilitating contract farming between small-holder farmers and the private sector. The arrangement involves producing high-value vegetables for the domestic market and for export to other Southeast Asian countries.

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

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

From 2011 to 2013, nearly 12,000 households were supported in non-agricultural skills, by 16 different partners. This support was mostly in the form of vocational skills training in such areas as tailoring, mechanics, food processing and weaving. Between 2013 and 2015, LIFT supported an additional 3,400 households in non-agricultural skills development, in the additional areas of computerised cashier skills and beekeeping. *LIFT reached 114 per cent of its 2015 target.*

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

From 2011 to 2013, 18 projects reported that over 29,000 individuals who had been trained, had established small enterprises or had gained new employment. From 2013 to 2015, implementing partners reported that an additional 45,000 trained people had established their own enterprises or became employed. This considerable increase was achieved in large part by a single project in which clients, of whom nearly 98% are women, took out loans to establish livestock-related enterprises, as well as non-farming businesses such as grocery stores, food processing, trading and traditional weaving. In addition, another project in the Delta supported individuals to establish businesses producing fuel-efficient stoves.

These loans benefit not only farmers but also landless households. Of the 74,000 trained people who have established enterprises, 96 per cent were women from landless or smallholder households. *LIFT achieved 104 per cent of its 2015 target.*

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

Implementing partners reported in 2013 that over 17,100 households had increased their incomes from non-agricultural activities, such as food processing, sewing and pottery. In 2015, this figure was 18,700, which is only 63 per cent of LIFT's target. However, there is good reason to think that the figures reported by partners are significantly under-reported. First, only 13 partners reported on this indicator in 2015 when many more were implementing activities designed to increase non-agricultural incomes. For example, LIFT partners provided non-agricultural loans to nearly 500,000 households in 2015, but none of them conducted any surveys to determine if these loans led to increased household income, so they did not report on this indicator. Second, data from the household survey indicates that 177,000 households in LIFT-supported villages reported an increase in income from non-agricultural sources, which would represent a very significant over-achievement against LIFT's 2015 target. However, to be consistent with how data was collected in previous years, the lower figure reported by implementing partners is used in this report.

Programme Outcome 4: Increased access to adequate and affordable financial services by smallholders and landless people

Pr 4.3: Number of LIFT households accessing financial services

There has been strong growth in the number of households accessing loans in LIFT-supported villages. The 2011 and 2013 figures are from implementing partners, and are a result of LIFT's direct contributions to loan funds and operational costs. There has been considerable growth in both agricultural and non-agricultural loans used to support small and medium-sized enterprises such as grocery stores, garment shops, mechanics workshops and weavers.

Table 2.4. Number of households receiving loans from LIFT-supported partners

Year	Clients taking agricultural loans	Clients taking non-agricultural loans	Total households
2011	7,587 (94%)	519 (6%)	8,106
2013	130,025 (86%)	21,187 (14%)	151,212
2015	934,511*		934,511

*A breakdown between agricultural and non-agricultural loans was not available at the time of publication.

Since 2013, LIFT's assistance to microfinance institutions (MFIs), at both the financial and institutional levels, has grown rapidly to support 41 organisations in 2015. By the end of the year, these MFIs had reached a total of nearly 935,000 clients, 93 per cent of whom are women. See Chapter 4's section on financial inclusion for more detail.

Programme Outcome 5: Improved nutrition, sanitation and hygiene practices

Pr 5.1: Number of households reached with nutritionally sensitive information

From 2011 to 2013, six implementing partners reported that they had reached over 7,500 households with nutritionally sensitive information, mostly through nutritional awareness training. By the end of 2015, three different implementing partners reached an additional 58,000 households with nutrition education. The most significant achievement was from the Tat Lan programme in Rakhine, which delivered nutritional information to the village saving and loan associations, agricultural groups, and other groups involved in programme activities. Topics included complementary feeding, nutritious food types for pregnant and breastfeeding women, food hygiene and personal hygiene. In addition, nutrition-related behaviour change communication was integrated into 'training of trainers' sessions for Tat Lan staff. The LEARN project also organised nutrition design workshops for LIFT partners, as well as infant and young child feeding training sessions.

LIFT implementing partners made remarkable progress in regard to this indicator, particularly in 2015. *LIFT achieved 155 per cent of its 2015 target.*

Pr 5.6: Number of target households using a protected water source¹⁴

From 2011 to 2013, eight implementing partners reported that an additional 55,859 households were using protected water sources. From 2013 to 2015, this figure increased dramatically to a total of nearly 163,000, mostly through the rehabilitation of community ponds as part of a cash-for-work activity. The households not only received income, they also gained access to a protected water source. *LIFT achieved 142 per cent of its 2015 target.*

¹⁴ It is important to note that this indicator measures the use of protected water sources. As defined by LIFT, protected water sources includes "improved water sources", as defined by the WHO/UNICEF Joint Monitoring Programme, plus protected ponds. To better fit local conditions and needs, LIFT supports the development of new ponds and the rehabilitation of existing ponds for domestic water use.

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

Pr 6.2: Number of LIFT households participating in protected/managed natural resources

In 2013, 12 implementing partners reported that nearly 33,000 households had participated in improved natural resources management or rehabilitation activities. In 2015, three partners reported a slight increase to just over 37,000 households. *LIFT exceeded its target by 18 per cent for this indicator.*

Programme Outcome 7: Strengthened local capacity of communities, local government, CSOs and private enterprises to support and promote food and livelihood security

Pr 7.1: Percentage of funds managed by national entities

Table 2.4 shows that that 21 per cent, 24 per cent and 14 per cent of LIFT funds were managed by local entities in 2011, 2013, and 2015 respectively. The graph overleaf shows in more detail how the proportion of LIFT project funds that are managed by Myanmar civil society organisations (CSOs) has evolved over time.

Unfortunately, Figure 2.4 illustrates that the proportion of funds managed by CSOs has declined recently, particularly in 2015, when LIFT launched a large number of calls for proposals. A LIFT review of the appraisals of proposals submitted by Myanmar CSOs identified two common issues: local CSOs had difficulty aligning their ideas with LIFT’s prescriptive programme frameworks, and local CSOs struggled to describe their experience and its relevance to these frameworks. LIFT has introduced a range of measures to combat these challenges and increase the success of CSO applications, for example issuing small grants to help with proposal writing. For more detail on this see Chapter 4.3.

Figure 2.4: Number of Myanmar organisations managing LIFT funds and proportion of LIFT funds managed



Pr 7.2: Number and type of local NGOs supported to promote food and livelihood security

Prior to 2013, implementing partners reported supporting 200 local NGOs in promoting food and livelihood security and in 2015 this rose to 206 local NGOs. Partners supported these groups primarily by providing training in project management, financial management and various technical issues. For example, in 2015 the World Food Programme and the Food Security Working Group supported 76 local NGOs in developing skills in monitoring food security. *LIFT achievements exceeded the original target by more than 400%.*

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

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

In 2015, four implementing partners reported to have organised 28 policy-oriented events: four social protection workshops with government, two workshops with the Department of Rural Development on the Evergreen Village Programme and eight sessions on the Prevention of Violence against Women law. The Food Security Working Group conducted 14 events on a range of topics, including gender and food security, climate-smart agriculture, organic farming, and climate change and agriculture.

In addition, the LIFT fund management office conducted or orchestrated 26 policy-oriented events, 12 of which were held in Nay Pyi Taw on the subject of rural finance.

2.3 IMPLICATIONS OF LIFT'S RESULTS (2011 TO 2015)

As described in the preceding sections, LIFT is achieving its desired outcomes of improving rural incomes, resilience and nutrition – as measured against the targets in the LIFT logframe up to 2015. Over two million people have achieved measurably improved food security, 680,000 people live in households with increased incomes, and 880,000 people live in households with increased assets, an important measure of household resilience. Moreover, the prevalence of child stunting has been reduced by nine per cent, although further analysis is required to better understand how this reduction was effected.

The targets for LIFT's remaining life (2016 to 2018) are even more ambitious as annual LIFT expenditure is expected to increase over the coming three years¹⁵ and the projects become more strongly aligned with its new strategy and theory of change. The new geographic programmes LIFT established in 2015 provide an opportunity for LIFT to scale up the activities that have worked particularly well and adjust approaches that have not been as successful. For example, agriculture-related support will be mainly targeted at smallholder farmers with enough land to produce commercially, although some activities are also targeted to subsistence farmers, like climate-smart agriculture technologies. Training will be more forward-looking, making young people more employable in future locations (not just more employable in their immediate rural area), and for jobs that will be in demand in the future. LIFT's new programmes will also spend less on small-scale, community-level income generation activities, as these rarely transform a family's livelihood path.

The new geographic programmes will also be more tailored to the local context because the pathways to improved incomes, resilience and nutrition differ across the agro-ecological zones of the country. However, there is a common element to all these programmes, which appears to be driving many of the above-mentioned improvements: better access to regulated and sustainable financial services. By the end of 2015, LIFT was supporting 40 microfinance partners that

¹⁵ Cumulative LIFT expenditure was USD 207 million for the six year period to the end of 2015. LIFT expects to spend roughly the same amount again in the coming three years.

collectively reached nearly a million clients (934,511 clients) in 12,838 villages countrywide. These services are enabling people to invest in better farm inputs, expand their businesses and smooth their income over the year, but larger loan sizes appear to be needed to enable real transformation of people's livelihood choices. LIFT will incentivise microfinance providers to loan larger amounts for longer periods to clients with the potential to start and grow new businesses. LIFT will also incentivise banks to do the same.

Important as these results are, LIFT's project activities have only reached about 10 per cent of Myanmar's rural population, which highlights the need for LIFT to use the evidence and learning from these activities to help effect systemic change by: encouraging 'take up' and 'scale up'; addressing systemic obstacles to rural growth; and, building capacity of government and civil society to develop and implement policy. This will be an even more important part of LIFT's work in the coming three years. With a change of government in 2016, there will be new opportunities to use LIFT's evidence and experience to leverage public and private capital for an inclusive rural transition.

2.4 ACTIVITY MONITORING

Every six months, LIFT partners report the results of their specific interventions against a set of activity-level indicators, which are cumulative totals and should be treated as estimates. A summary of this monitoring data to the end of December 2015 is presented in the table below. It should be noted that 28 projects closed in 2015. LIFT's country coverage reduced accordingly from 157 in 2014 to 93 townships. In addition, several projects began to phase out some of their activities. This reduction in activities is reflected in the slowing of results for a number of indicators. When the new programmes start, coverage and activity results will expand significantly.

Table 2.5: Activity monitoring 2010-2015

	Achievement						Cumulative 2010 - 2015
	2010	2011	2012	2013	2014	2015	
Total number of direct beneficiary HHs	153,808	69,421	149,299	138,977	116,922	193,668	822,095
No. of female-headed HHs	-	3,691	16,940	19,733	14,637	42,511	97,512
No. of HHs with disabled persons	-	1,064	2,354	3,111	1,508	1,580	9,617
Agricultural production (crops)							
No. of HHs supported in agricultural production	43,454	15,701	42,854	52,310	20,659	14,887	189,865
No. of HHs benefiting from market information and linkages	-	3,324	21,523	3,177	10,691	4,064	42,779
Livestock production							
No. of HHs supported in livestock production	7,931	1,813	6,653	3,958	1,447	1,174	22,976
Fishery production							
No. of HHs supported in wild capture fishery	4,799	-	3,177	1,956	1,654	3,948	15,534
Other income (not agriculture/livestock/fishery)							
No. of HHs supported in other income generating activities	11,635	3,700	2,620	6,157	2,636	752	27,500
Revolving funds							
No. of HHs supported through revolving funds	-	2,112	17,211	8,021	4,133	877	32,354

	Achievement						Cumulative 2010 - 2015
	2010	2011	2012	2013	2014	2015	
Training							
No. of participants trained in total	21,491	36,342	69,557	84,270	80,520	26,046	318,226
No. of participants trained - agriculture related (incl. livestock and aquaculture)	10,443	8,530	41,231	32,367	37,171	9,348	139,090
No. of participants trained - other activities (not agriculture/livestock/fish)	6,293	1,143	1,759	2,719	1,572	1,860	15,346
No. of participants trained - wild capture fishery related	-	-	195	121	283	2,504	3,103
No. of agricultural/livestock/fishery extension workers trained	3,801	56	1,422	6,921	3,018	2,143	17,361
No. of participants trained in environmental protection/rehabilitation	954	1,580	6,477	7,223	6,976	271	23,481
No. of participants trained in skills to strengthen CBO management capacity	-	25,033	18,473	34,919	31,500	9,920	119,845
Cash for work (CfW)							
No. of person - days of CfW provided	-	374,469	671,116	588,506	301,957	209,650	2,145,698
No. of person - days of CfW for women	-	164,191	246,821	269,937	120,281	125,730	926,960
Total number of HHs supported through CfW	33,493	31,410	43,227	38,488	74,598	20,103	241,319
Community-based organisations							
No. of CBOs established or strengthened	1,682	1,785	2,924	2,998	1,613	640	11,642



“Our vegetables taste too good to sell.”

- U Thein Win, who has been introduced to growing vegetables with drip irrigation by Terre des Hommes, Dry Zone

RESPONSE TO THE SUMMER FLOODS

In late July and August 2015, much of the country suffered from extensive flooding and landslides in the wake of Cyclone Komen. Over nine million people were affected in 12 out of Myanmar's 14 states and regions, with the worst hit areas being in Sagaing, Chin, Magway, Rakhine, Bago and Ayeyarwady. At least 172 people lost their lives. The government led the emergency response, reporting that over 38,000 houses had been destroyed, 315,000 were badly damaged, and 1.7 million people were displaced. With respect to livelihoods losses, over 1.4 million acres (527,000 hectares) of farmland were flooded, more than 841,000 acres (341,000 hectares) of crop land were destroyed, and around 242,000 livestock were killed.

LIFT was quick to respond, allocating USD one million of new funding to re-establish livelihoods and food security. Before the end of August, the funds were fully allocated to existing partners in order to:

- restart key livelihood activities
- minimise increases in household indebtedness
- minimise the impact of loan defaults on the long-term sustainability of LIFT's microfinance partners, and the future access of poor households to affordable financial services

More funds for flood relief were allocated in October, and by the end of the year, LIFT had provided assistance to more than 360,000 flood-affected people at a cost of USD 4.3 million.



Table 2.6: Summary of LIFT interventions after the floods and landslides of July and August 2015

Location	What was affected	Implementing partner	LIFT support
Rakhine Myebon, Kyaukpyu, Minbya and Pauktaw townships	<ul style="list-style-type: none"> • 36,086 acres of paddy crop in Tat Lan area • 9 km of embankments protecting farmland • 70 freshwater ponds contaminated with sea water 	Tat Lan consortium of: International Rescue Committee (IRC), Save the Children, Oxfam, Better Life Organisation	<ul style="list-style-type: none"> • 3,967 villagers (1,825 women, 2,142 men) were involved in cash-for-work schemes . Within two months, teams of villagers restored 70 ponds and 31 embankments, covering a distance of 9 kms. • 1,600 baskets of fast-maturing, high-yield paddy seeds were distributed to farmers to replant monsoon crop in Myebon and Minbya.
Uplands Hakha, Kale, Falam, Tedim, Thantlang, and Tonzang townships	<ul style="list-style-type: none"> • Landslides destroyed roads, bridges, buildings and homes, agricultural terraces, and irrigation networks 	CORAD, Ar Yone Oo, Chin MFI, TAG International	<ul style="list-style-type: none"> • Rehabilitation of terraces and irrigation systems in 55 villages. Inputs included cash-for-work, pipes, and seeds. 1,615 households were supported and 2,500 households benefitted. • Write-off of 4,606 clients' loans and new cash grants to each client. • Support for commercial beekeepers who lost bees and hives.
• Dry Zone, Delta and Bago (23 flood-affected townships)	<ul style="list-style-type: none"> • Heavy flooding destroyed homes, crops, farmland, and killed livestock 	Pact Global Microfinance, Rattana Metta, Proximity Designs, Vision Fund (World Vision's microfinance institution)	<ul style="list-style-type: none"> • Write-off of all outstanding loans in two hardest hit townships: Ayardaw (Sagaing) and Pwint Phyu (Magway). • Relief assistance to the savings accounts of 36,540 clients (LIFT partially recapitalised PGMF's beneficiary welfare fund). • 12,200 new crop loans for an early winter crop of green/ black gram. • Write-off of outstanding loans and new loans for 1,950 clients in Pathein Township.
Countrywide	<ul style="list-style-type: none"> • Women's and men's lives were affected differently 	Gender Equality Network (GEN)	<ul style="list-style-type: none"> • Assessment of women and children's needs after a natural disaster was conducted to guide interventions.

AFTER THE FLOODS

- A LUCKY PLACE



When you peer over the edge of the road in the village of So Zang in Chin State, you can see a lattice of blue pipes running down the valley below, which bring spring water to the village of Phunom, a few miles away. This is the village lifeline, providing running water to some 140 households. But in late July, after extreme rainfall and a freak wind-storm, a landslide destroyed the pipes, and that lifeline was cut.

Not only had the villagers lost their water supply, most of them also lost their harvests. "I lost 80 per cent of my apple crop – many of them blew away and I couldn't get the rest to market since the roads were blocked", says Khup Za Tuang (pictured), the village committee book keeper in Phunom.

The villagers held an emergency meeting, and appealed for help from CORAD (Chokhlei Organisation for Rural and Agricultural Development), the LIFT-funded local partner of GRET (Groupe de Recherches et d'Echanges Technologiques) which had helped them to set up their remarkable irrigation system the year before.

The community - both men and women - were paid a daily cash-for-work rate of MMK 5,000 to labour through the landslide's deep mud and monsoon rains to link new pipes, supplied by CORAD. The income from this arduous work provided them with cash to buy staples to keep their families fed.

LIFT has funded GRET/CORAD's work in Chin State since 2010, providing farmers with knowledge to improve their productivity. Early on, farmer groups were formed in the 105 project villages. Friendships and trust grew between the farmers and the project team.

"We couldn't have achieved what we did with the flood recovery programme without the farmer groups and village committees," says Kil Tual, the CORAD programme manager. In the Chin hills, villages are remote and trying to reach them after the floods was particularly difficult with blocked roads and the thick mud. In some of the 55 flood-affected villages, the team - which gets around by motorbike - had to depend on the farmer groups to gather data, define priorities, and rally the community.

"After the storm all of my crops were gone," says Naw Zuap Sinn Huai, as she weeds her garlic plot. "My husband and I were desperate - we didn't know how we could carry on. CORAD arrived fairly quickly and took data from us all - who had lost what, and so on. Then they supported all of us by giving us seeds for a winter crop - we chose hpa kant pea, garden pea, and this," she nods to the plot, "to make up for the summer losses."

Six months after the floods, life in Phunom is back to normal. Pipes gurgle and hum as they feed water to different houses and their market gardens, and the village is green with cash crops. Coffee ripens on thick bushes and water sprinklers feed rows of garlic plants.

Naw Zuap Sinn Huai explains that in the Chin language, the village name means the "Lucky Place". "We have been very lucky - first to have the irrigation system, and then with the swift help to reinstate it after the floods," she says. "We also didn't have to borrow money and get into debt to buy seeds. I'm so grateful for that."



Under the LIFT-funded flood livelihoods recovery project, *Supporting the Food and Asset Recovery of Disaster-Affected Families in northern Chin State*, CORAD assisted 55 flood and landslide affected villages, providing much needed support.

3. GEOGRAPHIC AREAS

This chapter highlights LIFT's progress during the year in each of the four geographic zones where it is active: the Ayeyarwady Delta, the central Dry Zone, the Uplands region of Chin, Kachin, Kayin and Shan states, and Rakhine State. With projects from the Delta 2, Countrywide and Learning and Innovation Windows drawing to a close, this year LIFT was active in 98 of the country's 330 townships, having previously been active in 169 townships. LIFT's coverage will expand again in 2016 as new programmes start.

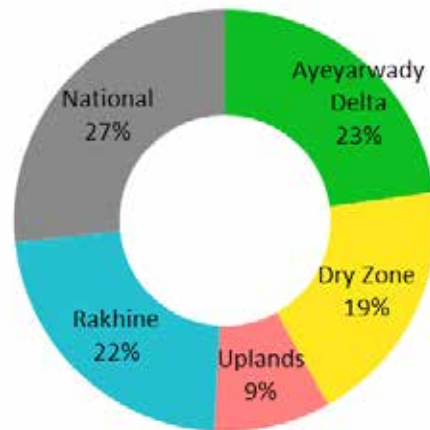
The pathways to resilient and inclusive growth differ across the different agro-ecological zones. LIFT has designed programmes for each zone to demonstrate how the right combination of conditions and activities can improve livelihoods, nutrition and resilience outcomes in cost-effective and scalable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

Charts detailing important updates on each of the projects in these zones are available in Annex 4. Financial inclusion, civil society and the migration programme, which work across the zones, are detailed in Chapter 4.

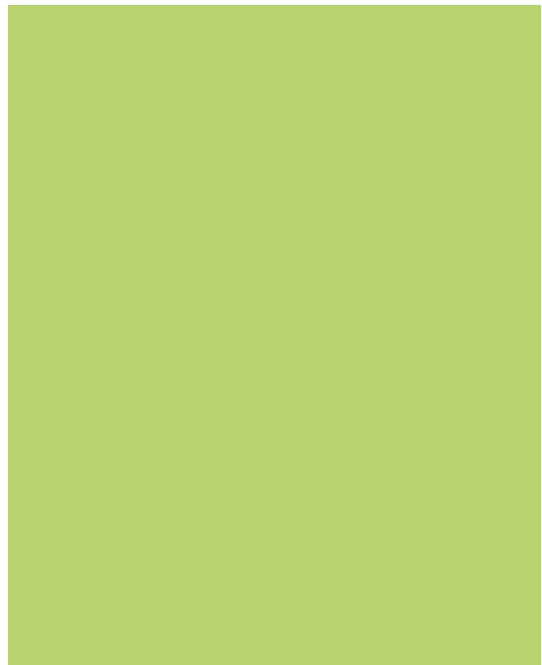
Figure 3.1: LIFT country coverage 2010-2015



Figure 3.2: Grant allocation by agro-ecological zone, 2010-2015



3.1 AYEYARWADY DELTA



OVERVIEW

The Ayeyarwady Delta is a dynamic area with important agricultural potential and increasing investment in the agricultural sector. It is a major rice-producing region at the national level. The Delta is home to the highest percentage of landless and vulnerable households in the country, many of whom depend upon small-scale fishing.¹⁶ In 2008, Cyclone Nargis took the lives of an estimated 136,000¹⁷ people and damaged 4.3 million¹⁸ acres of paddy, severely affecting survivors' livelihoods. This year, floods ravaged the northern parts of the Delta. Despite repeated natural disasters, the region has recovered much of its economic potential. Yet much more needs to be done to reduce poverty, which remains at 26 per cent of the population.¹⁹

One of the main drivers of change in the Delta is migration to labour opportunities, particularly in Yangon. Landless households in LIFT-targeted townships (66 per cent)²⁰ are more likely to have family members migrating, compared to the rest of the population.²¹ Migration means there are labour shortages at critical times of the year, i.e. planting and harvest time. As a result, seasonal wage rates are increasing and mechanisation is growing fast – small entrepreneurs with tractors and threshers are developing businesses.

LIFT started operations in the Ayeyarwady Delta in 2010 as a one-year livelihoods rehabilitation programme after Cyclone Nargis. Support was extended under the Delta 2 programme with three-year projects to improve the productive potential of the region. The 13 livelihoods projects in Bogale, Mawlamyinegyun, and Labutta focused on economic growth and interventions to increase production, link producers to markets, promote employment, increase access to financial services and boost incomes.

Most of these projects were extended to a fourth year up, to mid-2015, to consolidate results and foster learning. Partners continue to build on lessons from seed production and multiplication; links were developed between small holder farmers and millers, and village revolving funds were used to promote livelihoods options aside from farming. A report based on the experience of implementing partners, *Learning Together in the Ayeyarwady: Lessons and Good Practice from LIFT's Delta Programme 2011 - 2014* fed into the design of the new Delta 3 Programme, which was announced in March 2015.



Figure 3.3: LIFT Activity in the Delta 2015

16 LIFT Household Survey 2013

17 Government estimates by end of 2008

18 USDA, BURMA: Widespread Cyclone Damage in Major Rice Production Regions, May 2008

19 LIFT Household Survey 2013

20 LIFT Household Survey 2013

21 Enlightened Myanmar Research and World Bank Qualitative Social and Economic Monitoring Survey (QSEM) Round Five Report 2015

Table 3.1: LIFT-funded projects in the Ayeyarwady Delta in 2015

	Implementing Partners	Location	Focus
1	ActionAid	Bogale, Mawlamyinegyun	Community development, CSO strengthening
2	International Organization for Migration (IOM)	Bogale, Labutta, Mawlamyinegyun	Research and support on migration and development
3	International Rice Research Institute (IRRI)	Bogale, Labutta, Mawlamyinegyun	Agriculture research
4	IRRI-Research	Bogale, Labutta, Maubin District	Agriculture research
5	Link Emergency Aid & Development (LEAD)	Labutta	Agriculture, livestock husbandry, tree plantation
6	Mercy Corps Ar Yone Oo	Labutta	Agriculture and value chain strengthening
7	Mercy Corps Ar Yone Oo Swiss Contact	Labutta	Support to farmer producer enterprises. Support to landless households through vocational, business and life skills development and migration-related information and linkages to Yangon-based employers
8	Pact - Delta II	Bogale, Labutta, Mawlamyinegyun	Microfinance
9	Proximity Designs	Bogale, Mawlamyinegyun, Pyapon, Dedaye, Labutta, Myaungmya, Nyaungdon, Maubin, Pantanaw	Microfinance
10	Proximity Designs	Bogale, Labutta, Mawlamyinegyun	Small-scale infrastructure and agriculture
11	Radanar Ayar	Bogale	Agriculture, seed production
12	Save the Children	Labutta	Delivery of maternal cash transfers and behaviour change communication to mothers during a child's first 1,000 days
13	Welthungerhilfe (WHH)	Bogale, Mawlamyinegyun	Agriculture and value chain strengthening
14	Welthungerhilfe (WHH)	Bogale, Mawlamyinegyun	Support to farmer groups; support for landless and vulnerable households and small-scale business for off-farm local livelihood activities. Promotion of improved nutrition and basic hygiene practices
15	World Fish	Bogale, Dedaye, Kyaiklat, Pyapon	Support to on-farm research and development, and scaling-up of small-scale homestead-based aquaculture (pond, cage and rice field)
16	World Vision International Myanmar	Bogale	Support for the development and diversification of livelihood options

HIGHLIGHTS FROM 2015

Increased availability of quality paddy seeds for farmers

Even before Cyclone Nargis, rice production was limited by poor seed quality. Farmers need to renew their seed stock every three years in order to maintain quality and performance, and there has been a long-term paucity of good seeds. Increasing the availability of quality paddy seed remains one of LIFT's priorities in the Delta. Implementing partners continue to help farmers multiply and grow good quality seeds, managing various challenges around quality control, while gaining access to markets for farmer-produced seeds.

Group de Recherches et d'Echanges Technologiques (GRET) and Radanar Ayar worked to improve both the yield and quality of rice. Over 30,000 baskets of certified rice seeds (14 metric tonnes) from 600 acres were produced under the Radanar Ayar project.²² Over 17,000 baskets (8 metric tonnes) were tracked as distributed, exchanged, or sold to 3,200 farmers in neighbouring villages.

The Seed Division of the Department of Agriculture is the main formal body that produces registered seeds, but it is not able to keep up with demand. Fundamental to a sustainable seed supply chain at the village level is the establishment of a market that can meet the demand for quality seed with regular injections of registered seeds, storage and quality control systems. The seed price needs to be within the reach of farmers without subsidy. In 2015, the project started to address these sustainability issues through the establishment of farmers' groups focused on seed production. Fifty-four seed growers produced 423 baskets of registered seeds in the summer season with the support of the Department of Agriculture.²³ Other achievements included greater involvement with the department, collaborating and providing project seed growers with 294 baskets of registered seeds, the construction of 18 storage rooms by project communities, and exploring new market linkages with large-scale buyers such as the Myanmar Rice Federation (MRF) and private national seed companies.

GRET, in partnership with the Department of Agriculture, also initiated a seed-grower association to establish a participatory guarantee system (PGS) as an alternative to the government's certification process. The long term objective is to have a wide and autonomous network of seed growers that can produce guaranteed-quality seeds for a large number of local farmers. The guarantee system consists of farmers using peer and government reviewed growing methods that are known to consistently grow quality paddy. The pilot (including methodology and monitoring) was launched in 2014 and included 16 volunteer farmers in three clusters. GRET provided technical support, and supported participatory peer field inspections, with assistance from the Department of Agriculture.

Participating farmers produced 1,742 baskets of quality seed in the 2015 monsoon season. In order to facilitate production through both the certification process and the marketing of seed, GRET has supported the creation of a PGS network. At the end of December 2015, 1,273 baskets were stored in cooperation with producer organisations and inventory credit systems. When the rice was sold, it fetched MMK 5,500, or 84 per cent over the farm gate price at time of harvest (Bay Gar Lay variety, May 2015). In 2015, 16 new seed growers joined the project, and a total of 32 seed growers from 19 villages produced eight varieties on 36 acres.

The seed multiplication project will continue under the Delta 3 Programme, with GRET and Radana Ayar, and will involve the formation of a seed growers network to produce and market certified seed.

Post-harvest losses are being reduced with new knowledge and technologies

In 2013, the International Rice Research Institute (IRRI) established a Learning Alliance in Mawlamyinegyun Township as a multi-stakeholder platform to bring together different rice value chain stakeholders to share ideas, conduct field tests and adopt innovative technologies. Traders, for example, want to buy high-quality paddy to maximise profits, while farmers want to obtain

²² The Socio-economic and Environmental Development in Bogalay Township (SEED) project

²³ Registered seeds are produced at DoA's Seed Division farms and provided to the DoA Extension Division, who guide farmers to produce certified seed.

higher prices for their crops and reduce post-harvest losses. The Learning Alliance provides a common ground for farmers and traders, together with researchers, government extension staff, NGOs and millers to discuss strategies and find incentive mechanisms. The approach emphasises an interactive, iterative and participatory process among stakeholders.

A workshop held in July 2013²⁴ identified the need for post-harvest improvements. A number of new technologies—flatbed dryer, hermetic storage, solar bubble dryer, TC 800 lightweight thresher and reaping machine—were introduced and tested through a series of village demonstrations with the help of the Learning Alliance. It became clear, however, that without access to premium markets that would pay more for better quality rice, some of the technologies were not economically feasible.

So in 2015, the Learning Alliance worked with farmers and millers to develop new marketing opportunities that would fetch higher prices. Through interactive learning cycles, farmers were linked to wholesale markets in Yangon, where better quality was rewarded with higher prices. In 2015, the first farmer was able to sell his flatbed-dried paddy—which was processed in a local rice mill—to a trader in Yangon, earning him an additional USD 56 per acre profit.²⁵ The project developed a good foundation, but scaling up will need additional investment and strong private sector involvement.²⁶ Partners in the new Delta 3 Programme will continue to work on post-harvest technologies as part of their rice value chain intervention.

Contract arrangements between farmer organisations and millers are improving market links

Mercy Corps and its local partner, Ar Yone Oo, started working with farmer producer enterprises (55 farmer groups consisting of 2,306 farmers in total) in Labutta Township to improve cultivation practices and facilitate better integration into the rice value chain. During its first three years, the project focused on increasing household-level production and quality. Market activities were given limited priority. In 2013, the project shifted its approach to link farmer groups directly to rice millers. The contracts provided credit services to farmer groups, specifically focusing on establishing credit or cash advances for purchasing inputs. Delayed repayment terms allowed farmers to store their harvest until prices improved.

The following year, the project linked the farmer groups and large-scale millers (at least 15 tons per day output). Eleven rice collection stores were constructed by community members with 75 per cent of the funds coming from LIFT. This agreement enabled a bulking and collective selling strategy (group marketing). Participating groups were able to sell their rice at a profit, which was distributed among its members, and used to grow a capital fund for the farmer group.

While the market linkages remain nascent, the potential is evident. In February, Mercy Corps arranged a market event that brought together five farmer group representatives and eight rice millers from Labutta to meet with 19 rice traders in Mandalay. Sales from farmer groups through millers reached 4,000 bags, worth USD 61,000. By the end of 2015, the project helped negotiate contracts between 22 farmer groups and the same eight large-scale millers. It also opened the way for two retailers to sell agricultural machines and inputs to farmer groups, utilising the millers as dealers. Contracts worth USD 441,327 were signed.

The Mercy Corps project will continue under the Delta 3 Programme aiming to strengthen organisation capacity and create linkages with high value markets outside the Delta – mainly in Mandalay and Yangon.

Financial inclusion highlights

Proximity Designs (operating as Proximity Finance, or PF) received its microfinance license in late 2012 and started implementing the *Catalysing Smallholder Agricultural Finance* project in June 2013, closing at the end of 2015.

²⁴ See LIFT Annual Report 2013, page 39

²⁵ LIFT final evaluation of two IRRRI projects (2012-2015), September 2015

²⁶ *ibid*

The main focus is to provide agricultural loans to meet credit needs in the farming sector, in order to increase farmer and farm labourers' incomes.

Over the three years, Proximity Finance has provided USD 10.3 million for almost 48,000 affordable loans in Yangon Region, Bago Region, the Delta and the Dry Zone. Thirty-four per cent of the loan disbursements were from LIFT. As reflected in their client satisfaction surveys, Proximity Finance has been flexible to client needs during the project in a number of ways:

- PF increased the initial loan size to MMK 200,000 (or USD 166) for new customers and MMK 250,000 (or USD 208) for next cycle borrowers based on their repayment record and loan criteria.
- PF changed the loan terms for interest payments at fixed two- or three month intervals, depending upon the crop type, loan length and disbursement period.
- PF changed its repayment schedule to align with harvest times.
- PF improved its lending methodology from large lending groups (30 members) to small lending groups (four to eight members).

LOOKING AHEAD: THE NEW DELTA 3 PROGRAMME

In June 2014, LIFT agreed to develop a Delta 3 programme based on the lessons of Delta 1 and 2. The focus of Delta 3 will be on the intensification and commercialisation of smallholder rice farming, with increased engagement with the private sector. More opportunity will be provided for small holder farmers to 'step up' in the rice value chain. The programme also supports 'stepping out' into better paid employment opportunities locally and in Yangon through extensive vocational skills development. Delta 3 activities were underway in late 2015, in the three townships of Labutta, Bogale and Mawlamyinegyun. As in all of the new geographic programmes, Delta 3 projects will be complemented by activities under LIFT's Financial Inclusion Programme.

Sustainable quality seed supplies

LIFT and IRRI have made impressive progress developing seeds that are better adapted to local environments.²⁷ The next step is to expand the supply of quality seeds and adopt quality assurance systems. In the Delta 3 Programme, Radanar Ayar will continue to work with the Department of Agricultural Research and the Department of Agriculture to help local farmers grow certified seeds. Welthungerhilfe (WHH)/GRET will strengthen seed grower organisations, targeting 100 farmers in Bogale and Mawlamyinegyun townships to produce more seeds, and help market them. The challenge is that sustainability will not be achieved until markets for the seeds are better developed.²⁸ Seed grower organisations need support from the government and the private sector. LIFT will commission a consultancy to design its support to the seed sector and to provide a better estimate of the seed demand.

Extension services and farm advisory services

WHH/GRET's new project will address the provision of extension services with a holistic approach, combining the farmer-led extension service with management advice for family farms (MAFF).²⁹ This aims to improve farm management by enabling people to make informed decisions about economic affairs, investments and daily activities. The new intervention will target 6,000 farmers in 146 villages in Bogale and Mawlamyinegyun townships. To foster sustainability, LIFT will support the strengthening of farmers' self-help organisations so they can provide advisory services to their members.³⁰ LIFT will also scale up successful pilot programmes where the private sector provides informal training to farmers. For example, Awba, an agribusiness company, has established demonstration plots and provided training on fertilisers and pesticides to their customers.

²⁷ LIFT Annual Report 2014, page 32

²⁸ *Pathways for Developing the Seed Sector of Myanmar: Scoping Study*, Centre of Development Innovation, Wageningen, January 2015.

²⁹ MAFF is known locally as MaLaSaKa and is detailed in LIFT Annual Report 2014 page 30

³⁰ LIFT Study on Extension and Farm Advisory Services (EAS), May 2015

Under the Mercy Corps Delta 2 project, millers offered informal training to farmers' organisations on post-harvest management. In Delta 3, Mercy Corps will facilitate market linkages between farmer groups (FPEs), millers, and input companies, expanding the model of millers acting as input dealers and providing inputs on credit through the farmer groups. Mercy Corps has also agreed to a promising partnership with Awba, which will employ two full-time extension officers (separate to their sales operations) in Labutta. With co-investment and support for curriculum development from the project, Awba extension officers will deliver a full package of training throughout the growing season to selected farmer groups. The new extension services will target a total of 3,000 farmers from 189 villages in Labutta Township.

Post-harvest management and collective storage

The Mercy Corps project has strengthened relationships between farmer groups, rice millers and input traders. Millers interviewed expressed their interest to continue contract arrangements in 2016.³¹ Under the Delta 2 programme, WHH /GRET helped farmers to store paddy until they chose to sell it (usually at a higher price).³² Organised as a collective, farmers have more negotiating power vis-à-vis traders, and greater opportunities to sell directly to major markets in Yangon. However, these systems are still in the early stages and are vulnerable to price shocks. WHH/GRET and Mercy Corps' new projects will focus on improving producer organisation performance through the development of viable business models and feasible institutional arrangements. These interventions will target 170 farmer groups (approximately 5,500 farmers) in the three townships where LIFT works.

Local employment

Mercy Corps' Delta 2 project also supported landless groups to increase their income through vegetable production and low-skilled work, such as petty trade, food production or setting up teashops. Under the Delta 3 Programme, Mercy Corps' new project will target 1,400 landless and vulnerable households from 276 villages in Labutta Township. Interventions will focus on extensive skill development to a level that meaningfully enhances employment opportunities.

World Vision Myanmar will target landless and vulnerable households in 30 villages in Bogale Township. Young people (target: 250 individuals) will be supported to develop technical skills for employment or self-employment, and women (target: 200) will be supported to develop skills for starting or expanding small businesses and engaging in the labour market. The project will also support development of small-scale livestock and vegetable enterprises, including facilitating innovative land sharing arrangements for landless households during the off-season when paddy fields are fallow (target: 750 households).

Migration

The International Organization for Migration (IOM)'s new project is designed to harness the positive impacts of migration, and increase understanding of how migration is linked with development. The project will target 6,000 prospective migrants in the three townships with safe migration training and support. Four thousand people from migrant-sending households will be given remittance and financial management training. The design of the intervention will be informed by *Human Mobility for Poverty Reduction and Inclusive Development in Myanmar (CHIME)*, a project funded in response to LIFT's call for proposals on migration.

Nutrition

Following the success of the maternal cash transfer (MCT) pilot project in Rakhine, the Delta 3 programme will address stunting by offering a similar project in the Delta. The new Save the Children project will work in 200 villages in Labutta Township in coordination with the government health systems and a 3MDG-funded project.³³ They will deliver maternal cash transfers and behaviour change communication activities to an estimated 10,000 pregnant and breastfeeding women who have children under age two. The project will test the feasibility of delivering these services through Ministry of Health structures.

³¹ Project's final evaluation report

³² LIFT Annual Report 2013 page 33

³³ 3MDG stands for the Three Millennium Development Goals Fund. Also managed by UNOPS, this multi donor trust fund is focused on health interventions.

Other implementing partners will work on the following nutrition interventions in Bogale Township. WHH will reach approximately 10,000 households in 118 villages in Bogale Township with awareness campaigns on appropriate nutrition practices. They will directly target 900 households in 45 villages with interventions based on lessons learned from a previous project funded by the EU, which piloted Link Agriculture Natural Resource Management and Nutrition (LANN) methodology in the Delta.³⁴

The WorldFish-led consortium (with Network Activities Group, GRET, Pact, the Department of Fisheries) launched small-scale homestead-based aquaculture in the Delta in 2015 by introducing low-cost polyculture systems with small indigenous species to increase incomes as well as food and nutrition security. They will also equip people to engage in concurrent or rotational rice-fish culture. The project also includes a nutrition behaviour change communication component and has an explicit objective of increasing dietary diversity, particularly increasing the consumption of nutrient-rich fish.

World Vision's project will equip health providers to engage communities to change poor nutrition and hygiene practices through education, demonstrations, and growth monitoring and promotion of good nutrition for children under five. The intervention targets 1,400 women and caretakers from 30 villages in Bogale Township with behaviour change communications. Ministry of Health staff are supported by the 3MDG Fund with capacity building to disseminate key nutrition and WASH messages using a training curriculum developed by the Department of Health.

³⁴ 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.

STEPPING OUT WITH MICROFINANCE



In a prayer hall on the outskirts of a tidy village in the Ayeyarwady Delta, Daw Win Win Maw gets to her feet in front of a group of women and is handed a large wad of money. "This is five lakh (USD 500)," says the woman who hands it over. "Now tell us how you will use it."

Daw Win Win flashes a grin at her friends and rattles off a list of repairs and purchases. This is not her first loan and she knows the procedure. She promises to pay back the money within the year at an interest rate of 2.5 per cent per month, knowing that saying her intentions out loud binds her to the four other women



in her savings group – who are here as witnesses – in a code of honour. She signs the contract, thanks everyone present and then she's off – back to business.

Over a palm tree bridge, down a maze of dusty, tree-lined paths, you can hear her business long before you see it. She has a diesel generator that runs all day, three days a week, hooked up to recharge a grid of battery packs. Today there are 50 packs – during the rainy season there are more, when solar power is not so reliable. These belong to individuals in her village who use them for domestic purposes - to power lights, television, fans - and each owner will pay Daw Win Win MMK 400, or around 30 cents, for a recharge. She also owns 11 packs that she rents out. Since 84 per cent of rural households in Myanmar are without electrical connection (World Bank, 2015), her type of business is in demand.

She and her husband identified a way to handle the power gap in the village ten years ago and researched the right technology. But the loan she took out for her first generator

was from a local money lender and she became caught up in a cycle of high-interest debt, thinking her business may fail. When Pact Global Micro Finance arrived in the village, offering loans at a quarter of the interest charged by moneylenders, suddenly she found herself in the position to pay off her expensive loan and feed her household of 11 people – some of whom chip in to pay household expenses from the wages they earn as casual labourers.

Daw Win Win was able to take another loan to expand the business, and then another. After a series of gains, this year she was able to pay USD 1,600 to buy a lightweight thresher and a boat to transport it with. The income from renting this out at harvest time provides her with a second reliable source of revenue.

Across the road from her battery charging shop is her well-ordered family home. There are children blowing raspberries at each other in the front yard and Daw Win Win scoops up one of them as we go inside. "My grandson weighed only two pounds when he was born," she says. "His mother had a stroke and couldn't feed him. We had to pay around USD 1,000 to get him into good health at the clinic in Bogale, and for milk formula." The little boy picks at the flowers in her hair. "But thanks to my business, we had the money."

Daw Win Win and her youngest daughter are now eyeing up another business opportunity. With vocational training, her daughter will have the skills to set up the villages' first-ever tailor shop. They simply need to finance this plan.

"With our two businesses now operating, we'll be able to find a way," says Daw Win Win, confidently.

3.2 DRY ZONE



OVERVIEW

The Dry Zone, which dominates the interior portion of the country, is profoundly affected by declining and erratic rainfall. It is one of the most food insecure regions in the country.³⁵

Food shortages, lack of clean water and poor sanitation have resulted in a high percentage of stunting and wasting in children.³⁶ Poverty levels in the Dry Zone are high with 36 per cent of rural households living below the poverty line of USD 1.25 per day.³⁷ Poverty is greater in the more remote areas, and where the population has little access to affordable credit or government services.

The World Food Programme classified 17 per cent of Dry Zone households as severely food insecure and a further 24 per cent as moderately food insecure. LIFT surveys show that although crop production was cited as an income source by almost 58 per cent of households, casual labour was almost as high, at 55 per cent.³⁸ Migration is common, affecting village societies and changing the role of women, who take on more responsibilities in the absence of their husbands.³⁹

LIFT has been working in the Dry Zone since 2011, starting with eleven projects covering skill development, agriculture, livestock, water, social protection and farmer organisations, as well as marketing support. Project locations were dispersed across the Dry Zone and were implemented as stand-alone projects, with little coherent programmatic linkages. The new Dry Zone Programme, described later in this section, attempts to redress this by ensuring stronger synergies between projects and improving overall learning.

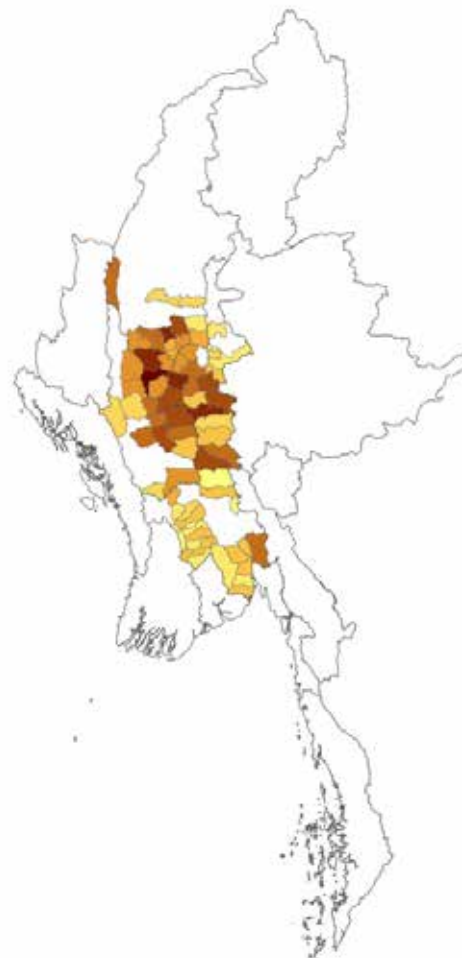


Figure 3.4: LIFT Activity in the Dry Zone in 2015

35 A Nutrition and Food Security Assessment of the Dry Zone of Myanmar in June and July 2013 Save the Children, WFP and the Ministry of Livestock, Fisheries and Rural Development
 36 Food Security Assessment in the Dry Zone Myanmar, WFP 2011
 37 LIFT Household Survey 2013.
 38 LIFT Baseline Survey 2012
 39 A Country on the Move: Domestic Migration in Two Regions of Myanmar. LIFT World Bank 2015

Table 3.2: LIFT –funded projects in the Dry Zone in 2015

	Implementing Partners	Location	Focus
1	ActionAid	Magway	Cash and in-kind support for agriculture, livestock, and small businesses; water supply; training; and capacity building for CBOs/NGOs
2	ActionAid	Myaung, Pakokku, Nyaung-U	Providing disadvantaged women with vocational training, jobs and access to social services
3	Disabled People’s Development Organisation (DPDO)	Magway	Cash support for agriculture, livestock, and small businesses; training; nutrition
4	UN Food and Agriculture Organisation (FAO) Livestock	Natogyi, Mahlaing, Myingyan, Pakokku, Taungtha, Yesagyo	Policy level work; developing best practice manuals; providing farmers with working credit
5	HelpAge	Ayartaw, Mahlaing	Cash and in-kind support for agriculture, livestock, and small businesses; water supply; cash for work; training; nutrition
6	International Fertilizer Development Center (IFDC)	Mahlaing, Myingyan, Natogyi, Taungtha, Pakokku, Yesagyo	Supporting local retailers to deliver advisory services
7	IRRI-Research	Pawbwe, Pakokku, Sagaing	Participatory seed variety trials for drought tolerance and salt stress
8	Lodestar Company Ltd./ Social Policy and Poverty Research Group (SPPRG)	Myaung, Sagaing	Community based social protection initiatives including maternal cash transfers and village revolving funds
9	Save the Children	Pakokku, Yesagyo, Mahlaing	A nutrition project trialling the effectiveness of maternal cash transfers to mothers with children in the 1000 Days window
10	Terre des Hommes (TdH)	Natmauk, Yenangyaung, Myingyan, Taungtha	Water-efficient technologies allow landless and marginalized farmers to grow nutrient-rich vegetables, improving incomes and nutrition in remote villages in the Dry Zone
11	UNESCAP	Across the Dry Zone	Report and training workshops on agricultural mechanisation, seed production and farmer innovation
12	World Fish	Pwintphyu, Sidoktaya	Support to on-farm research and development, and scaling-up of small-scale homestead-based aquaculture (pond, cage and rice-field)

	Implementing Partners	Location	Focus
13	HelpAge	Mahlaing, Myingyan, Natogyi, Taungtha, Pakokku, Yesagyo	Implementation of HelpAge’s social protection components that support existing village-based social protection schemes, and two government programmes that are working to provide old age social pensions and support for people with disabilities

HIGHLIGHTS FROM 2015

Improved resilience with farmer training and water-efficient technologies

In 2015, LIFT partners continued to support rural households to adapt to climate change and become more resilient. In the past, LIFT supported community-based approaches for farmer training, but these had limited coverage and scalability. LIFT is now focussing on supporting advisory and training services to farmers through the private sector (shop retailers). There is a wide range of input-supply shops at the village and township levels and their client coverage is significantly greater than a community-based training project could achieve. The key to the approach is the collaboration of government extension officers and retailers in the advisory service. The project trains retailers, farmers and government extension officers in conservation agriculture, and supports mechanisation services for smallholder farmers. The aim is to achieve sustainable retail businesses with farmers gaining access to relevant services at affordable prices.

In December, LIFT’s new partner, the International Fertilizer Development Center (IFDC), was contracted to help 50 input retailers in the six townships to expand their core business (fertiliser, pesticides and agricultural inputs sales) and to provide additional mechanised ploughing, seeding and harvesting services. IFDC offers intensive training in business management and on technical issues. It is projected that the input and service providers will offer new products, technologies and services to an estimated 30,000 farmers over the coming three years.

One of the more innovative programmes that took place in 2015 was LIFT’s support to households to grow food in remote areas where fresh water is scarce and fresh vegetables are expensive. Terre des Hommes Italy (TdH) introduced low-cost agricultural systems that can be managed by a family for household consumption or scaled up to target the local market. A total of 934 households have been introduced to hydroponic greenhouses and 504 households to drip irrigation systems. A survey conducted by TdH staff in October 2015 in the two Magway townships where it works showed that vegetable consumption had risen by 23 per cent since the project started.

The TdH survey also found that people’s diets are improving, especially during the dry season. People reported eating fresh vegetables daily, four to five different kinds a week. Twenty three per cent of people in four target townships have at least one child under five who is now reported to eat fresh vegetables 10 to 30 times per month, including during the dry season. The average value of the vegetables produced per households is between MMK 2,000 and 14,000 per month (USD 1.6 – USD 12).

Social protection: assisting government to provide a social safety net for the elderly and the disabled

The resilience and social protection component of LIFT’s new Dry Zone Programme in all six townships⁴⁰ supports the government’s new *National Social Protection Strategic Plan*. In 2015, the government tested a first-ever social pension system for people 85 years and older.⁴¹ LIFT partners, the Social Policy and Poverty Research Group (SPPRG) and HelpAge International (HAI), are assessing the effectiveness of the programme, and supporting activities to help the government

⁴⁰ Myingyan, Natogyi, Taungtha and Mahlaing in the Mandalay Region and Pakokku and Yesagyo in the Magway Region

⁴¹ Also see page 79 of this report

identify the best way to transfer the funds to recipients in the Dry Zone villages. Both partners offer training for village groups in accounting, project planning and participatory decision making.

HelpAge piloted several other social protection measures in close collaboration with the Department of Social Welfare at the national and local level. Existing village-based social protection mechanisms, i.e. pagoda committees, rice banks and funeral societies were identified and supported to make them more effective and sustainable. See Chapter 5, Social Protection section, for more information.

Vocational training business for marginalised women

Despite the decline in the tourism industry due to flooding and the national elections in 2015, the *Socio Economic Development Network (SEDN)* project implemented by ActionAid in Nyaung Oo near Bagan increased sales by 21 per cent in 2015. The average income per craft producer group member from product sales was MMK 70,000 to 80,000, or USD 58 – 66 per month. The Regional Minister of Tourism provided land to build a new emporium in New Bagan close to the Tourism Information Office. In 2015, the new emporium offered 517 different types of products for sale, an increase of 118 items since 2014. The SEDN was designed as a seven- year intervention to establish a sustainable social enterprise. Now, in year three, women are trained and deliver quality products to a growing customer base in the tourist zone. A second component of this project provides the women with a referral system to essential services that they previously could not access, for example, child care, legal assistance or advice on how to register for an identity card.

Supporting the development of sustainable local microfinance providers

Pact Global Microfinance Fund (PGMF) is a leader in Myanmar microfinance, contributing 47 per cent of the total assets of all 168 microfinance institutions by 2015. The Myanmar Access to Rural Credit (MARC) project implemented by PGMF focuses on organisational development of local microfinance organisations and institutions (MFO and MFI). In just two and half years, MARC has supported nine local MFIs, helping 52,500 households to access responsible financial services. The project promotes responsible finance by balancing the institutional performance of MFIs and benefits for clients. Six institutions operate in the Dry Zone, two are in the Delta and one is active in Rakhine.

In the Dry Zone, MARC⁴² partners report a high demand for loans for crops other than paddy, such as beans and pulses, winter crops (vegetables), and other cash crops and plants (e.g. flowers, betel leaves, etc.). For these crops, farmers have little or no access to agricultural loans from the Myanmar Agricultural Development Bank (MADB).⁴³ Therefore, MARC partners prioritize non-paddy loan requests, mainly for beans, pulses, groundnuts, sesame and corn.

The project disbursed USD 4.9 million to 29,900 clients from 537 villages and 66 per cent of this amount was for agricultural loans at an average loan size of USD 164 per client. The loan amount contributed 30-60 per cent of production costs. The loans are disbursed before or at the beginning of crop cycles to help farmers to hire labour and purchase inputs such as seeds and fertiliser.

GRET's microfinance operations in the Dry Zone started in December 2013, aiming to diversify the choice of financial services in Monywa, Yinmabin, and Budalin townships by creating a local microfinance institute. GRET started credit services in Monywa and extended to Yinmabin in April 2015. Operations in Budalin will start in early 2016. The project's operational self-sufficiency ratio increased to 75 per cent from 68 per cent last year. At the end of 2015, 59 village credit schemes had been formed: 38 schemes are located in 33 villages in Monywa and 21 are located in Yinmabin, having an average 36 per cent coverage in both townships. GRET reported that 4,324 clients received a loan from the project during 2015: 51 percent used their loans for livestock, 12 per cent in agriculture, 23 per cent in trading and 14 per cent in weaving.

42 LIFT's Myanmar Access to Rural Credit Through Institutional Strengthening (MARC) project

43 Where farming households can access MADB loans, paddy loans are available at MMK 100,000 per acre (USD 84). MADB offers limited loans for other crops at around MMK 20,000 (USD 17) per acre.

Developing new loan products for the Dry Zone

Proximity Finance's project *Financial Inclusion-Moving Ahead* is providing responsible credit to smallholder farmers in areas where LIFT is active in the Dry Zone, Uplands and flood affected regions. Opening in 2015, within three months of operation, Proximity Finance had provided 5,994 loans in the Dry Zone and opened three new branches in Mahlaing, Monywa and Waw townships.

Proximity Finance conducted research for two new loan products, the *On-the-Move* loan for migrants and the *Enterprise* loan. Survey results indicate that potential customers for the *Enterprise* loan are already engaging in services and trading activity. The initial findings allow them to estimate that they will provide loans to 20 per cent of potential borrowers in the market.

On-the-Move loans are designed for households with migrant family members, in order to support the cost of migration and food security for the non-migrating family members. The loan design is based on three types of migration: short, medium and long-term. While the short-term migrants are often engaged in Delta or Upland agriculture and peri-urban industries, many medium-term migrants seek employment in urban construction (for an average of four months) or extractive industries (eight months). Long-term migrants often seek work abroad.

LOOKING AHEAD: THE DRY ZONE PROGRAMME 2016 - 2018

Of the 17 Dry Zone projects listed in the 2014 Annual Report, only five were still ongoing by the end of 2015. LIFT had the chance to assess learning at project closure. Successes and challenges documented in field monitoring reports and project evaluations have contributed to the development of the new Dry Zone Programme. LIFT also conducted several studies in the Dry Zone to support learning and analysis for its programming work.⁴⁴ The new Dry Zone programme is designed to support inclusiveness in Myanmar's rural transformation, promoting livelihood development and nutrition-sensitive food security in six townships: Myingyan, Natogyi, Taungtha and Mahlaing in the Mandalay Region and Pakokku and Yesagyo in the Magway Region. The livestock and agricultural components deal directly with the impact of climate change on fodder management for livestock and yields of agricultural crops. Other means of income diversification are supported by the migration loans, which Proximity Finance will make available in all LIFT Dry Zone townships.

Seeds

High-quality seed for Dry Zone crops, such as green gram and pigeon pea, are very difficult for farmers to obtain. Government agencies are successfully developing new adapted varieties, but the production of certified seed is not sufficient. LIFT is developing a business plan to promote private sector involvement in seed production, processing and marketing. A multi-purpose scalable seed processing plant, co-owned by the private sector and farmer cooperatives, will be the core of the business to produce quality seed that is trusted by farmers.

Agriculture

Dry Zone soil is often of poor quality, and lacks sufficient nutrients needed to grow productive crops. Golden Plain, a Myanmar NGO, will introduce 'green manure',⁴⁵ using existing agricultural advisory services. The project intends to show that by planting a short maturing green cover crop between growing cycles, which is then ploughed under, soil fertility can be improved affordably. Golden Plain will work with farmers and extension workers in 42 villages.

⁴⁴ Including Improving water management in Myanmar's Dry Zone for food security, livelihoods and health: International Water Management Institute/ LIFT 2015

⁴⁵ Green manure is created by leaving uprooted or mown crop parts to wither on a field so that they serve as a mulch and soil amendment. The plants used for green manure are often cover crops grown primarily for this purpose. Typically, they are ploughed under and incorporated into the soil while green or shortly after flowering. Green manure is commonly associated with organic farming and can play an important role in sustainable annual cropping systems.

Nutrition

Based on the early successes of the pilot in Rakhine in 2015, Save the Children will ramp up its *1000 Day* nutrition project in 2016. A total of 11,720 mothers will be given a monthly stipend of 10,000 kyats (USD 8) to buy nutritious food and access health services over the course of the first thousand days of a child's life (conception until their second birthday). This is the most critical time for growth and cognitive development. In addition to maternal cash transfers, pregnant women and mothers learn about the importance of a varied and nutritious diet of solid foods starting at six months. With the support of Innovations for Poverty Action, Save the Children will also conduct a randomised control trial in 343 villages, to provide evidence about the effectiveness of the cash grant and supporting behaviour change activities. The Myanmar Professional Social Workers' Association (MPSWA) will also conduct nutrition behaviour change interventions to support pregnant women and mothers with small children. The intervention will target an estimated 15,000 households in 90 villages in three townships that are not included in the randomized control trial.

The WorldFish-led consortium (with NAG, GRET, Pact and the Department of Fisheries) launched small-scale homestead-based aquaculture in the Dry Zone in 2015, by introducing low-cost polyculture systems with small indigenous species to increase incomes as well as food and nutrition security. This project is also working in the Delta.

WASH

Nutrition programmes are ineffective if babies suffer repeated bouts of diarrhoea. Good hygiene practices are key to preventing waterborne illnesses. The UN Habitat's project focuses on improving hygiene behaviour through training and advocacy meetings in the villages and creating an enabling environment for WASH sector improvement. Limited support to water supplies and sanitation installations will be provided, to encourage households to build latrines with their own resources and skills. The ownership for water supplies and sanitation installations will clearly be with the villages, managed through water committees, which will take responsibility for operations and maintenance. LIFT will support the coordination and collaboration of UN Habitat with HelpAge where the partners work in the same villages.

3.3 UPLANDS



OVERVIEW

The Uplands area of Myanmar covers 55 per cent of the country's total land area, and is home to 26 million people.⁴⁶ The region is characterised by substantial forest and natural resource endowments, poverty and food insecurity. The poverty rate ranges from a low of 11.4 per cent in Kayah State, to a high of 73 per cent in Chin State. Myanmar's diverse ethnic minorities, speaking various languages and dialects, populate most of the upland or mountainous areas. Since independence, many of these groups have fought for greater autonomy. Some areas have been under long-term ceasefires; while in others, groups are engaged in armed conflict. In 2015, conflict flared in the Kokang self-administered zone, in Kachin and central and northern Shan.

Smallholder subsistence farmers in the region cultivate rice, maize or millet in traditional rotating fallow systems (shifting cultivation). Many are beginning to adopt terracing and irrigation, allowing some villages to grow multiple crops a year, including wheat, potatoes and soya beans. An increasing number of households are growing crops for sale in larger towns, as well as in neighbouring China.

Many Upland areas are remote and isolated with limited infrastructure, and households face significant challenges in terms of access to new knowledge and skills, health, education, public and extension services, as well as to finance and markets for agriculture products and economic development.

During July and August 2015, the Uplands, particularly parts of Chin State, were badly affected by flooding and landslides. Entire communities were moved to evacuation centres and some are being relocated to new government-built villages.

LIFT projects in the Uplands were funded through the Countrywide and the Learning and Innovation windows starting in 2011. By the end of 2015, most of the projects had drawn to a close. Overall, beneficiaries have increased their assets and skills and generated new income. Viable financial service providers have been successfully established in Chin and Shan States (see Chapter 4, Financial Inclusion).

Much of 2015 was used to assess and design a sizable new Uplands programme, with new projects to be launched in mid-2016. The process of developing the new programme is described at the end of this section.

While the new programme intends to engage further in conflict-affected areas with displaced communities, the experience of CARE's project in Kokang highlights the need to remain flexible in the way LIFT and its partners manage projects in these areas. CARE's project was suspended in February 2015, and despite efforts to be ready to restart when the situation stabilized, the situation did not improve and the project was closed in December 2015.

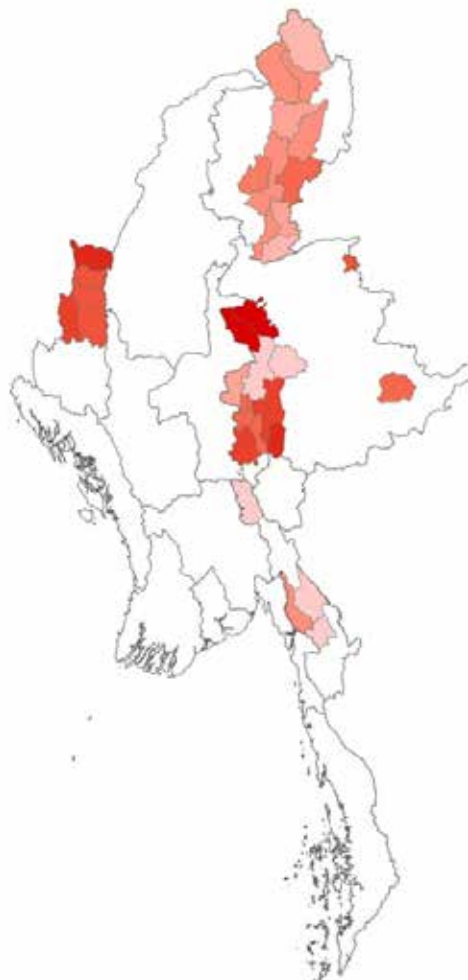


Figure 3.5: LIFT's Activity in the Uplands in 2015

⁴⁶ Ministry of Immigration and Population/UNFPA 2014 census. Myanmar upland areas roughly comprise eight states (Chin, Kayah, Kayin, Karen, Kachin, Mon, some parts of Rakhine, and Shan) and two regions (Sagaing and Tanintharyi).

Table 3.3: LIFT –funded projects in the Uplands in 2015

	Implementing Partners	Location	Focus/Main activities
1	Adventist Development and Relief Agency (ADRA)	Hpa-An	Support to deliver short modular technical, vocational education and training to support vulnerable youth and young adults in Kayin State
2	CARE International	Tarshwetan (Kokang Self-Administered Zone)	Formation and strengthening of tea producers' groups
3	CESVI	Kyaukme, Nawngkhio	Capacity building of community and interest groups to increase agricultural and livestock production; self-help groups; forest conservation, plantation of fuel wood, and distribution of fuel-saving stoves
4	GRET	Falam, Hakha, Tedim, Thantlang, Tonzang	Loans targeted to enable self-reliance groups to increase their funds and provide additional loans to members
5	ICRAF (World Agroforestry Centre)	Tedim, Tonzang, Kyaukme, Nawngkhio, Lashio	Establish and research agro-forestry demonstration plots in northern Chin and southern Shan with local organisations and community
6	Mercy Corps (in partnership with Swiss Contact)	Falam, Kalaw, Lawksawk, Nyaungshwe, Pindaya, Pinlaung	Support farmers with extension service, inputs, financial services, market information, government extension services interventions, off-season production, post-harvest technologies
7	Metta Development Foundation	Injanyang, Machanbaw, Puta-O, Sumprabum	Establishment of farmer field schools to increase yields
8	PRIME	Southern Shan State	Support smallholder farmers with water infrastructure, crop inputs, training and education (extension), financing and market access; demonstration, training & research farm
9	SwissAid	Bahmo, Mansi, Mogaung, Nawngmun Shwegu, Waingmaw, Hopong, Hsiseng, Taunggyi, Kengtung, Moemauk	Support for agriculture; support for income-generation activities; access to markets; strengthening local organisations
10	TAG International	Kalaw, Kawksawk, Naungshwe, Pindaya, Taunggyi	Beekeeping sector advancement in southern Shan State

HIGHLIGHTS FROM 2015

Managing exit and the prospects for sustainability

The first half of 2015 saw the end of the last remaining Uplands projects funded through the Countrywide programme, with partners GRET-Chin, Metta, Swissaid, Cesvi and ADRA. A short vocation training project in Hpa-An managed by ADRA also finished. Below we examine the prospects for the sustainability of their interventions at three different levels: household, village, and organisation.

Household level: beneficiaries use new skills and assets for managing business and livelihood activities

The evaluation of the ADRA project, which supported the government to deliver technical and vocational education training (TVET) in Hpa-An, showed a 62 per cent trainee employment rate.⁴⁷ The project internship programme was found to be one of the key factors for creating opportunities and finding students work. An important lesson from this project was that the internship period, at only 15 days, was not long enough.

Cesvi supported vulnerable households (giving priority to poor and female-headed households) to develop income-generating activities at the village level. Carpentry and tinsmith work provided full-time employment with comparatively high incomes. Other successful activities were sweater knitting, hairdressing and sewing. These activities were sustained in the last year without additional input from the project. The project trained a total of 457 people in 12 vocational areas. Among them, 277 people (60 per cent) developed businesses that have been running for more than one year. 156 people (34 per cent of the original group) have increased their incomes by more than 20 per cent.

Metta's farmer field schools in southern Shan State resulted in high adoption rates for new techniques for paddy, such as line planting and mechanical weeding, and these rates are likely to continue.⁴⁸ It is difficult to buy rice because of the distances involved, so farmers prefer simple and low-cost means to grow their own.

Through these projects, rural poor households have significantly increased their assets (e.g. livestock and agricultural equipment) and generated higher incomes. The high level of self-investment in terraces and irrigation systems in the Chin villages supported by GRET and CORAD also shows that household-level investment in income-generating activities is likely to continue.⁴⁹

Village level: collective mechanisms established are unlikely to be sustainable unless they bring new resources to the village

Cesvi set up village development committees (VDCs) in charge of seed banks; GRET - CORAD established farmer groups in each village; Metta worked through farmer field schools; and the local partners of Swissaid established rice banks and revolving funds. The village development committees and seed banks set up by Cesvi proved to be strongest and most likely to last, given the systematic approach to capacity building and the linkages established with local authorities at the township level. The revolving funds or seed banks (see below) also managed to provide some economic justification for sustainability. Farmer field schools and farmer groups were organised for capacity building, but appear more dependent on the supporting implementing partners (Metta, GRET or Swissaid partners) for access to training and new technologies. Without continued funding, it is likely that these groups will cease to exist.

Organisation level: delivering services through local institutions/NGOs

The SwissAid project aimed first to strengthen the capacities of six local NGOs⁵⁰ to deliver livelihood

⁴⁷ This project is detailed in the Annual Report 2014 page 56

⁴⁸ See the discussion in LIFT Annual Report 2013, pages 51-52

⁴⁹ There were only rare cases in Chin of families having to sell their terraces due to a lack of family labour to maintain them.

⁵⁰ Aung Set Kyar Local Development Organisation, Banmaw Local Development Organisation, Kachin Urban and Rural Mission, Karuna Myanmar Social Services (Myitkyina), Mawk Kon Local Development Organisation, Southern Shan Local Development Organisation

support. Most of these organisations had little experience in livelihood projects. While their processes and technical capacities have improved significantly, they suffer from high staff turnover. Unless they are a member of a faith-based network, their capacity to raise funds is very limited.

GRET supported the institutional and organisational development of CORAD so that it would be able to raise funds and sign contracts with donors. CORAD has strong technical capacity and knowledge on agricultural development in Chin State and will maintain linkages to the villages where it has worked. However, it is struggling to attract staff with sufficient expertise to work in more isolated areas. Its long-term viability will probably require close links with multiple international organisations. It should be noted that in the new Uplands Programme, LIFT will contract CORAD directly for the first time.

Rice and seed banks need to be tailored to local needs and context: one size does not fit all

Rice and seed banks are a social protection mechanism to improve access to rice or seeds. The typical approach to forming a rice or seed bank is to set up a committee and provide an initial paddy stock, purchased from local farmers at harvest time. The paddy is stored in a granary that is built with some contribution from villagers. The paddy is distributed to rice bank members during the lean season at a significantly lower interest rate than if they had to borrow from the market. The paddy is then reimbursed by the borrowers at the next harvest. This mechanism reduces the burden that poor families face getting enough rice in the lean season.

In LIFT's experience, rice and seed banks are not always successful and many banks peter out after a project ends. Moreover, where the rice or the seed bank is successful in meeting villagers' needs, it is common for the original project-implemented system to require reworking by the villagers to better align with their needs. The following comparison of rice and seed bank experience illustrates the need to adapt approaches to the specific conditions and needs in each area.

Table 3.4: Examples and observations from rice and seed bank operations

Examples
<p>In Metta-supported groups in Kachin, the rice bank system was set up, in principle, to serve all villagers equally. However, farmers that rely on shifting cultivation seldom produce enough rice for their own consumption, and they look to the bank system to fill the gap. Other households produce a surplus, trade paddy outside the village, and look to the rice bank to manage the timing of sales to get higher prices. And, still other households, usually landless, are unable to borrow from the rice banks at all, because they cannot afford the required single re-payment at harvest time.</p> <p>The SwissAid-supported rice banks in Banmaw Township of southern Kachin mainly help small farmers to reduce their need for "green selling", i.e. selling their crop before harvest to the rice trader to fulfil their consumption needs. This practice often leads to increasing indebtedness. However, the system is not well suited to casual labourers who prefer to procure small quantities of rice in the market, which they reimburse in small instalments after they find work. Getting to the regular meetings to set up and manage a rice bank is difficult for casual labourers, who are necessarily mobile and looking for job opportunities.</p> <p>The same groups noted that better-off members did not need to borrow but were interested in contributing to the bank, as they saw it as a useful social protection mechanism in the village. This led to the rice bank collecting rice from its members to distribute freely to the poorest villagers (elders, women-headed households, etc.).</p>
Observations
<p>The operational features of the rice bank must be adapted to the type of beneficiaries the rice bank intends to serve (e.g. casual labourers, landless families, indebted small farmers, larger farmers).</p> <p>The financial mechanism may be adapted to the needs of small indebted farmers or those of casual labourers who face different constraints, although it is rare that a single mechanism will suit both. In particular, choices about whether to recover the loan in kind or in cash, and in a single installment or in several small installments, are important decisions that may exclude or facilitate the inclusion of certain groups.</p>

Examples

Villages in Kachin state supported by Metta had very different features. Some villages have a rice deficit and are isolated while others have a large surplus or easy access to markets. In deficit areas, some members who don't have their own production have to purchase paddy to reimburse the rice bank. However, procuring paddy inside the village is not always easy, especially if larger farmers have already sold their paddy to brokers. Members sometimes had to go to distant villages to get paddy with high transportation costs. A cash reimbursement system would have been easier to manage for small farmers, but the committee is reluctant because it would mean that the committee would have to purchase paddy outside the village themselves.

Most of the rice banks set up in Chin state by UNDP do not require storage. It is a collective procurement system where the villagers pool their resources to purchase milled rice in the nearby town or from the valley. The purpose is not so much social protection—local corn is a cheaper staple option for very poor families—but a means to manage the large rice deficit typical of the region. Traveling to the township market is costly for individuals, and so savings are to be had from collective buying, and at a more competitive price.

Cesvi's project in northern Shan supported farmers to establish seed banks for rice, groundnut, wheat, soya, niger (*Guizotia abyssinica*), and pigeon pea. Seventy seed banks were successfully established and managed by the village development committees. Most farmers were able to store seeds themselves, but found the seed bank useful for renewing their seeds to avoid degeneration over time. This meant it became important for the seed bank to regularly procure seed from a reliable external seed source rather than through the farmer in-kind reimbursement system.

Observations

Rice/seed bank mechanisms may serve different purposes, including:

- increasing rice availability for consumption, especially in areas with a rice deficit and far from a market;
- keeping seeds for the next season;
- managing regular seasonal price variations;
- reducing indebtedness of small farmers, in particular "green selling" of crops for food consumption; or,
- protecting the most vulnerable who face difficulties buying rice during the lean season.

Each of these purposes requires unique operating features in terms of:

- procuring rice or paddy, from inside or outside the village, through one time procurement or several times per year;
- collecting seeds from members with or without quality control, or purchasing from reliable suppliers;
- investing in and managing storage for a short or longer period of time; and,
- delivering rice or seeds to members at specific time in the year.

Examples

In Metta-supported rice bank groups in Kachin, villagers explained the difficulty of collecting reimbursements in kind when farmers pay back the loans with different rice varieties or with poor quality paddy. They often had to accept some poor quality paddy and later share it equally between members to avoid dispute.

In Chin, all transactions for the collective procurement of rice are managed in cash; the rice is not stored and is distributed quickly amongst villagers, so losses from storage are avoided.

It is frequent for rice and seed banks to shift progressively to a cash system over time. In Banmaw, many banks had an excess of reimbursed paddy each year, so they were able to sell some of the stock and establish revolving funds. For the members, borrowing cash at 2.5 per cent per month is more attractive than the rate set by the rice bank for borrowing paddy (30 to 50 per cent interest in-kind per season). This high rate for in-kind borrowing is necessary as the rice must be stored and a loss is incurred by distributing the rice when prices are high (lean season).

Despite the apparent success of Cesvi seed banks, many have been partially or completely transformed into cash revolving funds. In some banks, when there is a surplus, it can be sold for cash. Members pressured their banks to shift to a cash system, as their priority was to use the loans to purchase the expensive maize hybrid seeds, which had become their main cash crop. Hybrid seed cannot be stored from one year to the next, making the seed bank mechanism used in this context less appealing.

Observations

The rice and seed bank system can involve heavy transaction costs, which should be scrutinized and reduced where possible. It is useful to compare the in-kind mechanism of the bank with a simple and flexible cash loan system, which might be more efficient in fulfilling the primary purpose of the bank.

In particular, storage involves risks in terms of losses, quality and price variation. In-kind transactions are particularly difficult to manage as members may not have the rice or paddy at the right time or the variety and quality required. These issues put pressure on the management committee to ensure that rules are respected, which might be avoided in a cash-based system.

Limits of collective ownership: bee keeping and honey production in Shan

In 2013, TAG Development International introduced modern beekeeping and honey production in southern Shan State. The project initially supported newly-trained beekeepers through a collective mechanism. Community business enterprises were formed in 18 villages with 15 to 25 members each, which included a high proportion of women. Each enterprise initially received 50 hives, owned collectively. The idea was that the members would share the workload and the profits.

That model was challenged in practice by a series of difficulties. The results during the first niger⁵¹ honey flow season (October-December 2014) were not as good as expected. Some bee colonies collapsed due to disease or exposure to pesticides. The situation became worse during the subsequent winter season as it was difficult for the new beekeepers to sufficiently feed the bees. The project helped some enterprises send their hives to other parts of the country to feed on bee pastures (sesame, jujube, rubber, etc.) with the support of experienced commercial bee keepers. At the same time, as bee keeping is not time consuming, it became clear that all the work required to maintain about 50 hives could be handled by only one to two members. Membership in the community business enterprises decreased drastically. In addition, as the model was collective, members felt no real ownership of the hives.

In the face of these challenges, the project decided to change its model. First, it was clear that the colonies had to be relocated if they were to be maintained and grow. This required some members to accompany the hives to different regions, essentially making bee keeping their main livelihood. Few people were interested until the project created an incentive for beekeepers and offered a loan of 20 hives to anyone who agreed to migrate. The beekeeper would take care of these hives in addition to those entrusted to them by their community enterprise. They would keep whatever honey the enterprise's hives produced during the migration period, but would guarantee the return of healthy colonies to the other members.

Thirteen beekeepers opted in and are migrating during the 2016 winter season. They are mentored by experienced commercial beekeepers and experts from the Division of Apiculture. Each beekeeper manages 50 to 70 hives and they are working in 'columns' of about 250 hives altogether. They have high expectations in terms of income. During the last niger flow season (end of 2015), depending on the number of hives, beekeepers generated over MMK 400,000 (USD 333) in only two months. As their experience grows and their colonies increase, they could generate a regular, good income the entire year. It is expected that more people will take the option to migrate with the hives and take on full-time bee keeping.

LOOKING AHEAD: THE NEW UPLANDS PROGRAMME

The Uplands Programme framework was designed based on a scoping report⁵² completed in January 2015. A call for concept notes was posted in July 2015 followed by a restricted call for proposals in October. In early 2016, six proposals were selected for funding, including three submitted by local NGOs. Contract discussions are now taking place.

Areas emerging from conflict

The new Uplands Programme will move LIFT interventions towards 'areas emerging from conflict', particularly in the south-east of Myanmar, a region with a long history of displacement, vulnerabilities and distrust of government. The Consortium of Dutch NGOs (CDN) will lead a group of organisations to provide nutrition, WASH and agricultural support in Thandaunggyi Township in Kayin, targeting areas where internally displaced people (IDPs) have been resettled. The Karen Development Network (KDN) will target IDPs in Tanintharyi skills training and natural resource management. Working in this new context for LIFT requires specific rules of engagement and attention to the

⁵¹ *Guizotia abyssinica*, an oil crop flowering in October-December, which is the main bee pasture in Shan state.
⁵² www.lift-fund.org/publications

peace process. To guide the process LIFT has adopted twelve conflict-sensitive principles to be followed by LIFT and its partners.⁵³

Vocational training

In Tanintharyi, near Dawei, KDN will work closely with the local authorities to establish a vocational training centre targeting people previously excluded from formal education due to: conflict; restrictions on movement; and the language, education and economic barriers in government technical high schools. The project will be based on KDN's experience in refugee camps.

Nutrition

New projects will ensure the continuation of LIFT interventions in northern Chin with a stronger focus on nutrition and a particular focus on gender issues. Catholic Relief Services (CRS), in collaboration with its local partner Karuna Mission Social Services, and the Myanmar Institute of Integrated Development will provide behaviour change communication and endeavour to address the causes of malnutrition in Chin. In collaboration with CRS, CORAD will build its nutrition capabilities and ensure nutrition sensitive programming. CDN will provide nutrition behaviour change communication, and support access to water and nutritious foods in Thandaunggyi Township with a focus on IDPs and strengthening access to public services.

Agriculture extension and value chains

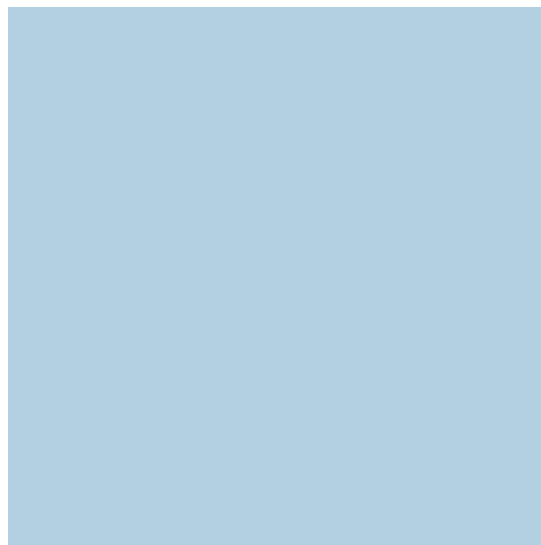
The new programme aims to support smallholder farmers to find new opportunities to enhance agriculture productivity. These opportunities vary greatly depending on the specific context, environment and local market dynamics. CORAD will support the adoption of sustainable farming practices through farmer-led extension services with management advice for family farms (MAFF) as developed by GRET in the Delta. Myanmar Institute for Integrated Development (MIID) will work with the newly-established State Agriculture Institute and the Yezin University of Agriculture to build up the next generation of agriculture extension workers, developing a curriculum adapted to uplands, including nutrition and economic analysis. They will provide opportunities for students to work with farmers in demonstration farms.

Upland areas provide a variety of environments suitable for cash crops with high value. In areas with opportunities and sufficient access to markets, partners will work with producer groups on value chain improvements. CORAD will support farmer groups involved in elephant foot yam, ginger, onion and grape production to understand market issues and improve quality and marketing practices. CDN, with SNV expertise, will support farmers and traders in the cardamom value chain, the main cash crop in Thandaunggyi. In Kachin and northern Shan, Metta Foundation will support farmer groups to set up small processing units for their organic products and access higher-value markets.

⁵³ The Uplands programme framework and conflict sensitive principles are available at www.lift-fund.org/programmes/uplands



3. 4 RAKHINE



OVERVIEW

Rakhine State is one of the least developed regions in Myanmar. An estimated 78 per cent of people live below the poverty line of USD 1.25 a day.⁵⁴ According to the latest UNICEF survey, nearly half of the children under five in Rakhine State suffer from stunting.⁵⁵ This coastal region is buffeted by violent weather, cyclones and heavy monsoons. In late July, 2015, Cyclone Komen left tens of thousands homeless and wiped out paddy crops.

Rice is Rakhine's main crop, but yields are low and the quality is poor, in part due to salt water intrusion, inefficient cultivation, and poor post-harvesting methods and equipment. There is very little access to regulated financial services. The isolation of village communities also means farmers are forced to sell their harvest when prices are low, because they have no means of storage and limited access to markets. In the face of relentless poverty, and more recently, ethnic conflict, an increasing number of people are migrating out of Rakhine permanently.

Rakhine is also a difficult environment for aid organisations to work in. Communities are dispersed and hard to reach, particularly during the monsoon season. Storms knock out phone and internet systems. Waterways become unsafe and roads unpassable. Another challenge has been the communal violence between the Buddhist majority and the Muslim minority. Some in Rakhine perceive NGOs to favour the Muslim community and international organisations were targeted in March 2014, forcing the United Nations and NGOs to evacuate their field staff. Though most staff have returned to Rakhine, the working environment remains difficult.



Figure 3.6: LIFT Activity in Rakhine in 2015

HIGHLIGHTS FROM 2015

The TAT LAN Programme

In 2013, LIFT funded the Tat Lan Programme to improve the livelihoods of around 150,000 people in the 221 communities that were most affected by Cyclone Giri. The first phase of Tat Lan (2013-2015), focused on building resilience, improving food security and raising incomes for people living in Myebon, Pauktaw, Kyaukpyu, and Minbya townships. Components included agriculture, fisheries, financial services, and cross-cutting themes, such as government engagement and gender equality. Tat Lan is implemented by four implementing partners: the International Rescue Committee (IRC), Save the Children, Oxfam, and a local NGO, Better Life Organisation (BLO). CARE conducts the monitoring and evaluation (M&E) for the Tat Lan programme. The second phase of Tat Lan will begin in 2016 and end in 2018. Tat Lan 2 will expand to more villages and increase its focus on nutrition and hygiene.

54 World Bank Group (2014). "Myanmar: Ending poverty and boosting shared prosperity in a time of transition."

55 United Nations Children's Fund (UNICEF) (2013). "Rakhine State: A Snapshot of Child Wellbeing."

Table 3.5: LIFT –funded projects in Rakhine State in 2015

	Implementing Partners	Location	Focus/ Main activities
1	Better Life Organisation (BLO)	Kyaukpyu	Governance, fisheries
2	CARE International	Kyaukpyu, Minbya, Myebon, Pauktaw	Monitoring and evaluation for the Tat Lan Programme
3	CARE International	Rathedaung	Agriculture, forestry, hygiene, social cohesion
4	International Rescue Committee (IRC)	Kyaukpyu, Minbya, Myebon, Pauktaw	Agriculture, infrastructure, nutrition, WASH, governance
5	International Rescue Committee (IRC)	Minbya, Myebon	Agriculture, infrastructure, nutrition, WASH, governance
6	Oxfam GB	Kyaukpyu	Governance, fisheries
7	Save the Children	Pauktaw	Agriculture, infrastructure, nutrition, WASH, governance

Table 3.6: Selected Tat Lan programme achievements in 2015

Task	To end 2013	By end 2014	By end 2015	Target (Feb 2017)	Per cent target achieved	Per cent women
Village development committees established	80	151	175	214	82%	29% of members
Kilometres of embankment constructed	0	48	148	128	116%	N/A
People in cash-for-work scheme for pond and embankment renovation	0	6,765	26,143	33,030	79%	58% of participants
People trained in improved production practices	201	7,753	20,426	23,319	88%	27% of participants
Cash transfers to households with pregnant women and children under two	0	697 transfers to 253 HHs	6,402 transfers to 744 HHs	5,040 transfers	127%	100% of recipients
Household receiving support for fishing or fish production	637	6,092	20,656	N/A	N/A	20% of recipients
Village Saving and Loan Associations established	11 VSLAs in 3 villages	162 VSLAs in 84 villages	210 VSLAs in 115 villages	214 villages	54%	82% of members

Nutrition: Scaling up 1000 days maternal cash transfers

In line with the Scaling Up Nutrition movement and the Zero Hunger Challenge, LIFT is focused on reducing stunting in children. Providing cash transfers to improve diets and health is one of the most innovative activities of Tat Lan. In late 2014, Save the Children piloted a new maternal cash transfer (MCT) programme for mothers in Rakhine. Mothers were given a monthly stipend of MMK 13,000 (about USD 11) to buy nutritious food and access health services over the course of the first thousand days of a child's life (conception until their second birthday). This is the most critical time for growth and cognitive development. In addition to MCTs, pregnant women and mothers learned about the importance of a varied and nutritious diet of solid foods starting at six months.

Over the course of 2015, the effectiveness of the *1,000 Days* programme was measured through a randomised controlled trial. Fifteen 'control' villages offered women education about nutrition and healthcare. Fifteen other villages provided the MMK 13,000 payment along with health-related behaviour change communication. Early qualitative results are impressive. Mothers receiving the transfers and behaviour change communications had heavier babies than mothers in the control group. In addition, exclusive breastfeeding amongst mothers in the intervention group doubled and stunting rates decreased by five per cent.

Fisheries

Fishing is the main source of income for many of Rakhine's landless families. Yet, it is increasingly difficult for fishermen to feed their families as fish stocks have declined due to overfishing and environmental degradation. Beginning in 2013, Tat Lan joined with other organisations to work with the Rakhine State government to develop legislation that would better manage fishery resources. In August 2014, the government passed the new *Rakhine State Freshwater Fisheries Law*. The major change was the end to the tender system, where only established and successful fishermen could afford to purchase the right to fish. The law also allowed the creation of community fishery groups, giving villagers the right to police their own resources. This includes determining the size of the nets, establishing fishing zones, and banning fishing during the three-month breeding season.

Throughout 2015, Tat Lan supported the government to hammer out the bylaws needed to implement the law. The third draft is under discussion. All Tat Lan partners, and sub-partner the Network Activities Group, worked with fishermen in Myebon, Pauktaw, and Kyaukphyu townships to set up their fishing zones and advise them on the management of their resource. During the year, 554 people attended training to increase their catch and improve post-harvest processing and marketing. Post-harvest knowledge has enabled small-scale fishers to double their returns. Sessions were also held for 120 villagers involved in raising shrimp, fattening mud crabs and mangrove-friendly farming.

Disaster risk management and resilience to shocks and stresses

Being on the coast of the vast Bay of Bengal, Rakhine State is exposed to powerful cyclones and flooding. The Tat Lan consortium has made substantial investments in shoring up embankments to manage salt water intrusion into rice paddies and to secure access to drinking water. Between 2014 and 2015, 148 kilometres of embankments with 31 sluice gates were built to protect more than 22,000 acres of paddy land. Tat Lan employed 25,000 people in a cash-for-work scheme to do the work. Perhaps more impressive is that 139 kilometres (94%) of those embankments withstood the force of Cyclone Komen, which struck in July. The ensuing floodwaters, however, contaminated or structurally damaged 70 freshwater ponds and wells. The Tan Lan team responded by using cash-for-work to hire 3,967 labourers to repair ponds in time to capture the end of the monsoon rains.

Governance: participation and accountability

Tat Lan supports communities to elect their own village development committees (VDCs), while encouraging women to participate in decision making. As of 2015, 175 village development committees have been established and 77 per cent of households reported taking part in decision making and community planning. Sixty-five per cent of those participating were women.

SUPPORTING NEW MOTHERS



Six-month-old Sue Latt Nwe is a dynamic infant, sharing her thoughts in squeals and shouts. Despite the birth deformity in her right hand, she has been given a healthy start to her life.

Sue Latt's mother Aye Aye Nwe belongs to the Lwan U village Mother-to-Mother Support Group in Rakhine State, and is a recipient of LIFT's Tat Lan maternity cash transfer programme, piloted by Save the Children. Aye Aye Nwe receives a monthly transfer of MMK 13,000 (USD 11) for the first 1,000 days of Sue Latt's life - from three months after conception until her second birthday. This money ensured Aye Aye Nwe was well nourished during her pregnancy, and is able to afford nutritious food for Sue Latt when she starts solids, after six months of exclusive breast feeding.

However, diets during pregnancy, for babies and for young children, can be dictated by tradition and food taboos. Often, grandmothers and elders insist they know what is best for their grandchildren. The Tat Lan Programme is challenging some misconceptions that have perpetuated Rakhine State's propensity to stunting, such as not allowing new mothers to eat anything other than rice and salt for the first month after birth, and feeding newborn babies powdered rice mixed with breast milk.

Today, Tat Lan programme assistant Mar Mar Soe is talking with 16 mothers about the importance of colostrum (first milk). During the session the mothers discuss the value of breast milk with its easy availability, but there is debate about other varieties of milk available. This includes goat, cow and buffalo milk, sweetened condensed milk and infant formula. The mothers rated infant formula last, because it had to be mixed with water that might not be clean.

The babies in this project leave no doubt that the cash transfer has made a difference. They are well fed and full of vitality. Aye Aye Nwe lives with her mother, because her husband has gone to work in Thailand. Though he transfers money home four times a year, she could not afford nutritious food before receiving the cash transfers. Being a member of the Mother-to-Mother Support Group has also bolstered her confidence and knowledge. "Before the meetings I didn't dare talk to other mothers, but when I realized I knew the answers to the tutor's questions, my confidence grew. After my baby was born I could afford a chicken egg with rice. My baby is exclusively breast fed," says Aye Aye Nwe, who is now saving money to see a specialist about Sue Latt's hand.

Tat Lan is working to improve the effectiveness of communication and services provided by township authorities and local government departments. When village infrastructure projects are completed, handover ceremonies are held to pass maintenance and construction manuals over to township administrators, relevant government departments, and village development committees. This commits everyone to share responsibility for the maintenance of the infrastructure and builds networks and cooperation between village, township, and state-level administrations.

As of 2015, 1,257 people, including representatives from the Rakhine State parliament, state agencies, townships, and village development committees, attended workshops on governance, social accountability and leadership. Fifty per cent of communities report having interactions with officials from government departments and technical offices relevant to the Tat Lan programme.

Communications

To encourage an acceptance of Tat Lan within the broader Rakhine State population, an agreement has been brokered with the influential *Rakhine Narinjara News Journal* to dedicate a page of the paper to the Tat Lan programme every month. Op-eds are submitted to the *Myanmar Times* and journalists are regularly taken to the field, so the challenges and poverty of rural Myanmar can be appreciated and better understood by urban decision makers. Relationships with the Yangon Journalism School, BBC Media Action, and the Human Rights Film Network are proving effective in building an interest in Tat Lan and rural Rakhine communities.

Bilingual programme folders and 12 project factsheets have been distributed to local and state authorities, village development committees, the media and NGOs working in Rakhine State, to encourage an understanding of the multiple projects being implemented within the programme. Videos and slide shows have also been produced to teach villagers and authorities about financial education and the value of saving, as well as presenting the overall achievements of Tat Lan.

Microfinance

Wan Lark, a local microfinance organisation which is supported by LIFT, started activities in September 2014. By end of 2015, it had reached 4,965 households from 38 villages in Sittwe and Ponnagyun townships. In 2015, Wan Lark disbursed USD 328,100 of loans, of which 40 per cent was for trading, 25 per cent each for agriculture and livestock and the remaining 10 per cent for services. The average loan size was USD 66. The main business among the clients is small-scale trading of fishery products. Although the loan size was small, the clients were able to generate a daily income.

LIFT has also contracted PGMF to open new microfinance branches in five townships in Rakhine: Thandwe, Kyaukpyu, Gwa, Toungup and Ann in 2016. This new project plans to expand further into LIFT's Tat Lan Programme townships in 2017.

LOOKING AHEAD: EXPANDING THE RAKHINE PROGRAMME

In February 2015, the Fund Board agreed to extend LIFT operations in Rakhine. In addition to an extension of Tat Lan, activities will be started in other areas of the state.

The nutritional component of the Tat Lan programme will be significantly scaled up in the second phase, which will begin in 2016. A total of 10,654 women in 182 villages in Pauktaw, Myebon and Minbya townships will participate in the *1,000 Day* maternal cash transfer project. Along with cash payments, this will also promote ante-natal and post-natal health care through mother-to-mother support groups. Fathers, grandparents, village leaders and midwives will also be targeted with nutrition-related information and activities. Based on the successful Save the Children pilot in Rakhine, the transfers will be scaled up in two other LIFT programme areas (Delta 3 and the Dry

Zone). Combined, the programmes will deliver a solid body of evidence on the benefit of behavioural change communication linked with cash transfers.

Rakhine communities have limited access to potable water in part because of open-air defecation, which contributes to water-borne diseases. LIFT will introduce community-centred WASH interventions to complement nutrition activities. The IRC and Save the Children will promote safe hygiene practices with latrine building demonstrations and support. Hand-washing stations are being built in 68 schools where school hygiene clubs will be established.

Skills and vocational training

For most people, 'stepping out' will mean finding jobs or starting businesses in the local area. However, in some of the more undeveloped areas, 'stepping out' is likely to mean migration to distant urban centres or even abroad. In both situations, the key to better employment and higher wages is having the right skills. Myanmar's formal and non-formal technical and vocation training is lagging behind market demands. In rural and poor areas, such as in much of Rakhine State, there is simply no access to quality training.

Beginning in 2016, LIFT is launching a USD 4.2 million programme to improve government-run and non-formal vocational training systems in Rakhine. LIFT's investment will create two vocational training centres in Maungdaw, a township which has no public or private training providers. About 90% of the Maungdaw population is Muslim, whose restriction of movement prevents them from seeking training opportunities outside of the township. LIFT's support aims to provide comprehensive life skills and competency-based training with practical internships for 1,400 youth.

In response to the protracted IDP situation in Rakhine, LIFT will fund a life and vocational skills training model for about 3,600 youth in the Sittwe IDP camps. Training and coaching is designed to offer youth a sense of engagement and capacity to contribute with their new skills even within their restricted movement. Skills shall be transferable to prepare for the scenario of a 'life after displacement'. This model offers scope to be replicated and to contribute to the discussion on bridging humanitarian and development assistance for the needs of protracted IDPs in Myanmar.

Eventually, LIFT support will contribute towards a more efficient and inclusive government-run vocational training system.

Supporting food security and resilience in Rathedaung Township

Beginning in 2016, LIFT will expand into Rathedaung Township in Sittwe district, home to 180,000 people. While the majority of the displaced populations are found in Sittwe Township, Rathedaung also experienced communal violence in 2013. CARE was chosen as the implementing partner because of its social cohesion work and its long experience in Maungdaw district.

CARE will target 3,900 poor households and farmers to increase farming productivity in 32 villages (seven of which are Muslim). The target is a 30 per cent increase in average monthly incomes among the project households. The project will help establish village saving and loan groups to encourage saving and improve access to capital. Villagers will receive financial literacy training and support to monitor existing groups and establish new ones. CARE will also oversee the establishment of community forests in order to better manage forests and water resources. Where needed, there will be support to build or rehabilitate water supply infrastructure. To ensure the proper management of these activities, the project will help build the management and leadership skills of the communities and their leaders. CARE will work to facilitate interaction between community leaders and government representatives. The target is that 70 per cent of respondents feel more confident to mediate disputes.

HANGING IN WITH CLIMATE-RESILIENT PADDY SEEDS



LIFT targets households without sufficient land or the ability to migrate for employment, to 'hang in', using agriculture as a safety net for improved food security and nutrition.

LIFT has funded the International Rice Research Institute (IRRI)'s work with the government to identify resilient, high yielding rice varieties that adapt well to local conditions in the Delta, Dry Zone and Rakhine State. In Rakhine, IRRI worked with the Tat Lan Programme until the end of December 2015. Their research has paid dividends, seen in the performance of a rice variety in Rakhine during the 2015 floods.

Just four days after the Cyclone Komen floods receded, U Hla Win took fellow farmers U Hla Than Win and U Phyu Lone out into his Minbya paddy field to show them the resilience of his Sin Thwe Latt seedlings.

Sin Thwe Latt is a salt-tolerant, flood-resilient, high-yielding variety of paddy seed developed by IRRI and Myanmar's Department of Agricultural Research (DAR). Fourteen days after being transplanted, these seedlings survived ten days of ravaging rain, waist-deep flooding and silt mud in the aftermath of the cyclone.

Developed as a hybrid seed from a paddy plant imported by IRRI from the Philippines and a locally grown paddy variety, Sin Thwe Latt has a strong, long tap root and secondary roots that stretch beneath the surface of the ground. So seedlings are well secured to the earth, and able to survive flooding within 14 days of planting.

U Hla Win was amazed that his seedlings survived. "I am so happy that the young plants survived ten days under water. Our traditional seeds are not so strong in the ground. They are not resilient to the floods and get washed away."

Addressing food security in vulnerable Rakhine State communities, the Tat Lan Programme is encouraging farmers to experiment with different varieties of paddy and new ways of sowing their seeds to increase the yield. At farmer field school, U Hla Win and his colleagues learnt to plant systematically rather than broadcasting their seeds. The new methods are labour intensive, but will potentially increase yields from 80 baskets per acre to 140 baskets per acre.

It took U Hla Win eight days to prepare the seed bed on his one acre of land. First he germinated the new Sin Thwe Latt seed, then he ploughed his land with his buffalo for six days, before planting methodically in rows. After 25 days, the seedlings are ready for transplanting into fertilised soil and this takes another two days' of labour.

"I used to broadcast my paddy seed. Now I transplant the seedlings in rows, so I can easily weed." He says he has also learned to use fertiliser strategically, spreading it three times during the growth of the paddy.

"I believe this Sin Thwe Latt rice will give me a greater yield this year," U Hla Win says, pleased that he can apply his knowledge and encourage other village farmers to follow his experiment.

Many farmers have been reluctant to try new varieties of seed in case they do not thrive in their specific conditions.

IRRI conducted demonstration trials of new varieties combined with best management practices in three rice eco-zones: (1) favourable (fresh water, unflooded), (2) unfavourable (flood prone) and (3) salinity prone (could be flood prone or unflooded). The trials showed that farmers can increase yields. In 2014, cooperating farmers increased their yields by 1.4 to 2 tonnes per hectare. In 2015, similarly impressive yield gains, 0.6 to 3.4 tonnes per hectare, were made.

The project involved the collaboration of implementing partners, Department of Agricultural Research staff at various levels and the farmers. Training was a substantial part of the project's investment to ensure that the approaches and tools will continue to be adopted by local people in the future.

4. SUPPORTING THE GEOGRAPHIC PROGRAMMES



As well as specifically funding each geographic programme, LIFT provides cross-cutting support across all four, particularly in the areas of financial inclusion, private sector, civil society engagement and migration. For policy developments in these areas, please see Chapter 5.

4.1 LIFT'S FINANCIAL INCLUSION PROGRAMME

Why LIFT invests in financial inclusion

The enormous gap in the supply and access to financial services remains one of Myanmar's most pressing development challenges. Improving access to finance for unserved and underserved market segments is critical to expanding rural households' economic opportunities, while generating positive social and economic benefits for the country.

LIFT is committed to promoting and developing a rural financial market that is inclusive of all economic strata. Rural finance comprises the full range of services—loans, savings, payment and money transfer services and insurance—and encompasses both agricultural finance and microfinance. LIFT has been investing to expand sustainable access to rural financial services by prioritizing the development of efficient and sustainable financial intermediaries—microfinance providers, cooperatives and commercial banks— and demand-driven financial services that reflect a rural financial market systems approach.

Microfinance has recently come under scrutiny regarding claims that it is a panacea to alleviate poverty. As a result, LIFT has been asked on a number of occasions to justify its investment in microfinance. LIFT recognizes that many borrowers do not invest in small businesses, but use loan funds for non-business purposes. LIFT's support to microfinance is based on its experience that microfinance does many things that are very important for poor people, helping them to cope with poverty whether or not it helps them escape poverty. The poor have low incomes, and these incomes tend to be uneven and vulnerable to disruptions. The poor value microfinance because it is more reliable and less expensive than moneylenders, even if it is often less flexible. This may be why it appears that microfinance has a positive impact on health and nutrition. The LIFT 2013 Household Survey supports this 'hypothesis' in that it shows the proportion of LIFT households using moneylenders declined significantly.⁵⁶

⁵⁶ LIFT Household Survey 2013 page 106

Microfinance providers

Microfinance remains the largest component of LIFT's financial inclusion programme. By the end of 2015, LIFT was supporting 41 microfinance partners, which are listed below.

- Nine local microfinance organisations (local NGOs): Ar Yone Oo (AYO), Border Development Association (BDO), Ratana Metta Organisation (RMO), Environmental Conservation and Livelihood Outreach Foundation (ECLOF), Myanmar Heart Development Organisation (MHDO), Social Vision Service (SVS), YMCA, Wan Lark, and The Sun Institute
- 24 credit cooperatives supported by the Asian Confederation of Credit Unions under the MicroLead project
- Three international microfinance NGOs: Pact Global Microfinance Fund (PGMF), Proximity Designs, GRET (Chin) and GRET (Dry Zone)
- Four international microfinance companies: ASA International, Alliance Myanmar Microfinance, Fullerton Myanmar Microfinance, and Vision Fund

In all, these microfinance providers reached nearly one million clients from 12,658 villages countrywide. (See Annex 5 for a list of LIFT-funded microfinance partners and details of their achievements.) This comprised 55 per cent of the total microfinance market in terms of numbers of total clients served by all 168 microfinance institutions in Myanmar.

Institutional capacity development for microfinance

Pact Global Microfinance Fund (PGMF) and the International Finance Corporation (IFC) have been contributing to institutional capacity development of microfinance organisations in areas such as microfinance portfolio management, human resource management, information system management, financial product development, client recruitment, and monitoring of social and economic changes among the clients (borrowers and depositors).

In July 2012, LIFT funded the PGMF project, *Myanmar Access to Rural Credit* (MARC), which focuses on organisational development of microfinance business units within local NGOs, also known as microfinance organisations (MFO). The PGMF MARC team provides institutional capacity development and a convertible debt-to-grant financial instrument to nine local microfinance organisations with a total client base of nearly 53,000 households to access responsible financial services (up 86 per cent from 2014 to 2015). Out of nine MFOs, six are operating in the Dry Zone, two in the Delta, and one in Rakhine State.

In terms of institutional performance, all nine MFOs reached their Operational Self Sustainability Ratio, i.e. their operational costs were fully covered by their income, by the end of 2015. In terms of financial self-sustainability (the status of covering operational costs by income after adjusting for financial costs and inflation), three MFOs were self-sufficient—AYO, BDA, and MHDO—by the end of 2015. With the conversion from an NGO business unit to an independent NGO providing microfinance services, or to a company, their debt will be converted into a grant—the goal is to create a better governance structure through separation of microfinance and the NGOs' other activities. The grant with LIFT will end by June 2017, and the project target is financial self-sufficiency of all MFOs by then. Details of institutional performance are provided in the table below.

There is a shortage of people with microfinance skills and experience in Myanmar. Microfinance institutions (MFIs) have recruited fresh graduates and people with basic skills in financial services and provided them with relevant training. However, providing in-house training remains a costly option. There is a demand for training facilities, but it is unclear if there is an effective demand (i.e. are MFIs willing to pay for the actual cost of training?). LIFT has been supporting the Myanmar Microfinance Association (MMFA)⁵⁷ to conduct a series of technical training courses, such as microfinance concepts and tools, financial management and auditing, risk management, and human resource management through its project implemented by IFC.

⁵⁷ Formed with representatives from each microfinance institution with the objective of microfinance market development.

Table 4.1: Status of Institutional Performance MARC's Implementing Partners (Local MFOs) by 2015

Implementing partner	Geographical zone	Financial self-sustainability percentage		Operational self-sustainability percentage		Clients 2014	Clients 2015
		2014	2015	2014	2015		
AYO (2 years+)	Dry Zone	87	100	152	190	4,779	5,772
BDA (2 years+)	Dry Zone	83	104	139	187	5,237	6,099
RMO (2 years+)	Dry Zone	85	92	146	175	4,649	6,165
ECLOF (2 years+)	Delta	88	97	150	168	6,305	7,339
MHDO (1 years+)	Dry Zone	40	105	57	199	2,500	6,396
SVS (1 years+)	Dry Zone	33	92	47	167	1,710	5,825
YMCA (< 1 year)	Delta	20	99	30	201	2,567	4,683
Wan Lark (< 1 year)	Rakhine	3	50	3	106	787	4,965
The Sun (< 1 year)	Dry Zone	2	60	2	111	192	5,342
Total number of clients						28,276	52,583 (up 86%)

IFC delivered nine microfinance training courses during 2015 with the aim of promoting international good practice across the sector. The training was targeted at staff from local and international MFIs, as well as from the Financial Regulation Department of the Ministry of Finance, and was conducted in close collaboration with the MMFA. Training topics included: 1) finance and accounting, 2) risk management, 3) human resources management and 4) internal audits. Each topic was delivered in a comprehensive manner over five full days in Yangon and Mandalay with 212 people attending, of whom 117 (or 55 per cent) were women. Encouraged by the successful delivery of the first courses, the MMFA established its own Microfinance Training Centre in Yangon to serve as a venue for training and to host discussions, seminars and workshops relevant to microfinance in Myanmar. The centre was launched in September 2015 and the remaining IFC training in Yangon was delivered there, raising the MMFA's profile within the sector, and the venue as a focal point for microfinance in Myanmar. MMFA also receives nominal fees collected from participants, which could then be applied towards the development of a training programme offered by the MMFA if the business plan is favourable.

Providing responsible financial services

According to Consultative Group to Assist the Poor (CGAP),⁵⁸ it is important to build client protection into the service design and business at every level, in order to balance the service providers' long-term viability with the needs of the client⁵⁹. LIFT's investment in institutional capacity building has contributed to a significant outcome for responsible microfinance in Myanmar: product diversification driven by client demand, leading to a customisation of financial services to meet that demand. In addition, LIFT is investing in improved microfinance governance and business organisation (operational and institutional efficiency).

Agricultural loans

Microfinance is generally not thought of as providing agricultural credit. But, approximately 50 per cent of loans disbursed in Myanmar are for short-term agricultural working capital. LIFT microfinance partners provided more than USD 100 million of agricultural loans to more than 370,000 clients in 2015. As a basis of comparison, credit from LIFT microfinance partners for

⁵⁸ CGAP Focus Note No. 73, Sep 2011

⁵⁹ Borrowers or depositors

agriculture is nearly 10 per cent of the total Myanmar Agricultural Development Bank (MADB) loans disbursed in 2013-14.

The design of agricultural loans has had to take into consideration that smallholder farmers and small businesses engaged in support services typically face seasonal income and long maturation periods, and are exposed to considerable risks. LIFT's microfinance partners started supplying more customized financial services and conditions for agricultural finance during 2015 (e.g. longer repayment and grace periods, less frequent repayments and hire purchase or leasing products). LIFT's investment in institutional capacity building has contributed to improved risk management on both the client and institution sides that has enabled microfinance to penetrate the agricultural finance market.

Most agricultural loans in the Delta were for paddy, as it is the largest crop and requires the most labour and agricultural inputs. Although farmers had access to agricultural loans from the MADB at MMK 100,000 per acre for a maximum 10 acres, they had trouble getting the loans because MADB would not disburse new loans until all farmers in a village tract fully repaid their previous loans. Therefore, loans in the Delta, especially for initial working capital at the beginning of the crop cycle, were in high demand. In other geographical areas—the Dry Zone, Uplands and Rakhine—LIFT microfinance partners experienced high demand for loans for other crops, such as beans and pulses, winter crops (vegetables) and other cash crops and plants (e.g. flowers and betel leaves). Farmers had limited or no access to agricultural loans from MADB for non-paddy crops.

Lenders have also discussed different loan scenarios with clients, such as extensions to the loan period, re-adjustment of collection times and increasing the loan size. For example, Proximity Designs extended the agricultural loan period from five months to nine, then to eleven months, according to the crop cycle and market prices. PGMF also did not collect any repayments in the first three months of the loan to betel leaf growers, according to a negotiated loan agreement. These changes helped clients avoid having to repay microfinance loans by borrowing from other sources at a higher interest rate.

Small business loans

Agricultural loans by themselves are not sufficient to support rural development. Microfinance clients, including those from farming households, often request loans for starting small businesses or expanding existing businesses. Small-scale animal husbandry can provide supplemental income to rural households. There are also other rural small businesses, such as making brooms with coconut leaves, making bamboo baskets and weaving cloth with manual looms. LIFT microfinance partners supported these households with small business loans, ranging from USD 67 to USD 250, charging 2.5 per cent per month. The clients were also able to access higher loan amounts to expand their businesses. In 2015, LIFT microfinance partners provided small business loans worth USD 210 million to nearly 800,000 clients.

Beneficiary welfare funds

Fourteen of the 40 LIFT microfinance partners have introduced a beneficiary welfare fund for clients. The fund is available to clients in case of death or natural disaster. In these cases, the outstanding loan amount is paid off on behalf of the client (and meets their responsibility to the group), or the client receives a cash payment. For example, PGMF paid out USD 2.8 million from its beneficiary welfare fund to more than 65,000 of its clients. In a truly innovative financial service, PGMF, from its beneficiary welfare fund, provided a cash transfer of between USD 25-58 to cover the costs of childbirth. During 2015, nearly 40,000 women received cash transfers of USD 1.6 million.

Insurance

Fullerton Myanmar Microfinance contracted a private insurance company to insure their clients against outstanding debt in case of death. The premium is one per cent of the loan.

**“I started saving through the credit union
and can now expand my tailor business “**

*- Daw Thi Thi Win, saving with
ACCU in Ayeyarwady Region*



Credit cooperatives

Cooperative membership has increased from 800,000 members to three million members during the past two years. Growth has been driven by access to a USD 300 million loan from the Export-Import Bank of China (China Exim Bank). LIFT, in partnership with the Canadian Cooperative Association (CCA), is preparing a business plan to implement a 'model' credit cooperative project that will serve as a platform for the modernisation of the cooperative movement in Myanmar, which is the second largest provider of microfinance (by membership) in Myanmar.⁶⁰ Of particular importance, the model credit cooperatives will need to mobilise new capital once the China Exim Bank loan is repaid.

Saving is not new to people in rural communities (*su kye* is the Myanmar name for an informal group that operates as a rotating savings and credit association and is typically found in 'commercial' rural areas). LIFT partnered with the United Nations Capital Development Fund (UNCDF) to implement the MicroLead project that promotes savings-led financial institutions in Myanmar. One of the project's partners—the Asian Confederation of Credit Unions (ACCU)—is establishing new village-level cooperatives, taking advantage of existing saving practices, such as *su kye*, in rural areas. ACCU has targeted only poor households for credit cooperative membership. The amount of savings was decided by the members depending on their capacity to save. Started in 2013, by the end of

⁶⁰ MADB provided financial services to 3.9 million clients in 2013-14.

2015, 24 cooperatives, with 9,746 members, had total savings of USD 103,075, or USD 11 per member. Fifty-two per cent of the members had taken loans with the total loans outstanding at the end of 2015 at USD 230,509, or an average of USD 46 per person.

Banks

Banking is the largest segment of the financial sector in Myanmar. It contributes 90 per cent of total assets of all financial institutions.⁶¹ However, the number of banks remains small, with only one bank for every 100,000 people.⁶²

According to the financial institution law, banks are not allowed to provide loans without collateral. In the rural sector, at least five commercial banks are offering hire-purchase arrangements to allow small businesses to buy agricultural equipment. The general hire-purchase product requires a down payment of between 30-40 per cent and Form 7 (land title) from the lessee, and a 60-70 per cent guarantee from the equipment dealer. The size of the cash down payment and provision of Form 7 is a constraint for many small businesses to be able to access hire-purchase services. LIFT has partnered with Yoma Bank to expand its hire-purchase of agricultural equipment for small businesses. In its partnership with LIFT, Yoma Bank has initially reduced the cash down payment to 10 per cent and does not require Form 7 by the lessee. The project is targeting 19,000 small businesses over three years. In the first three months of 2016, Yoma Bank has financed agricultural equipment valued at USD 3.8 million in partnership with LIFT.

Gender analysis

The microfinance providers supported by LIFT provide financial services to more than one million clients—93 per cent of whom are women. However, the proportion of female clients on its own is not an adequate measure of the impact of microfinance on gender equality. A better measure would be fairness in access to financial services and to the distribution of development outcomes. LIFT is not yet to provide a complete analysis in this regard, but some progress has been made.

Table 4.2: Gender Analysis Indicators

	Women	Men	Total
Clients	866,914 (93%)	67,597(7%)	934,511
People trained in financial literacy	834,456 (98%)	22,267 (2%)	856,723
Staff working in microfinance providers	2,540 (60%)	1,690 (40%)	4,230

Financial literacy

LIFT helps its partners improve the quality and appropriateness of financial services to both men and women, but particularly the appropriateness of services for women as they are 92 per cent of the total clients served. In order to achieve equitable outcomes, LIFT partners have designed their financial literacy training for the needs of both women and men. Increased capacity of women to understand and use financial services effectively is measured through the number and proportion of women and men trained in financial services, and the number of implementing partners that conduct financial literacy training in connection with service delivery. In aggregate, 87 per cent of female clients receive financial literacy training as compared to just 31 per cent of men. Financial literacy training includes the rights and obligations of borrowers, interest rates and the types of financial services available.

Leadership and decision making

This is measured through the number and proportion of women who are employed by microfinance providers. Women's participation and leadership in microfinance operations can lead to changes in perceptions among men as to the benefits of women's economic empowerment. The high proportion of women in the operations of microfinance providers—60 per cent of LIFT partners' staff are women—is an indication that women participate equally in decision-making and leadership.

61 GIZ: Myanmar's Financial Sector (Feb 2015)

62 UNCDF: Making Financial Access Possible (MAP): 2014

4.2 PRIVATE SECTOR ENGAGEMENT

Why LIFT engages with the private sector

As the economy opens, LIFT is increasing its engagement with the private sector for greater scope, impact and sustainability and to establish an evidence base to address systemic obstacles to inclusive rural growth. The most immediate opportunity for LIFT to engage the private sector is in agriculture. In response to rising incomes, urbanization and the liberalization and growth of international trade, traditional food markets are being replaced with vertically-coordinated market linkage systems. Local sourcing is being replaced by national, regional or international supply chains and strict standards must be met to gain access to these chains.⁶³ In Myanmar, constraints to private sector and smallholder farmer participation in these chains are compounded by country-level challenges to competitiveness – lack of finance, lack of sanitary regulations, inadequate transportation, power and water infrastructure and the lack of quality upstream value chain actors (e.g. equipment, seed and fertiliser suppliers). This modernization requires substantial private sector engagement as government and donor investment will never be enough to meet the needs of infrastructure, input supply, food storage and processing, and marketing.

LIFT supports the integration of smallholder farmers and businesses into commercial agriculture value chains across all its geographic zones. LIFT's work on inclusive value chains focuses on private sector partnerships that stimulate direct and indirect investments in smallholder agriculture. In each of LIFT's private sector partnerships, the objective is to demonstrate solutions for overcoming Myanmar's challenges to competitiveness and each partnership must ensure adequate benefits and terms for smallholder farmers and other LIFT beneficiaries.

LIFT private sector engagement principles

LIFT's investments are guided by its private sector engagement principles, which focus on inclusive agricultural growth, with the private sector as a priority partner alongside NGOs and CSOs. The following principles are highlighted:

1. *Minimize market distortions.* LIFT's investment will be set at a level sufficient to induce change and lead to the achievement of development outcomes.
2. *Contribute to systematic change and structural transformation of agriculture.* LIFT's investments should demonstrate that rural households are essential to a high trajectory of economic growth, and the economic, social and environmental sustainability of that growth. LIFT will build and support successful private sector partnership models that have a potential for replication.
3. *Bring clear value to LIFT's target groups.* LIFT's investments must provide tangible benefits to its target groups in the areas of access to finance, markets and training.
4. *Ensure additionality and value for money.* LIFT's investment will lead to development outcomes that would not have been achieved otherwise, or would have been delayed for a sufficiently long period of time. In addition, the projects must achieve significant development impact in terms of the number of jobs created, the number of rural households accessing investment funds and new technologies, and development funds mobilized.

Expected results of LIFT's private sector and inclusive agriculture projects

LIFT invests in projects that emphasise long-term impacts on poverty and food security. The projects avoid LIFT funds being spent on infrastructure and capital equipment where possible, as well as private sector partnerships that are market-assurance projects. Rather, LIFT seeks partnerships that provide smallholder farmers and businesses with training and support, pathways to markets, and experience in market development (e.g. seed production and processing). The table below outlines the results LIFT expects from its private sector partnerships to date. The partnerships focus on two key areas of investment: financial inclusion and contract farming.

⁶³ For example, Reardon et al., 2009.

Table 4.3: LIFT private sector partnerships and results expected

Expected results	Partnerships
Transforming smallholder farmers into commercial growers by integrating them into commercial value chains with a focus on higher value, higher return crops.	Heineken/Radanar Ayar (brewing rice) PrimeAgri (field crops and horticulture)
Training and certification (GlobalGap) of smallholder farmers in good agricultural practices, soil conservation, water management and crop protection.	Heineken/Radanar Ayar (brewing rice) PrimeAgri (field crops and horticulture)
Integration of food safety and sustainability-compliant production standards in smallholder farming.	Heineken/Radanar Ayar (brewing rice) PrimeAgri (field crops and horticulture)
Introducing 'climate smart' agricultural technologies (e.g. mechanisation, irrigation).	Yoma Bank Heineken/Radanar Ayar (brewing rice) PrimeAgri (field crops and horticulture)
Medium- and long-term financing of agricultural technologies.	Yoma Bank The Currency Exchange (TCX)
Short-term financing for working capital for smallholder farmers and small businesses.	Yoma Bank The Currency Exchange (TCX) Private MFIs
Commercialisation of seed production with a direct production linkage to smallholder farmers through an agricultural seed production and marketing cooperative.	In the process of preparation
Preventing and managing natural disasters impacting on agriculture by formulating mechanisms for disaster-related insurance and compensation.	Private MFIs (see flood relief section of this report)

DESCRIPTIONS OF LIFT'S PRIVATE SECTOR PARTNERSHIPS

Financial inclusion

As described in section 4.1 earlier, the delivery of responsible financial services to the rural population is a fundamental prerequisite for inclusive agricultural growth. Engagement with the private sector has been instrumental in meeting the demand for agricultural financial services such as term financing for agricultural equipment. Through the two partnerships described below (Yoma Bank and TCX) LIFT expects to attract USD 200-250 million in private investment to create sustainable market linkages and support services for smallholder farmers.

Yoma Bank

This project is fully aligned with the LIFT's strategy to develop a more robust, inclusive rural financial market, which can enhance economic development and increase welfare at the community level. The budget is USD 18 million over three years. The project targets all four of LIFT's geographic zones: the Dry Zone, the Delta, the Uplands and Rakhine and the expected outreach is nearly 120,000 clients. The project has three main components:

Market development assistance for down-scaling (USD 1.6 million): Yoma Bank will bring in expertise to work with very small SMEs—a target segment that Yoma is not familiar with. The project will help institutionalise the analysis-based hire-purchase approach for very small businesses and support Yoma in improving financial literacy in rural areas and enhanced savings behaviour.

Partial risk guarantee fund (USD 12.5 million): The fund will serve as security in the absence of down payments by clients for hire-purchase of primarily small-scale agricultural equipment and provide collateral to Yoma in the event of default (i.e. a partial loss guarantee). The partial risk guarantee fund will initially support Yoma's hire-purchase financing of USD 100 million. Targeted clientele include smallholder farmers, village communities, cooperatives, agricultural service providers, small-scale agro processing businesses and other rural small businesses in need of equipment or working capital ranging from USD 3,500 to 5,000.

Individual savings development accounts (USD 4 million): Yoma will set up a savings deposit programme as a special group fund, which all savers under the project will join. Project funds will match on a 1:1 ratio with savings deposits from targeted low-income households.

In addition, Yoma Bank provides a number of major entry points for other private sector partnerships - small business development, and indirect project financing - smallholder farmers can access drip irrigation technology through Yoma Bank's hire-purchase portfolio, which is supported by LIFT's investment in PrimeAgri.

The Currency Exchange (TCX)

To extend the access of microfinance providers to foreign investment, LIFT is in the process of procuring the services of The Currency Exchange (TCX)⁶⁴ to provide currency hedging services. The greatest holdup to foreign investment in Myanmar's microfinance market is the cap on the lending interest rate that is currently set at 10 per cent per annum⁶⁵. Foreign lenders need to charge a much higher rate (currently more than 17 per cent per annum) due to the volatility of the MMK against the USD. A currency hedging service is required in order to enable foreign lenders to provide loans to Myanmar-based microfinance providers at or below 10 per cent per annum, but this service is unavailable on a commercial basis in Myanmar.

LIFT's funds will be used to make up for the difference between a market swap rate and the level of the Central Bank of Myanmar's rate cap. The expectation is that with an investment of USD 10 million, LIFT will be able encourage USD 100 million⁶⁶ of private investment for the microfinance sector. Foreign investors will earn an acceptable credit margin and MFIs will receive debt financing at 10 per cent per annum, enabling them to provide services to approximately 500,000 new clients.

Contract farming

LIFT's focus is on contract farming models that give smallholder farmers access to quality agricultural inputs, efficient and competitively-driven financial services, reliable markets, and extension services that increase farmer knowledge.

PrimeAgri: The project will demonstrate how to finance commercial irrigation technologies for smallholder farmers, deliver training that leads to their GlobalGap certification for good agricultural practices, and provide farmers with market access to reliable and sustainable supply chains for

64 TCX is a special purpose fund that provides derivatives to hedge currency and interest rate mismatches that are created in cross-border investments between international investors and local borrowers in less liquid emerging markets. The goal is to promote long-term local currency financing by contributing to a reduction in the market risks associated with currency mismatches.

65 The Myanmar Central Bank will not allow microfinance providers to borrow from foreign lenders if the interest rate on the loan is in excess of 10% (for loans in MMK). It is the MMK value of the loan that is important since the microfinance providers must operate in MMK. The 30 per cent cap on microfinance lending rates, together with operational margins in excess of 15 per cent for nearly all microfinance providers, makes the FDI lending interest rate cap the upper boundary of what microfinance providers would consider borrowing at.

66 The actual leverage will depend on the MMK volatility against the USD and investors' credit margins. The best estimate at the moment is a leverage of 10 times.

high-value crops. Appropriate water resource development and management combined with the application of water and energy conserving drip-irrigation technology will raise the productivity and income of 5,000 smallholder farmers (and their communities through second order effects). Year-round irrigation is essential for the development of a commercial supply chain for downstream processing industries that require higher levels of quality production throughout the year. The project is designed in phases with subsequent phases dependent on PrimeAgri meeting performance targets for each phase. LIFT's investment could be up to USD 5.9 million over three years.

Heineken/Radanar Ayar: The purpose of the project is to improve the socio-economic conditions of farming communities by linking to Heineken's brewing rice supply chain. The project aims to increase the incomes of 1,000 smallholder farmers through improved food safety practices, through training and certification, and guaranteed contract farming with Heineken for the procurement of brewing rice. LIFT's investment is USD 217,000 over 18 months.

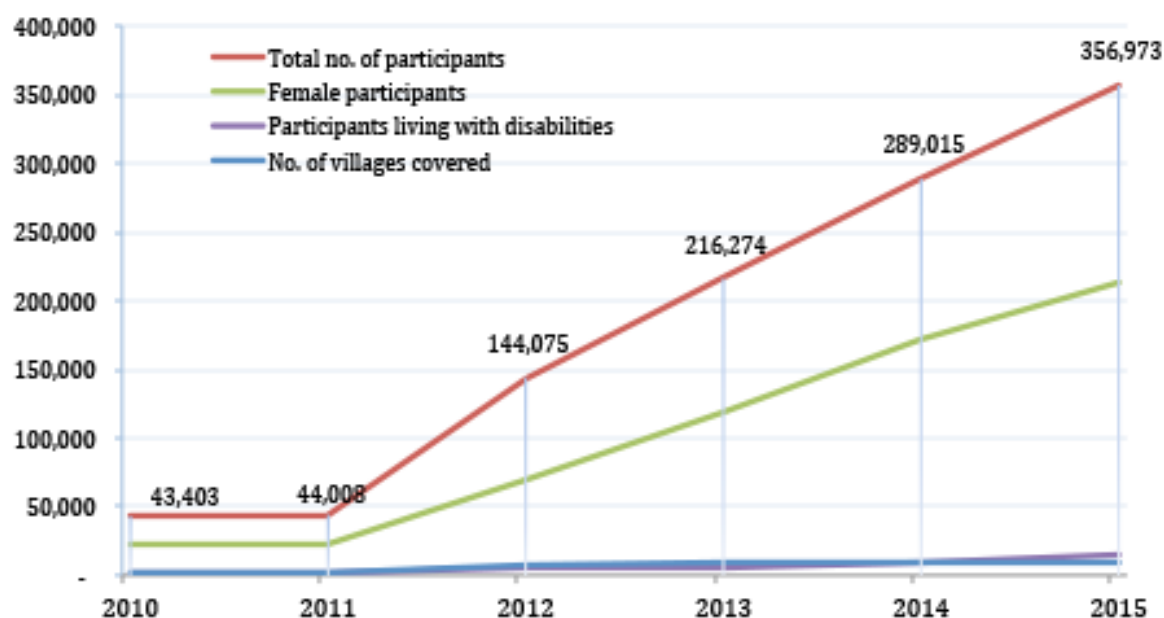
4.3 WORKING WITH CIVIL SOCIETY

Why LIFT supports Myanmar civil society

LIFT's 2014 strategy explicitly acknowledges that strengthening civil society, as well as the government and the private sector, promotes stronger and more sustainable livelihood systems,⁶⁷ and that social actors and civic action are essential to reducing poverty and promoting equitable economic and social growth.

For this reason, LIFT has an explicit programme-level outcome of "strengthened local capacity of communities, local government, CSOs and private enterprises to support and promote food and livelihood security". The main indicator LIFT uses to measure its performance against this outcome is the proportion of LIFT funds that are managed by national entities (see Table 2.3 of this report for details of programme-level targets and achievements by year).

Figure 4.1: Training funded by LIFT (2011 – 2015)



67 The idea of 'livelihood systems' is described well in a 2015 LIFT-funded report Supporting Civil Society with LIFT Funds by Matt Desmond, Ja Tum Seng and Sandar Myo. "Livelihood systems are formed within social, economic, political and environmental contexts. As well as being a key systems player in all contexts, civil society has a particular role in affecting the social determinants of livelihoods and food insecurity. Such a strategy recognizes civil society as the foundation on which governance and enterprise rest."

Trends in LIFT support to Myanmar civil society

Since its inception, LIFT has engaged with civil society organisations in many ways, including through training, mentoring and the development of resource materials. For example, one project completed in 2015 (with the Inya Institute) funded the development of a bilingual social research manual, which is a useful resource for individuals and CSOs conducting social research. The graph above summarises the training conducted by LIFT since 2011. The cumulative number of training sessions completed to date amounts to 2,381 with over 357,000 participants, 60 per cent of whom are women.

However, the training of individuals does not necessarily lead to any institutional strengthening of CSOs as many Myanmar CSOs suffer from high staff turnover. In addition, training tends to be supply-driven (i.e. the type of training offered is usually defined by the provider). Civil society organisations are increasingly vocal about the need for capacity support to civil society being demand driven, avoiding ready-made training packages.⁶⁸ As a result, LIFT is increasingly trying to include flexible training and capacity-building resources into the budgets of projects managed by Myanmar CSOs. LIFT also changed its Operational Guidelines in 2014 to clarify that in partnerships and consortia, indirect costs should be shared among implementing partner organisations, including local CSOs, proportionate to their implementation budget. This enables CSOs to prioritise the little flexible funding available to them.

The success or failure of including flexible capacity-building resources in project budgets rests, of course, on an assumption that Myanmar CSOs are successful in accessing LIFT funds, either as direct implementing partners of LIFT, or as partners of other recipients of LIFT funds. The graph below summarises how the proportion of LIFT project funds that are managed by Myanmar CSOs has evolved over time. Unfortunately, the graph illustrates that the proportion of funds managed by CSOs has declined recently, particularly in 2015, when LIFT launched a large number of calls for proposals.

Figure 4.2: Number of Myanmar organisations managing LIFT funds and proportion of LIFT funds managed



Myanmar CSOs and LIFT Calls for Proposals

⁶⁸ Ibid.

LIFT launched seven open calls for proposals (CfPs) in 2015. The table below shows the number of proposals received from both local and international organisations and how many Myanmar CSO proposals were funded.

Overall, the number of Myanmar CSO submissions was relatively low, and when CSOs did submit a proposal, LIFT was less likely to fund it than proposals from international agencies until new measures were introduced to support CSO applications (more on these measures later in the report).

A LIFT review of the appraisals of proposals submitted by Myanmar CSOs identified two common issues:

- *Local CSOs had difficulty aligning their ideas with the LIFT programme frameworks.* Proposals often represented the programme of the applicant rather than the programme framework provided by LIFT. For example, there was often a lack of clarity on how the proposed activities would be implemented, and incoherence between project components. This issue has become more common as LIFT's calls for proposals have become more prescriptive over time.
- *Local CSOs struggled to describe their experience and its relevance to the LIFT programme frameworks.* Even though some CSOs have good technical capacity for field operations, and LIFT has had positive experience in working with many of them, the proposal design and presentation often fell short of the standards set in the CfP process. Moreover, CSOs sometimes proposed approaches that have previously shown to have little uptake by farmers.

Myanmar CSOs identified similar issues themselves during a brief study on the low success rate of CSO submissions. The four local NGOs interviewed, who had all participated in LIFT CfPs, attributed the rejection of their proposals primarily to the complexity of the LIFT programme framework, a lack of LIFT 'fit' with civil society programmes, and a lack of resources to produce good proposals, (e.g. time, funds,⁶⁹ and proposal writing skills). All were willing to identify quality issues within their

Table 4.3: CSO participation in LIFT calls for proposals in 2015

	Total amount for call (USD in million)	All proposals			Myanmar CSO proposals			
		No. received	No. funded	Per cent funded	No. received	No. funded	Per cent funded	No. funded eventually*
Dry Zone	21.0	33	6	18	10	0	0	2 (20%)
Delta 3	16.0	29	8	28	11	0	0	3 (27%)
Uplands	42.0	75	6	8	15	3	20	3 (20%)
Financial Inclusion	44.0	32	7	22	0	0	n/a	0
Rakhine (closed CfP)	27.2	7	7	100	1	1	100	1 (100%)
Migration (First CfP)	4.0	2	2	100	0	0	n/a	0
Skills training in Rakhine	4.2	6	2	33	0	0	n/a	0
Total	158.4	184	38	21%	37	4	11%	22%

* Once it emerged that the Dry Zone and Delta 3 CfPs were unlikely to award any grants to CSO applicants, the Fund Board approved new processes for CSO applicants. See section below on new measures introduced to support CSO applications

⁶⁹ The study team has conservatively estimated that the four local NGOs interviewed had invested around USD 30,000 for proposal preparation.

own process. While the local NGOs participating in the LIFT CfPs had initially welcomed the opportunity, and saw it as encouraging them to expand into new sectors and activities, they discovered that their *unproven capacity* would work against them and make them uncompetitive. As expected, the study also found that language was a major barrier and that if local NGOs wanted to be successful they needed to employ an English-language writer.

New measures introduced to support CSO applications to LIFT CfPs

As indicated in the table above, the initial assessment process of the Delta 3 and Dry Zone proposals received through the respective CfPs identified no submissions from Myanmar CSOs that were ready for funding. However, the Fund Board recognised the inherent value, as articulated in the LIFT strategy, of having Myanmar CSOs, as well as international agencies, as partners. As a result, LIFT re-assessed all of the applications from Myanmar CSOs with the aim of identifying projects with the greatest potential for strategic fit with the LIFT programme frameworks. Those applicants were given an opportunity to submit revised proposals based on detailed feedback on their original submissions. At the end of the process, five additional local partners were contracted for USD 3.5 million (two partners in the Dry Zone and three partners in the Delta).

For the Uplands CfP, which was a two-step process (concept notes from all applicants and then full proposals from shortlisted applicants), shortlisted Myanmar CSO applicants were provided with small grants (maximum USD 15,000) to support the proposal development process. This process was successful as five CSO applicants received proposal support grants and three of those proposals were eventually funded. The successful applicants used the small grants in different ways: hiring a value chain specialist; collecting more data and further engaging with communities; and hiring English language writers. In LIFT's view, the resulting proposals were significantly stronger than they would have been without the small grants for proposal development.

INTRODUCTION OF SMALL GRANT FUNDS AND STRATEGIC PARTNERSHIPS

Small grant funds

Early in 2015, LIFT engaged a team of consultants to carry out a scoping exercise on how to get LIFT funds to civil society in ways that meet the needs of both LIFT and the CSOs.⁷⁰ In October 2015, the LIFT Fund Board endorsed one of the report's main recommendations, to establish separate small grant funds for LIFT's main geographical programmes, one each for the Dry Zone and the Delta, and two funds for the Uplands (one window for Chin State). The focus in all areas will be on township-level civil society, although the parameters are likely to be different in each area.

The rationale for the small grants funds is to strengthen the livelihood systems in the areas where LIFT works. The small grants will support people's organisations and civic groups that are local and constituency-based, particularly at township level, but also open to region/state CSOs for their work that engages township-level civil society. The small grants funds will support demand-driven capacity-building for the CSOs they fund, where this is appropriate.

The funds will support a range of grant sizes as well as a critical number of grants in each zone. LIFT's initial estimates regarding these issues are provided below. The call for proposals for the fund facilitators for each zone will be done in 2016.

⁷⁰ The report is available at www.lift-fund.org

Table 4.4: Allocation of LIFT Small Grants by Geographic Area

Zone	Approx. grant size (USD)	Approx. no. of grants
Dry Zone	10,000 - 15,000	5 per township
Delta	30,000 - 100,000	10 in total
Uplands	15,000 - 100,000	10 per state
Chin	5,000 - 15,000	4 per township

Strategic partnerships with CSOs

In October 2015, the LIFT Fund Board also endorsed another recommendation of the report *Supporting Civil Society with LIFT Funds*: to enter into a limited number of strategic partnerships with CSOs with the intention to move the LIFT/CSO relationship from one of funder/implementer to a committed organisational partnership based on common development objectives and knowledge-sharing. To quote the report: "Strategic partnerships facilitate greater engagement between the partners at a strategy and policy level. Each partner supports the other's efforts to be as effective an organisation as possible."

For LIFT, strategic partnerships provide important benefits to both LIFT and the CSO strategic partner. The partnerships provide CSO partners with technical, policy and organisational resources that are otherwise difficult to access within Myanmar. The partnerships also provide LIFT with access to specific contextual analysis that is otherwise difficult to obtain. The strategic partnerships include funding from LIFT to a CSO partner, but instead of being tightly linked to a set of prescribed activities, this funding is assigned iteratively over time to particular outcomes, especially in locations not covered by other LIFT programmes.

Through strategic partnerships with local CSOs, LIFT expects to achieve the following:

- Better and more visible results of LIFT's efforts on civil society strengthening
- Improved contextual understanding for LIFT of the social and political landscape of Myanmar, including a more inclusive understanding of civil society
- More involvement of CSOs in policy dialogue related to livelihoods and food security
- More interactive linkages and networks within civil society and between CSOs and concerned government agencies

In 2015, LIFT established strategic partnerships with the Food Security Working Group, the Land Core Group and the Gender Equality Network. There are ongoing discussions about possible partnerships with three other CSOs.

With different civil society strengthening approaches being used, the effectiveness of such strategies will be assessed next year.

4.4 LIFT'S NEW MIGRATION PROGRAMME

Why LIFT supports safe migration

Recognising that internal and international migration are both important factors in rural development of the country, the LIFT Fund Board allocated USD 18 million in 2015 for a new migration programme. Landlessness, climate change and low incomes, combined with economic opportunities in countries bordering Myanmar have increased outmigration and there are now four million Myanmar migrants in Thailand remitting around \$960 each per year.⁷¹ For some in Rakhine state, migration offers an escape from persecution. Migration is increasingly important in supporting young people to seek employment as Myanmar's economy creates new jobs in manufacturing and services.

⁷¹ IOM (2014) puts migration to Thailand at 3.8%, rising to 36% in the southeast and eastern Shan States.

Migration also has risks – such as exploitation, physical harm, high broker fees, low earnings, poor remittance channels, and a lack of social support and social safety nets in destination sites. LIFT support aims to leverage the benefits of labour migration and mitigate the negatives. This programme will have an explicit focus on youth and women. There is a critical gap on supporting migrants into Yangon and surrounding slum areas, which leaves migrating youths open to abuse, sexual exploitation, violence and low-paid work, and without basic services. In some cases, women become the sole farmers in a household because of male out-migration and are an increasing source of cheap labour locally.

In 2015, LIFT developed partnerships with two new bodies, the International Organization for Migration (IOM) and the International Labour Organization (ILO), who will build an evidence base in support of policies on labour migration (details below). IOM also provides technical support to LIFT's implementing partners to incorporate migration into their projects.

Through a call for proposals in early 2016, LIFT will seek additional partnerships to implement specific migration-related activities on migration issues awareness, skills development, financial literacy and services, and innovative job matching services.

Knowledge on labour migration and remittances for policy makers and development planners

Understanding the motivations, patterns and dynamics of existing migration practices is critical in order to assist balanced and inclusive development in Myanmar. In 2015, together with the World Bank, LIFT launched the research study *A Country on the Move: Domestic Migration in Two Regions of Myanmar*. The study found that men are significantly more likely to migrate than women across both regions and landless households are more likely to have family members migrating than the rest of the population, reflecting a lack of year-round employment opportunities for these households locally. In fact, the certainty and regularity of urban jobs is a significant incentive to migrate. The study also found that social networks play a pre-eminent role in influencing decisions about migration, especially for risk management. More detailed results for the two regions studied, Magway and the Ayeyarwady, will be available by the end of 2016.

For 2016-2018, LIFT will support the Migrating out of Poverty Consortium comprised of IOM, the University of Sussex and the Metta Foundation, to provide in-depth and representative research on migration patterns, trends and forecasts, and their implications to development. IOM and the University of Sussex will survey more than 3,200 households across Myanmar. The qualitative research will capture intra-household dynamics of migration decision making, resource allocation (including remittances), gender division of labour, recruitment processes and the social impacts of migration. Key migration stakeholders—from the government, civil society organisations, the private sector and the development community—will be involved in the consultative process. An analysis on the laws, systems and stakeholders that affect migration in Myanmar will also be done.

Improved policies on labour migration

LIFT will support efforts to improve policies for international and national migrants. ILO is LIFT's primary partner in this area. The aim is to better protect international migrants with international employment standards, particularly related to recruitment processes, complaints mechanisms and a newly designed welfare system. ILO will work with the Migration Division of the Ministry of Labour, Employment and Social Security on the *Law Relating to Overseas Employment*, which requires supplementary rules and regulations. Technical input will be provided for the National Plan of Action on Labour Migration and the Parliamentarian Group on Migration.

Equally important is to increase awareness and urgency among key stakeholders to formulate protective regulations. A particular focus is domestic workers, with the aim to ratify Convention 189 on Decent Work for Domestic Workers and the development of respective policies. Returning migrants also warrant attention. A favourable environment with access to documentation and employment information can support successful re-integration.

5. WORK ON SYSTEMIC CHANGE



INTRODUCTION

LIFT helps effect systemic change⁷² by: demonstrating and communicating results to encourage 'take up' and 'scale up'; addressing systemic obstacles to rural growth (e.g. rural finance); building the capacity of government to develop and implement policy; and helping people reach their full economic potential through improved nutrition, skill development and income diversification. In this work, LIFT partners with influential organisations, engages directly in policy dialogue through the Fund Manager and Fund Board, and supports sector working groups and coordination opportunities. These activities are the subject of this chapter.

With a change of government in 2016, there will be new opportunities to support systemic change using LIFT's evidence and experience to leverage public and private capital for an inclusive rural transition. In order to increase the likelihood of sustainability, LIFT is developing a portfolio of private sector partnerships based on principles of responsible investment (see section 4.2). Second, LIFT's support for local civil society strengthens independent voices for the rural poor (see section 4.3). Third, LIFT is supporting government capacity to implement an inclusive rural growth agenda (see 5.1 below).

A table charting the main efforts of LIFT engagement in policy issues is available in Annex 6.

5.1 SUPPORTING THE GOVERNMENT'S NATIONAL STRATEGIC FRAMEWORK FOR RURAL DEVELOPMENT

LIFT continued to support the government's *National Strategic Framework for Rural Development* and the ministry responsible for implementing it, the Ministry of Livestock, Fisheries and Rural Development. In 2014, LIFT placed two advisers in the ministry's Department of Rural Development (DRD) with the aim of supporting the department to develop and implement an operational plan for the strategic framework. In 2015, the two full-time advisers were joined by 25 LIFT-recruited national consultants, all supporting the work described below.

The LIFT advisory team worked in two main areas:

Capacity development plan for the Department of Rural Development. In 2014, LIFT helped DRD prepare a three-year comprehensive capacity development plan for all levels including township, district, region/state and union. In 2015, the team focused on helping the department implement the plan in a systematic and orderly way. Overall, three of the 15 sets of activities in the plan were initiated and successfully implemented in 2015, as per the target for the year. The team helped DRD senior management to establish a task force for capacity development, which met several times during the year to coordinate implementation of the plan. This ensured that good progress was maintained. DRD senior management was involved for: (a) development of a national model for village development planning, (b) oversight and periodic review of village development planning conducted in 170 pilot villages at 34 townships, and (c) supervision of a scoping mission to set up a Policy Research Unit in DRD. The mission work was carried out in November – December 2015 and a review of the scoping mission report was also completed.

National approach for participatory village planning. DRD initiated a process of developing a national approach to village planning, which in 2015 was piloted in 170 villages across all states and regions in Myanmar. This was an ambitious task and required a significant expansion of the

⁷² Systemic change includes: better sector policies, more effective sector organisations, better sector planning and investment, and more effective implementation of programmes. Relationships with government and the private sector are key success factors in contributing to systemic change, but how LIFT supports local civil society and NGOs will also determine what is on the ground in future decades.

LIFT-funded team in Nay Pyi Taw. Twelve additional national experts were added to the team and five NGOs were contracted to provide village-level support. The overall result is that a national model or approach for village development planning was established with timely completion of the 170 village development plans as part of the pilot exercise. The outcome and lessons from the pilot exercise formed the basis for scaling up the village planning process with a focus on policy planning capacity at the union and township level. The model was endorsed by H.E. President of the Republic of the Union of Myanmar. Subsequently, the national model together with its accompanying guidelines and manual guided implementation of the village development planning process in the 170 pilot villages covering the country's 14 regions and states and the Nay Pyi Taw Union Territory.

LIFT also supported the Ministry of Livestock, Fisheries and Rural Development to commission a planning process for a National Action Plan for Poverty Alleviation and Rural Development through Agriculture (NAPA). The plan supports the agricultural component (one of eight strategic priority areas) of the government's 2011 *National Strategy on Poverty Alleviation and Rural Development*, which the Ministry of Livestock, Fisheries and Rural Development has lead responsibility for. The United Nations Food and Agriculture Organisation, with LIFT funding, led the analyses and consultations, and by the end of 2015, 13 working papers⁷³ had been completed and a draft report had been submitted to the ministry for consideration.

Other systemic change activities focused on the policy priorities identified in LIFT's new strategy, namely financial inclusion, inclusive agricultural value chains, land tenure security, nutrition, social protection, climate change resilience and adaptation, and gender. These areas of policy priority are addressed below.

5.2 FINANCIAL INCLUSION

LIFT supports the development of a regulatory framework for microfinance that enables rural households to access responsible financial services that are crucial for broad-based poverty alleviation. During 2015, LIFT drew attention to constraints to the regulatory system and growth in the financial sector, and proposed measures to assist Myanmar to reach a high degree of financial inclusion.

The development of the Financial Regulation Department (FRD) database is essential for conducting off-site monitoring, examination and supervision of micro-finance institutions (MFIs). Given the lack of capacity within the FRD to conduct on-site examinations, the off-site activities become even more important to the safety and soundness of the microfinance sector. LIFT has provided a full-time staff person to develop and operationalise the MFI database that serves as the foundation for off-site monitoring, examination and supervision of MFIs.

LIFT continues to develop its relationship with key players in both the FRD and advisors to the new government. An examples of policy and regulatory engagement is speeding up the registration of Pact Global Microfinance (PGMF activities in Rakhine State and GRET activities in Sagaing).

LIFT has also worked together with the government and private sector to find an innovative approach to alleviate the problematic impact of the current interest rate regulations—in particular the series of floors and caps on borrowing and lending (in MMK and USD)—that have effectively constrained the supply side of the microfinance sector by reducing liquidity that, in turn, results in loan-size and loan-quantity rationing to MFI clients. For example, the interest rate structure is not financially viable for most MFIs—the microfinance lending interest rate is capped at 30 per cent per annum, and the deposit interest rate is floored at 15 per cent per annum. Further contributing to the liquidity crisis is an FRD regulation limiting deposits to no more than 10 per cent of total loans outstanding at an MFI.

⁷³ The 13 papers are: (1) Crop Production, Extension and Applied Research; (2) Livestock; (3) Agricultural Water and Soil Management; (4) Fisheries; (5) Forestry; (6) Coastal Area Management; (7) Rural Cooperatives; (8) Rural Employment; (9) Rural Finance; (10) Land Tenure; (11) Marketing and Trade; (12) Post-Harvest and Agro-Industries; (13) Gender and Social Inclusion.

Secondly, the cap on foreign investment from investors lending in MMK that is now (unofficially) set at 10 per cent per annum compares unfavourably with the market interest rate of an estimated 17 per cent per annum.⁷⁴ With the cap of 30 per cent on the microfinance lending interest rate, and operational margins in excess of 15 per cent for the largest majority of MFIs, the 10 per cent cap set by FRD is the upper boundary of what the MFIs would consider borrowing at. Even with relaxation of the foreign investment lending interest rate, demand will be choked off unless the MFI lending interest rate is relaxed, which LIFT considers unlikely. Therefore, LIFT worked with both the government and private sector to find a solution that would enable foreign investors to earn an acceptable credit margin while, at the same time, enabling MFIs to receive debt financing at 10 per cent per annum. See the description of LIFT's potential partnership with The Currency Exchange (TCX) in section 4.1 for details.

5.3 INCLUSIVE AGRICULTURAL VALUE CHAINS

LIFT is a member of the executive committee of the Myanmar Agricultural Network (MAN), which is part of the Grow Asia partnership catalysed by the World Economic Forum and ASEAN. MAN represents forty businesses and organisations including the Myanmar government and both local and global companies and serves as a multi-stakeholder platform to accelerate investment in inclusive agriculture in Myanmar. LIFT is tightly aligned with MAN's strategic objective—sustainable and inclusive agricultural growth.

MAN aims for a Myanmar *30:30 vision* of generating USD 30 billion in agricultural output in Myanmar by 2030, with a particular emphasis on smallholder farmers. The MAN objective is to develop the agricultural sector in Myanmar and improve the livelihoods of smallholder farmers through:

- Increasing smallholder farmer productivity by enhancing access to knowledge, information, inputs and technology. The need for farmer training is specifically highlighted.
- Increasing smallholder farmer profitability by providing access to finance, links to formal markets, and by stimulating investment in infrastructure.
- Ensuring food safety and improving quality standards by helping smallholder farmers adhere to international and national standards, and access certification.

In 2015, MAN held two meetings with Myanmar's Minister of Agriculture and Irrigation where there was open discussion regarding the challenges facing inclusive agricultural growth, including how to increase foreign and local investment in agriculture, and actions necessary to modernize agriculture. LIFT works closely with the National Economic Social Advisory Council (NESAC) which is a member of the MAN executive committee. As a result of the close working relationships developed in the MAN, a working paper outlining key agriculture policy engagements is being drafted by NESAC, with the support of USAID and LIFT, to be discussed with the new government.

The key propositions in the paper (completed in April 2016) are as follows:

1. In the past, Myanmar's agricultural sector was driven by supply requirements. The future of the agri-food sector and agribusiness supply chain will be driven by the market, principally from Myanmar's own consumers, but also from markets abroad.
2. In the past, Myanmar's agricultural supply requirements were defined by the government. The future of the agri-food sector and agribusiness supply chain will be led by small farmers and, more broadly, the private sector, both Myanmar and foreign. The government should provide support through transparent and accountable policy and regulatory frameworks and public investments that ensure core social and physical infrastructure as well as the quality, safety, and efficiency of agri-food systems and the products that are produced and consumed.
3. In the past, policy governing Myanmar's agricultural sector was narrowly focused on the production of crops. The future of the agri-food sector and agribusiness supply chain will be

⁷⁴ The Myanmar Central Bank will not allow microfinance providers to borrow from foreign lenders if the interest rate on the loan is in excess of 10% (for loans in MMK). It is the MMK value of the loan that is important since the microfinance providers must operate in MMK. Foreign lenders need to charge a much higher rate (currently >17 per cent per annum) due to the volatility of the MMK against the USD.

shaped through reliance on a three-pillar strategy that embraces open decision-making by small farmers, producing a wide range of agri-food products and supported by responsive input suppliers, productive technology, and knowledge and information service providers (all upstream) and reliable access to output markets and supply chains (downstream).

LIFT is also partnering with Michigan State University to dispell the common perceptions that fish farming (aquaculture) is not important to Myanmar's food security. On the contrary, research being conducted by Michigan State University (LIFT Project) is finding that the farmed fish value chain is quickly developing and transforming and that fish is important for domestic food security as it is the largest source of animal protein and micronutrients to Myanmar's consumers. Fish is important in the food budget of households with nearly as much spent on fish as on rice. Fish farming output from the Delta, which accounts for 90 per cent of Myanmar's farmed fish, went up about 250 per cent over the past decade due to growth in pond areas and yields. Despite this rapid growth, there is little diversity in the production technologies used, or in the species produced.

In Shan State, the Making Vegetable Markets Work project, implemented by Mercy Corps, facilitated the formation of the Vegetable Sector Acceleration Task Force (VSAT), which is a multi-stakeholder platform that convenes government, the private sector and development partners to speed up the development of Myanmar's vegetable sector. VSAT organised a comprehensive vegetable sector development strategy. The project organised regular VSAT meetings and 37 representatives from the government and private sector, including trade associations and international firms, are involved in this taskforce

5.4 LAND TENURE SECURITY

Update on the draft National Land Use Policy

Since October 2014, the government has worked hard to engage stakeholders in the draft National Land Use Policy (NLUP), extending its initial deadlines to allow fuller participation and obtain meaningful feedback from experts and the public. The 6th and final draft of the NLUP was presented in the last round table meeting in a series of three and was endorsed by the cabinet in January 2016.

The Land Core Group (LCG), a LIFT partner, has played a pivotal role facilitating coordination with civil society groups, and in supporting the policy drafting committee to take feedback from civil society into account. This included working with national parliamentary members in February 2015. The Land Core Group used LIFT funding to mobilise its network and help members participate in these consultations.

According to the Landesa Rural Development Institute, "Very significant improvements have been made in the 6th Draft of the National Land Use Policy (...) This improved version now clearly articulates principles that provide the basis for a pro-poor land policy and legal framework across several central areas. These include most importantly, two inextricably linked fundamental policies: (i) the explicit primacy of an approach to land rights that protects and promotes smallholder agriculture, and (ii) the critical need to address landlessness (...). In addition, the 6th Draft better integrates customary land rights, has an improved treatment of women's land rights, and better addresses the issue of restitution in cases of land confiscation and of displacement due to civil conflict. It also looks to a public, consultative process for the drafting of the National Land Law."

Several important shortcomings remain, but overall the process, and the way many recommendations were considered, represents a remarkable achievement. The National Land Use Policy is expected to become the basis of a new land law that would replace, amend or supersede the multiple existing laws that do not align with the policy. With its partners, the LCG, GRET and UN-Habitat, LIFT is supporting these policy processes, carrying out studies that will inform policy makers on actual practice around land tenure in various environments and regions.



GRET has completed the exploratory phase of a study in Htantha Bin Township, in Yangon Region, after completing surveys in the Delta and the Dry Zone. This is a peri-urban area with a dynamic land market, active land speculation and changing rural livelihoods. The project has developed a methodology for documenting peri-urban land dynamics and is now moving to study areas around Hakha town in Chin State and in other Uplands areas. GRET's study revealed that there are many land issues in these fast-changing environments, as well as major gaps in terms of knowledge, intervention and donor attention. As a result, the project has formed a working group with independent researchers, the Yangon City Development Committee and UN-Habitat to bring more attention to these issues.

The Land Administration and Management Project

Strong investment interest and the poor regulatory environment in Myanmar is leading to uneven growth and rapid increases in land prices. For many people, especially farmers, their land title will be the most valuable asset they will ever own and that needs to be protected.

The government's land office, the Department of Agricultural Land Management and Statistics (DALMS) ⁷⁵ maintains land records, but the systems and records have not been well maintained for the last 60 years. Buildings are dilapidated and equipment is outdated. However, the department's offices are well staffed and the staff are busy in areas of agricultural reporting and land tax assessments.

Under the *2012 Farmland Law*, the issuance of the Land Use Certificate to families on farm lands aims to make the land more secure and reduce the risk of land grabbing. In early 2013, it was estimated that there were about 16 million land parcels in rural areas, very few of which were titled. Under an accelerated programme, the department issued around 9.3 million farmland certificates during 2013-14. The remaining seven million are not titled (including residential rural properties and remaining farmlands).

Both the deed registration system and the maintenance of ownership registers are in disarray. The Land Administration and Management Project (LAMP) project, which is implemented by UN-Habitat, is building new systems to update land registration. The new systems and processes will be rolled out in a future national programme designed to build the capacity of DALMS.

In 2015, LAMP worked in two pilot townships in Thayarwaddy and Myingyan, installing mapping technology in the township offices and training department staff to use it. Using the new technology, DALMS staff updated 10 traditional *kwin* maps⁷⁶ in each of the two townships, based on the new procedures and tools set up by LAMP, including: 1) document scanning and encoding of case files and farmland title registrations; 2) *kwin* map scanning and image enhancements; 3) digitising of the *kwins* to form the land parcels in the geographic information system (GIS); 4) updated ground-

⁷⁵ Formerly known as SLRD

⁷⁶ Kwin maps are the traditional cadastral maps, showing the extent, value, and ownership of land

based surveys; and 5) an information and education programme for both men and women in the mapped areas. In addition, a *kwin* map survey was completed in a previously unsurveyed area, and was used as a basis for issuing land titles.

The identification of mistakes and correcting the land records is a large part of the LAMP challenge. A special purpose programme has been designed and prototyped for identifying errors and allowing corrections. The project is also preparing DALMS for urban cadastral surveys, which have not been done in 50 years. Recently, the General Administrative Department issued an order to start a pilot programme to title residential rural villages. There are millions of plots to be titled.

The National Land Use Policy increases the chance of successfully reforming land administration. Once the umbrella law is passed there will be specific legislation and rules to be developed in accordance with DALMS' functions, such as on land registration, revision of the farmland law, cadastral survey and mapping, land tax assessment, and on land information management of cadastral data. This will require DALMS to further modernise and strengthen land administration services across the country.

Table 5.1 shows the processes and land record-keeping approaches developed by LAMP that are supporting the emerging National Land Use Policy.

Table 5.1: LAMP actions to support the National Land Use Policy

NLUP (2016) Clause	How LAMP is supporting
(6b) To strengthen land tenure security (...) of all people in both urban and rural areas of the country	LAMP has designed and implemented new systems to: improve quality control of records, update <i>kwin</i> maps and land tenure rights, and computerise land record management systems for both rural and urban lands. The new initiatives are designed to strengthen land tenure security and improve the confidence of both DALMs staff and the public.
(8b) To strengthen the rule of law and good governance, including simplifying procedures, ensuring transparency, and increasing accountability and responsibility	The new LAMP procedures and quality control measures apply to core land administration functions related to land surveys, mapping, land title issuance, and land records management. The initial data upload to the database and all new transactions are captured in the database system for greater responsibility and accountability. Missing and inconsistent past records are highlighted for rectification.
(8c) To promote effective land information management, including easy public access to information	LAMP has installed database server systems at the township level. Land records in computerised databases are the first step for effective land information management and access by the government and the public.
(8e) To promote inclusive public participation and consultation in decision-making processes related to land use and land resource management	LAMP has established an Information, Education, and Communication programme to: support community access to updated land records and validation activities; help farmers during land surveys to fill out the key land data; and give feedback to farmers during public displays of the results. Any objections may be raised by farmers during the public announcement period.
(8n) To decentralise decision making related to land	All operational records and processes of DALMs are based at township level.

5.5 NUTRITION

In 2015, LIFT, along with UN agencies, NGOs, government and other stakeholders, made substantial progress in stressing the need to invest in nutrition, particularly among women and children. This is particularly important in Myanmar, one of the world's 36 high-burden countries for chronic malnutrition.⁷⁷ The rate of child stunting among the poorest quintile of the population is nearly 50 per cent.⁷⁸

Improved nutrition was also formally prioritised in the updated LIFT strategy (2014) as one of four major desired outcomes. The programmes LIFT developed in 2015 were designed to reduce stunting through multiple approaches. The number of implementing partners including nutrition in their projects has risen dramatically. Twelve LIFT grants awarded in 2015 are nutrition-specific or sensitive. Twelve organisations (World Vision, WHH-GRET, World Fish, Mercy Corps, Save the Children, International Organization for Migration, the UN Food and Agriculture Organisation, HelpAge, International Fertilizer Development Centre, Social Policy and Poverty Research Group, UN-HABITAT) include nutrition objectives in their projects. Ten new projects (International Organization for Migration, Mercy Corps, WHH-GRET, World Vision, Save the Children, HelpAge, International Fertilizer Development Centre, Social Policy and Poverty Research Group, UN-HABITAT) include nutrition promotion or education activities.

In 2015, new nutrition indicators were also integrated into the LIFT logical framework. Indicators include moderate stunting among children under five, children under five with diarrhea, households reached with nutrition-sensitive information, children 6-23 months with acceptable dietary diversity, exclusive breastfeeding, and utilisation of improved sanitation facilities and improved water sources. These nutrition-sensitive and specific indicators will allow LIFT to comprehensively measure nutrition achievements.

Although global evidence of the impact of nutrition on society continues to grow, data for Myanmar is limited. Globally, research shows that improving nutrition during a child's first 1,000 days (conception until its second birthday) can boost gross national product by 11 per cent, increase wages by five to 50 per cent, reduce poverty, empower women, improve school achievement, and significantly reduce child mortality. Globally, for every USD 1 invested in nutrition, at least USD 16 will be returned through increased productivity and reduced health care costs.⁷⁹ There are significant opportunities for synergy between nutrition-sensitive and nutrition-specific activities, and LIFT is well-placed to gather important evidence.

Maternal cash transfers: One of LIFT's most significant nutrition interventions is the introduction of maternal cash transfers in Rakhine, the Delta and the Dry Zone. Starting in Rakhine in 2014, mothers were given a monthly stipend of 13,000 kyats (about USD 11) to buy nutritious food and access health services over the course of the first thousand days of a child's life. In addition to cash, pregnant women and mothers learned about the importance of a varied and nutritious diet. Based on the success of the pilot,⁸⁰ similar projects are being introduced in the Delta and the Dry Zone. In total, maternal cash transfer projects of USD 14.5 million are being implemented by LIFT with over 54,000 mothers and children enrolled. Randomised control trials have been designed to measure the impact of the projects with the objective of determining the most cost-effective way to deliver the transfers and accompanying nutrition and health messages.

Improving the evidence base: In 2015, the LIFT-funded LEARN consortium conducted a review of all data sources related to food and nutrition security in Myanmar over the past five years in order to better understand the linkages between food security, livelihoods and nutrition in the country as a whole, as well as in LIFT's geographic focus areas. The links between child nutritional status and independent variables of programmatic importance to LIFT (such as income, livelihoods, food

⁷⁷ Save the Children, *Global stunting reduction target: focus on the poorest or leave millions behind*, May 2012

⁷⁸ Multiple Indicator Cluster Survey (MICS) 2009-2010, UNICEF

⁷⁹ Hoddinott, J et al "Adult consequences of growth failure in early childhood" American Society for Nutrition, 2013

⁸⁰ See the Rakhine section of Chapter 3 for details.

security, and water, sanitation and hygiene) were explored through a secondary analysis of nutrition-related data from the 2013 LIFT Household Survey. The report highlighted that while the rate of undernutrition in all LIFT areas is high, there are some key differences by zone. For example, the Uplands is characterised by very high rates of stunting and low levels of wasting, and diarrhoea is also more common in the Uplands than elsewhere. The report also found that diets of infants in Rakhine and the Delta are extremely poor, where almost no infants have an adequately diverse diet.

Improving access to micronutrients via staple foods: PATH is introducing and commercialising fortified rice. In collaboration with the National Nutrition Centre, the project is promoting direct purchase of fortified rice by consumers as well as distribution to existing food and nutrition programmes supported by the government and NGOs. Rice fortification (adding iron, zinc, niacin, vitamin B6, vitamin B1, vitamin A, folic acid and vitamin B12) is done in a hot extrusion process during milling, and is currently blended with local rice by six millers. (For more details see Annex 6).

Increasing positive nutrition practices: In addition to activities described in the relevant geographic sections (Chapter 3), the following national level activities were implemented in 2015:

- LIFT and LEARN, in partnership with the National Nutrition Centre, held a media launch in June for the 1,000 days video they produced. This resulted in television airing of the video, as well as print and television media coverage of the event. A radio version of the video was also produced and aired on national radio stations.
- LEARN worked with Padamyar FM to carry out nutrition programming on national radio, including live radio shows and short nutrition dramas from August to October.
- In order to prevent the decline of high breastfeeding rates in Myanmar, in 2015 LEARN collaborated with stakeholders, including UNICEF and the Scaling Up Nutrition movement, to reinforce the government's monitoring system for violations of the Order of Marketing of Breast Milk Substitutes.

5.6 SOCIAL PROTECTION

LIFT achieves social protection both by specific, targeted activities, such as cash transfers, as well as ensuring that other activities, such as livelihood initiatives, are undertaken in ways that promote inclusion and equality.⁸¹

With the government's approval of the *National Social Protection Strategic Plan* in December 2014, eight flagship programmes regarding social assistance were prioritised by the Ministry of Social Welfare, Relief, and Resettlement (MSWRR).⁸² HelpAge International worked to strengthen the ministry's leadership role in translating the *National Social Protection Strategic Plan* into action. The project supported the ministry to draft a new cash transfer initiative for the elderly. Two policy briefs on social pension costing scenarios and a costing model were produced and shared with the ministry. The costing tables were used by the ministry in its effort to secure budget allocations for the flagship programmes. In early 2015, the ministry received MMK 500 million to initiate the flagship programmes. It used the money to make a one-time cash payment to anyone 90 years and older. Payments were made to 23,879 people. The project provided support to compile a database of eligible people.

The project supported the development of guidelines for cash transfers to people affected by the flooding in 2015 and provided training material related to the care of older people. The project also provided technical and financial support to draft the *Law for Older People*. The draft was revised following consultations supported by the project in previous quarters, and is now in its final stage of legal scrutiny prior to submission to parliament.

⁸¹ LIFT's draft Social Protection Guidelines 2016

⁸² *National Social Protection Strategic Plan* flagship programmes are: 1. Cash allowance for pregnant mothers and children up to the age of two; 2. Cash allowance for children; 3. Disability allowance (until age 65); 4. School feeding for all school children; 5. Public employment, vocational education and training; 6. Social pension for individuals aged 65 and above; 7. Older people's self-help groups; 8. Integrated social protection services.

Cash transfers

In 2015, LIFT supported a number of social protection projects that piloted different cash delivery mechanisms in order to share results and learning.⁸³

HelpAge and the Ministry of Social Welfare conducted a one-year pilot cash transfer project with LIFT funding in two townships (Moegaung in Kachin State and Pyapon in the Ayeyarwady Region) for children, pregnant women, the disabled and the elderly. The project intended to provide practical experience and lessons to the Department of Social Welfare, as well as formulate an evidenced-based, feasible cash transfer delivery system in villages with minimal banking facilities, and where the government lacks experience in delivering regular cash transfers. The pilot experience will be applicable if the nation-wide plan is implemented in the future.

Two different approaches were used:

- In Moegaung, people 80 years and older were included in the pilot. HelpAge devised a system to make cash payments to 736 older people, at a monthly rate of MMK 10,000. Beneficiary identification, cash delivery, cash transport to the villages was done by the General Administrative Department (village tract administrators and their staff).
- In Pyapon, pregnant women, people with children under two, and people age 70 and above were given cash grants. The beneficiaries included the parents of 520 children, 141 pregnant women and 290 older people. Delivery was initially done monthly for pregnant mothers and quarterly for older people. After the first six months, government staff suggested that the delivery cycle be changed to every three months for both mothers and older people. Delivery and verification of the beneficiary lists were done mainly by HelpAge International and the Department of Social Welfare.

Save the Children also piloted a maternal cash transfer programme in Rakhine starting in 2014. Early results are impressive. See details in the Rakhine and nutrition sections earlier.

LIFT'S APPROACH TO RESILIENCE

LIFT defines resilience as the increased capacity of individuals, households and communities to cope with and recover from various shocks and stresses arising from climate change and economic* pressures. Livelihoods are resilient when they enable people to continue to thrive and prosper in the face of such shocks and stresses. LIFT and its partners are expected to analyse the risks that people are exposed to and devise interventions that directly address these risks, for example, promoting short-maturing and saline-tolerant paddy seed in Delta or Rakhine regions or drought-tolerant varieties in the Dry Zone.

- In LIFT's theory of change, resilience will increase as a result of:
- increased sustainable agricultural and farm-based production by smallholder farmers
- improved market access and market terms for smallholder farmers
- increased and safe employment in non-farm activities for smallholders and the landless
- increased access to affordable financial services by smallholder farmers and the landless
- improved nutrition, hygiene and sanitation practices
- safeguarded access to and sustainable use of natural resources for smallholders and landless
- strengthened local capacity to support and promote food and livelihoods security

In addition to tracking incomes and nutrition, LIFT has adopted additional indicators for resilience that include: (1) a household asset ownership score; (2) an income diversity score; and (3) a calculation of the total number of people whose resilience has increased as a result of LIFT-support.

* Macro-economic pressures include market fluctuations and the changing structure of economic opportunities arising from economic transition. Lifecycle pressures reflect the different economic constraints faced by individuals and households over time, typically linked to major events such as marriages and ageing.

⁸³ Maternal cash transfers for nutrition impact are described in the nutrition section of this report.

Developing social protection systems

Another approach to cash transfers was piloted through the Social Policy and Poverty Research Group (SPPRG) project, which provided funding for a pilot based on village-based social protection mechanisms (including maternal cash transfers) in 40 villages in Sagaing Region. The project published three reports: *Use of Traditional Social Organisations for Social Protection and Development Activities*; *Social Cohesion*; and *Resilience*.⁸⁴ In June 2016, the project will start to train community-based social protection groups, and develop a social protection service delivery mechanism. The project is expected to generate policy-relevant knowledge and capacity for future implementation models.

Beneficiary welfare funds

Fourteen of the 41 LIFT microfinance partners have introduced a beneficiary welfare fund for clients, which is available to clients in case of death or natural disaster. During 2015, nearly 40,000 women received cash transfers of USD 1.6 million. See section 4.1 of this report for details.

5.7 CLIMATE CHANGE RESILIENCE

Myanmar is in the top ten countries globally most at risk from climate change.⁸⁵ According to the Department of Meteorology and Hydrology, Myanmar's climate is changing, with several observable trends over the last six decades. These include an increase in mean temperature, an increase in overall rainfall in most areas with a declining trend in some areas, and the late onset and early termination of the south-west monsoon. Overall there has been an increase in extreme weather events and a rise in sea levels.⁸⁶ The floods and landslides of July and August 2015 underline how vulnerable Myanmar's agricultural sector is to extreme weather. Over 1.4 million acres (527,000 hectares) of farmland were flooded, more than 841,000 acres (341,000 hectares) of crop land was destroyed, and around 242,000 livestock were killed.⁸⁷ The number of people living in areas threatened by storm surges in Myanmar is likely to increase from 2.8 million to 4.6 million by 2050.

84 The publications are available on their website: www.spprg.org

85 According to the Germanwatch Global Climate Risk Index 2015, Honduras, Myanmar and Haiti were the countries affected most by extreme weather events between 1994 and 2013.

86 Global Climate Change Alliance GCCA

87 See page 23 of this report



Building the resilience of people and communities features strongly in the LIFT strategy, and resilience to climate change is a core component of this. LIFT continues to align with the Government of Myanmar's *National Climate Change Adaptation Programme of Action 2012*, and many of its agricultural, forestry and fisheries programmes are run on the principles of climate-smart agriculture.

Table 5.2: Examples of LIFT's support for climate change resilience and adaptation

Climate change adaption activities	Examples of LIFT-funded contributions in 2015
Supporting farmers to develop resilient agriculture systems	<p>Developing resilient seeds: LIFT continues to support the trials of rice varieties that are adapted to conditions that will become more common as a result of climate change. IRRI, in collaboration with the Ministry of Agriculture and Irrigation, focuses on the testing of new stress-tolerant, high-yield rice varieties that produce the grain quality preferred by local farmers, in the Delta, the Dry Zone and Rakhine State.* Looking ahead to 2016, LIFT has set aside funds to work with the government on seed production for beans and pulses, and the private sector for seed multiplication, processing and marketing, with the aim of producing higher quality varieties that are suitable to the changing climate in the Dry Zone.</p> <p>* See page 59 of this report</p>
	<p>Crop diversification: LEAD and Radana Ayar have led efforts in the Delta to plant a variety of summer crops in areas of saline water intrusion, with varying success.</p> <p>Post-harvest processes: GRET, WHH and IRRI work in the Delta to reduce post-harvest losses, which are often connected to climate unpredictability. They are introducing drying facilities and weather-resistant storage so that farmers are able to store their crops and not have to sell them at harvest time when prices are lowest.</p> <p>Climate-sensitive advisory services: Research by Proximity Designs resulted in farmers in saline areas of the Delta being able to grow a dry season paddy crop in 2015, using short growing resilient rice and a lunar-based method, irrigating only when the saline content of the water is lowest.† Global GAP (good agricultural practices) certification is being offered to small holder farmers through the Radana Ayar/Heineken, Prime and Mercy Corps projects. In addition, UNESCO is developing mobile applications to provide farmers with timely information, including climate information and advice.</p> <p>* See Annual Report 2014 page 30</p>
Natural Resource Management	<p>Water management:</p> <ol style="list-style-type: none"> 1. In September, LIFT signed an agreement with the Water Resources and Utilisation Department for the USD 5 million refurbishment of the Pyawt Ywa irrigation scheme in Myinmu Township, Sagaing Region. The project will enable 1,000 farmers to avoid being completely reliant on risky rain-fed agriculture. The project is also a pilot to develop and demonstrate procedures that can be used to increase the viability of irrigation schemes in general. 2. Communities in Chin can experience water shortages for up to six months per year. GRET/CORAD has supported over 100 upland villages by helping them to connect to dependable water sources for irrigating agricultural terraces.

Climate change adaption activities	Examples of LIFT-funded contributions in 2015
	<ol style="list-style-type: none"> 3. The Tat Lan Programme in Rakhine protects farmland from storm surges and salt water intrusion. By the end of 2015, 148 kilometres of robust embankments with 31 sluice gates and 27 culverts had been built to protect 22,297 acres of paddy land. 4. Terre des Hommes Italy has introduced water-efficient technologies such as drip irrigation and hydroponics in the Dry Zone. Along with an earlier project by Proximity Designs, they re-built village ponds to improve water security. 5. In 2016, LIFT will undertake a study to map ground water resources in the Dry Zone in order to develop a comprehensive water management plan for two townships.
	<p>Agroforestry:* LIFT is funding a project implemented by the World Agroforestry Centre and local partner Ar Yone Oo in Chin and Shan states, both of which are prone to soil degradation from deforestation. Heavy flooding in Chin has complicated the start of the project, but trees have now been planted and the first cropping cycle will start with the 2016 rainy season.</p> <p>* Agroforestry involves the deliberate integration of trees that positively interact with crops and livestock on and around farms. It can reduce the damage from landslides, and the need for chemical fertiliser.</p>
	<p>Community forestry: Past and future projects by MERN and CARE have focused on environmental sustainability through registration of community forest.</p>
Diversifying household income through non-farm and off-farm small businesses	<p>Financing off-farm small businesses: LIFT's financial inclusion programme works across the country to provide responsible financial products, supporting both farm and off-farm activities. The aim is also to promote the diversification of income sources, thereby increasing a household's ability to handle a shock or setback. LIFT's partners provided financial services to nearly one million clients in 2015.</p>
	<p>Facilitating off-farm employment opportunities: In all geographic zones, LIFT supports communities by increasingly focusing on more diversification into non-farm-based livelihoods. Many non-farm-based livelihoods are less affected by natural disasters and continue to provide livelihood support in times of crisis.</p>
	<p>Small business development: ADRA's project supporting government TVET in Hpa 'An provided vocational training leading to 62 per cent of graduates starting their own businesses in tailoring, mechanics and computer services in 2014. Another project promoting 'stepping out' of marginalised farming is seen in Cesvi's income-generating activities in northern Shan. Working across the country, the University of Sydney/EDNA project provides mentoring for small business entrepreneurs.</p>
	<p>Migration: LIFT supports safe migration as both a response to stress and opportunity. In 2015, LIFT launched a new USD 18 million migration programme. See section 4.4 for details.</p>

Climate change adaption activities	Examples of LIFT-funded contributions in 2015
Community approaches to reducing vulnerabilities	<p>Village action plans and disaster risk preparedness and management:</p> <ol style="list-style-type: none"> 1. In the Delta, World Vision is strengthening existing disaster management committees at community level, and the development disaster preparedness plans that feed township plans to address climate change. The project will build community and institutional understanding of climate risk, drive increased responsiveness, and promote scale-up and replication of resilient practices in the face of climate extremes. 2. Also in the Delta, Mercy Corps is doing a Strategic Resilience Assessment (STRESS) based on methodologies used for a similar Dry Zone STRESS conducted in 2014. The process will be used to develop (or adapt) a strategy for building resilience and will provide a guide for operationalising resilience and measuring impact.

5.8 GENDER

In 2015 LIFT took steps to redefine its gender strategy, with a review scheduled for early 2016. The new strategy will look into practical, programme-oriented steps that LIFT can take to improve the situation for women and youth in Myanmar, and improve the tracking of gender impacts with clear gender-based objectives and results.

Notable policy success this year was achieved by partner the Gender Equality Network (GEN) who, alongside other organisations, took part in months of strategising and lobbying *National Land Use Policy* policymakers. They were able to include a gender sensitive lens in the policy, which has now been approved by the government. GEN's study *Behind the Silence: Violence against Women and their Resilience* provided valuable evidence to support the drafting of the Protection of Violence against Women Law (for approval in 2016).⁸⁸

Women continue to face challenges in Myanmar. GEN's report, *Raising the Curtain*, documents that unequal wages for men and women's work were recorded in all of their study areas, despite the equal pay for equal work guaranteed in the 2008 constitution. Barriers also exist for women wanting loans and credit, especially for unmarried or widowed women, and the lack of women's rights to inheritance in some communities poses serious problems for women's livelihood opportunities.

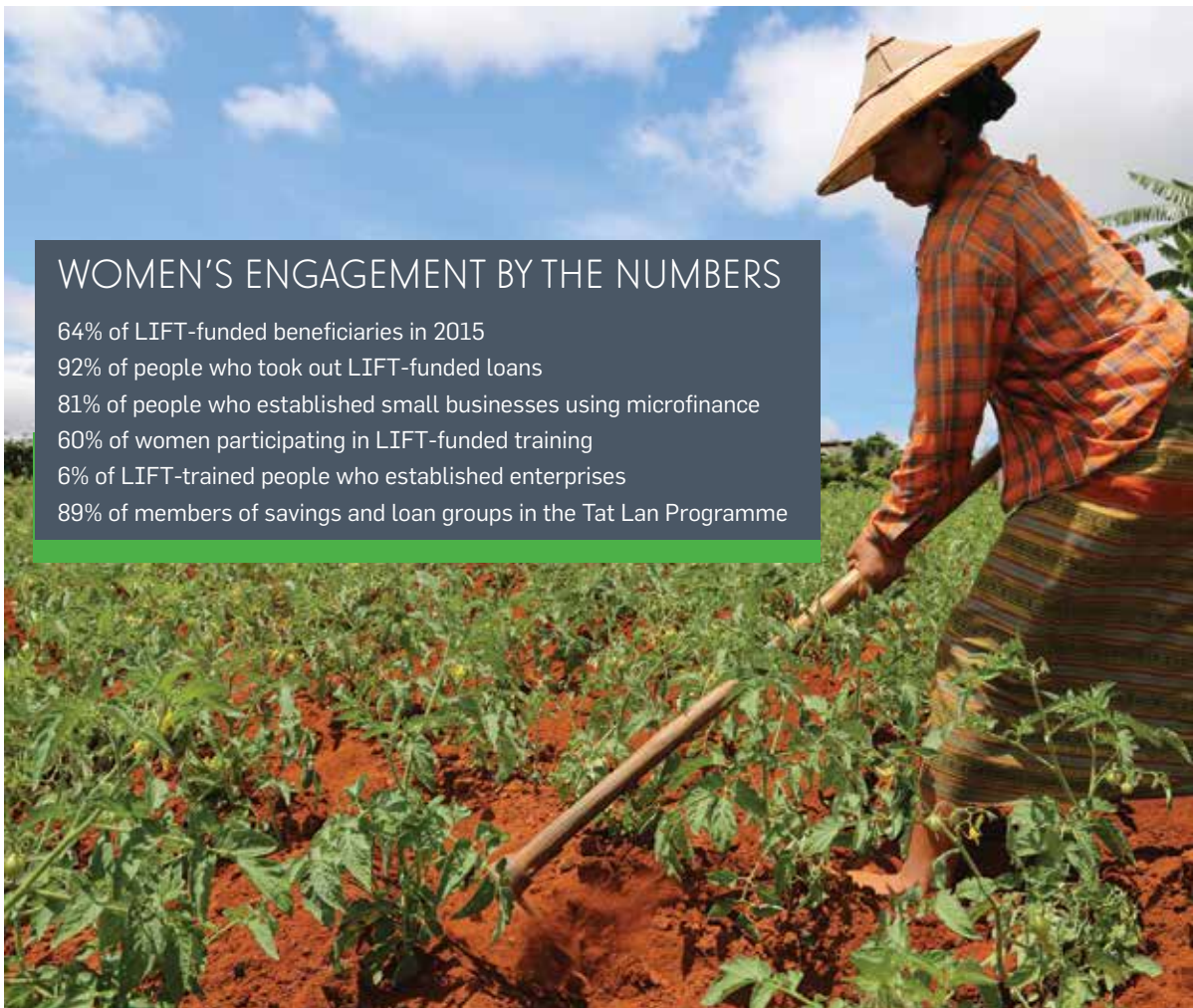
At programme level, LIFT continues to support women with access to credit, with 93 per cent of LIFT's microfinance clients being women. The situation with unequal pay for agricultural labour continues. However, LIFT insists that cash-for-work is paid equally, despite some reports of resistance at local level. In Chin State, after the summer flooding and landslides, LIFT worked with other development partners to decide a raised rate of MMK 5,000 per person per day, to help families get back on their feet. In the Tat Lan Programme, cash-for-work is paid at MMK 3,000 for both men and women.

LIFT's new work in migration is also designed to assist women. Family constraints dictate women's options on migration, while migration of men in the household can increase the workload of women left behind. LIFT's new work on nutrition is also specifically designed for women, as women often act as the 'shock absorbers' when there is insufficient food, feeding their family before themselves. LIFT's maternal cash transfers will be given to women who are pregnant and have children under the age of two, to spend on more food, as well as more nutritious food.

⁸⁸ Also see LIFT's Policy Engagement chart in Annex 5

Table 5.3: Gender-related highlights from 2015

Areas of impact	LIFT actions in 2015
Research and advocacy	<ul style="list-style-type: none"> LIFT partner GEN produced two major research reports in 2015: <i>Behind the Silence, Violence against Women and their Resilience, Myanmar</i> and <i>Raising the Curtain: Cultural Norms, Social Practices, and Gender Equality in Myanmar</i>. They shared the reports with government officials, parliamentarians and civil society organisations. They also produced six briefing papers both in English and Myanmar languages.* GEN has been using these papers to advocate for changes in Myanmar's laws and policies that impede gender equality. GEN worked with its civil society partners to advocate against the enactment of the four proposed <i>Protection of Race and Religion Bills</i>, which placed restrictions on religious conversion and interfaith marriage. Along with other key CSOs and interfaith group representatives, GEN met with parliamentarians four times in 2015 to give their perspectives on each of the bills.**
	<ul style="list-style-type: none"> GEN, together with Department of Social Welfare organised an orientation for department officials, military representatives, and CSOs regarding the proposed <i>Protection of Violence Against Women Law</i>. A draft version of the law is ready, but it has not yet been passed. This law would be the first law that bans violence against women. <p>* On gender and economy, education, health, media, sport, and policy ** Two of the four bills, however, were signed into law in May and September 2015: the Health Care for Population Control Law, which stipulates a three-year space between children, and the Buddhist Women's Special Marriage Law, which restricts Buddhist women from marrying non-Buddhists</p>
Land	<p>A woman's right to own land is not always clear or secure in Myanmar. Many women are not aware that land must be registered. In some places, cultural norms prohibit women from owning land. GEN participated in several public consultation workshops organised by the National Scrutinizing Committee on Land Use and Land Allocating and submitted the report <i>Towards Gender Equality in the National Land Use Policy</i> to the government. As mentioned above, GEN, along with the lobbying efforts of other organisations (including LIFT partner the Land Core Group), was able to include a lens especially for women in the policy as its key success in 2015. The policy has been approved by government. The Land Core Group is planning more research on 'gender and land'.</p>
Nutrition	<p>Gender considerations are an intrinsic part of the LIFT-funded LEARN consortium, which has produced nutrition-related educational materials, including videos and radio announcements, for pregnant women and breastfeeding mothers. See the nutrition section earlier for details.</p>
Vocational training	<p>The LIFT-funded Socio Economic Development Network (SEDN) project, implemented by ActionAid, focuses on women's economic rights and empowerment, access to public services, informal education, and the development of social networks. The project provides poor rural women in Magway with handicraft making and marketing skills. The project provided childcare in each training centre in 2015, enabling more women to participate in the training. In 2015, members of SEDN's women producers' groups, made up of women who have graduated from the training, earned an additional MMK 70,000 to 80,000 per woman per month. The project offered gender awareness sessions to both women and their husbands.</p>
Social protection training	<p>As another way of integrating gender into social protection projects, Lodestar is training local women as interns for its project in Sagaing. Training local interns to work on social protection pilot projects will enlarge the local human resources pool, and also help women improve their employment opportunities. Gender awareness sessions that include, for example, communication skills and community organising, are mainstreamed into the training courses.</p>



WOMEN'S ENGAGEMENT BY THE NUMBERS

- 64% of LIFT-funded beneficiaries in 2015
- 92% of people who took out LIFT-funded loans
- 81% of people who established small businesses using microfinance
- 60% of women participating in LIFT-funded training
- 6% of LIFT-trained people who established enterprises
- 89% of members of savings and loan groups in the Tat Lan Programme

5.9 STUDIES AND SURVEYS

LIFT now has 72 studies, reports and surveys in its library, which are commissioned and utilised for various purposes towards knowledge sharing, better programme design and as evidence for policy advocacy. LIFT produced 16 studies for knowledge sharing purposes in 2015. Soft copies of studies can be found at www.lift-fund.org/publications. A precis of each study follows in Annex 7. In 2015, LIFT sent copies of its latest studies to eleven local libraries.

The following is a list of LIFT-funded studies generated or released in 2015:

1. Qualitative Social and Economic Monitoring Round 4 (QSEM 4)
2. LIFT Household Tracker 2014-15
3. Preliminary and Qualitative Impact Assessment of Microfinance
4. An Analysis of Farm Production Economics in Myanmar
5. Livelihoods and Social Change: QSEM Round Five Report
6. A Country on the Move: Domestic Migration in Two Regions of Myanmar – a QSEM thematic study
7. LIFT Uplands Scoping Report
8. Introduction to Social Research Methods
9. What Holds Vegetable Farmers Back?
10. Annual Report 2014 (long and short versions, EN and MM)
11. Study on Extension and Advisory Services
12. Village Organisation Study
13. Village Revolving Funds
14. The Emergence of Farmers' Organisations in Myanmar
15. Improving Water Management in Myanmar's Dry Zone for Food Security, Livelihoods and Health
16. Supporting Civil Society with LIFT funds

6. FUND MANAGEMENT



6.1 GOVERNANCE ISSUES

The donors to LIFT decided in 2014 to increase the role of government and other stakeholders in the governance of LIFT by establishing a government-chaired Senior Consultation Group (SCG), which would include representatives from various ministries, private enterprise and civil society. In 2015, the SCG was officially established with the Minister of Livestock, Fisheries and Rural Development as its chair. The first meeting of the group, which took place in July 2015, was chaired by the Minister and attended by high level delegates from five other ministries including Finance, National Planning and Economic Development, Environmental Conservation and Forestry, and Social Welfare. Representatives from local and international civil society organisations also participated.

During the meeting, the terms of reference and membership of the SCG were discussed and agreed. The meeting also reviewed the activities implemented by LIFT in 2014 and agreed priorities for LIFT in 2015. Participants agreed that LIFT should try to ensure its projects generate evidence to inform good policy and expenditure decisions by government in the future.

6.2 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 2014 FMO audit report had no observations. In terms of audits of implementing partners, 44 projects had expenditure audited in 2015 with a total of eight observations rated as “high priority” by the auditors.

Table 6.1: Allocation of LIFT funds

Indicator	LIFT target at 2016	Milestone for 2015	Achieved in 2014	Per cent achieved
% of clear Fund Board (FB) recommendations implemented by Fund Manager (FM) within given deadlines	100%	100%	95%*	95%
% and number of audit areas (both FM and IPs) rated 'high priority' by the auditors	0 for all parties	0 for all parties	8 for all parties**	

* There were 113 Fund Board recommended actions for the Fund Manager arising from the three Fund Board meetings in 2015, 107 of which were implemented within the given deadlines.

** There were 8 'high priority' audit observation for the IPs (out of 157 observations in total) and none for the FMO in its 2014 expenditure. The audits of 2015 expenditure will take place in 2016.

In 2015, 37 new projects were signed, compared with 13 new projects in 2014. By the end of 2015, 76 projects were completed, leaving 54 ongoing projects at the end of the year.⁸⁹ The negotiation of new contracts for LIFT's new programmes placed a significant workload on the FMO, with 20 contracts being signed in December 2015 alone.

⁸⁹ GEN, LCG, FSWG and IOM were signed in December 2015 but the grant/activities started on 1 Jan 2016

Table 6.2: Project status by funding window

Funding Windows	Contracts signed		Projects finished	Ongoing projects	Contract amendments	
	Up to end 2014	end of Dec 2015			As of Dec 2014	as of Dec 2015
	B	C	D	E=C-D	G	H
Delta 1	22	22	22	0	31	31
Countrywide	19	19	18	1	43	47
Delta 2	10	10	10	0	22	25
Other (Direct & QSEM)	3	3	2	1	5	6
Learning and Innovation	25	30	8	22	15	40
Financial Inclusion	8	16	5	11	5	11
Rakhine	4	10	4	6	5	6
Dry Zone	2	7	2	5	2	3
Delta 3	0	5	0	5	0	0
Uplands	0	5	5	0	0	0
Private Sector	0	2	0	2	0	0
Migration	0	1	0	1	0	0
Grand Total	93	130	76	54	132	169

Figure 6.1: Cumulative LIFT expenditure in USD (millions) 2010-2015

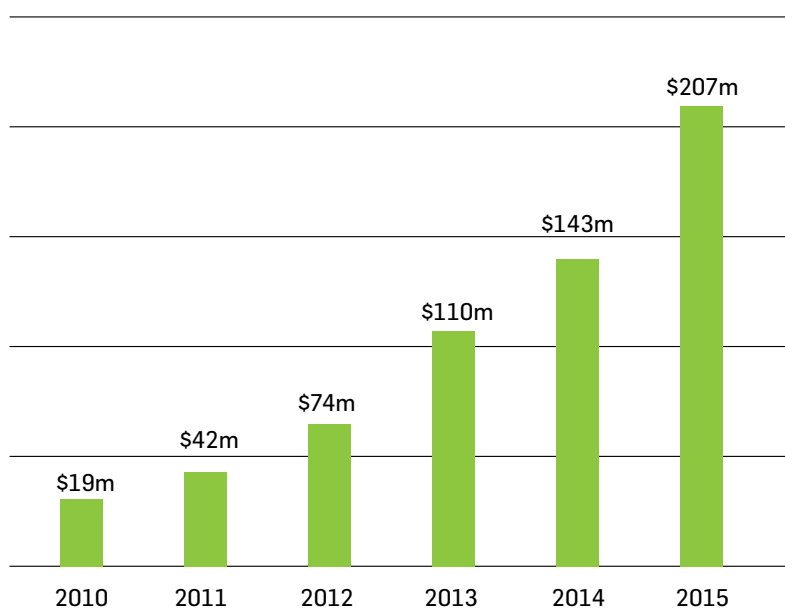
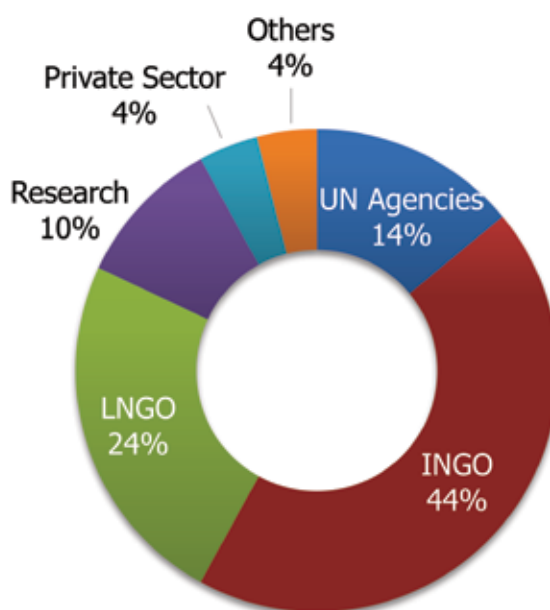


Figure 6.2 : Proportion of grant funding by type of implementing partner to end 2015



6.3 FUND FLOW AND PARTNER PERFORMANCE

LIFT uses a couple of indicators to track fund flow performance. As seen from the table below, LIFT implementing partners follow the LIFT Operating Guidelines closely and have good financial controls in place. From 44 project audits in 2015, only 1.09% of the total expenditure incurred by the IPs was determined to be ineligible.

Table 6.3: Results for fund flow and IP performance, 2015

Indicator	LIFT target at 2016	Milestone for 2015	Achieved at end 2015	Per cent achieved
% of funds released by FB that are in line with IP contracts	87%	87%	99% *	114%
% of IPs for whom the FM completes a financial system review	100%	100%	100%	100%

* This is based on the amount of IP expenditure deemed ineligible as a proportion of total IP expenditure, based on the audit of 2014 expenditure. From the audits of IPs, a total of US\$282,289 was identified as ineligible expenditure, which represents 1.09% of total expenditure incurred by the IPs.

The FMO conducted 58 field monitoring trips to 205 villages, compared to 177 monitoring visits in 2014, to 366 villages. The reduction from 2014 reflects that many projects finished in 2015 and new programmes were initiated. FMO staff conducted many additional visits to the field for the purposes of designing the new geographic and thematic programmes, which were started in 2015.

LIFT continues to use its 'traffic light' system to monitor the project management performance of all implementing partners. The results for the projects active in 2015 are summarised in Table 6.5 below, which shows a consistent increase over time in overall 'green' ratings for low risk, and a reduction in 'red' or high-risk ratings. Implementing partners have demonstrated particular improvements in reporting timeliness, budgetary planning, and in dealing with audit observations more quickly.

Table 6.4: Grants signed 2015 (37 projects)

Sr.	Name of IP	Funding mechanism	Amount (USD)
1	World Vision International Myanmar	Delta 3	1,560,138
2	Mercy Corps	Delta 3	4,338,197
3	Welthungerhilfe	Delta 3	3,896,564
4	Save the Children	Delta 3	3,253,390
5	International Organisation of Migration (IOM)	Delta 3	749,100
6	Lodestar Company Ltd. / SPPRG	Dry Zone	879,287
7	Food and Agriculture Organisation of the United Nations (FAO)	Dry Zone	4,400,000
8	International Fertilizer Development Centre (IFDC)	Dry Zone	4,460,000
9	Save the Children	Dry Zone	4,942,842
10	HelpAge	Dry Zone	4,200,000
11	Pact Global Microfinance Fund (PGMF)	Financial Inclusion	1,700,000
12	Proximity Designs	Financial Inclusion	5,097,164
13	World Vision Myanmar/Vision Fund	Financial Inclusion	4,500,000
14	GRET	Financial Inclusion	1,320,176
15	Pact Global Microfinance Fund (PGMF)	Financial Inclusion	8,323,497
16	Yoma Bank	Financial Inclusion	18,070,000
17	Michigan State University	Learning and Innovation	2,199,178
18	WorldFish	Learning and Innovation	3,284,592
19	Gender Equality Network (GEN)	Civil Society	1,972,165
20	Land Core Group (Land Consulting Group Co., Ltd.)	Civil Society	1,699,466
21	Food Security Working Group (FSWG)	Civil Society	1,622,958
22	International Organisation of Migration (IOM)	Migration	1,999,217
23	Radanar Ayar	Private Sector	216,325
24	PRIME	Private Sector	5,884,862
25	IRC	Rakhine	10,500,000
26	CARE	Rakhine	964,463
27	Oxfam	Rakhine	935,076
28	Save the Children	Rakhine	10,300,000
29	CARE	Rakhine	3,519,147
30	Better Life Organisation (BLO)	Rakhine	1,016,902
31	Pact Global Microfinance Fund (PGMF) - Flood response	Flood Response	2,434,000
32	Vision Fund International	Flood Response	500,000
33	Choklei Organisation for Rural and Agricultural Dev't (CORAD)	Flood Response	92,902
34	Choklei Organisation for Rural and Agricultural Dev't (CORAD)	Uplands	7,093
35	Center for Resources Mobilization (CRM)	Uplands	7,366
36	Karen Development Network (KDN)	Uplands	11,893
37	Metta Development Foundation	Uplands	29,934
	Total		120,887,894

Table 6.5 Summary of project management indicators by 'traffic light' category for 2015

	Indicator	Low risk (green)		Medium risk (yellow)		High risk (red)	
		Threshold	per cent of grants	Threshold	per cent of grants	Threshold	% of grants
1	Implementation rate	> 90% on track	35%	71 – 90% on track	30%	≤70% on track	35%
2	Annual expenditure	>90% spent	23%	71 - 90% spent	32%	≤70% spent	45%
3	Reporting timeliness	0 days late	61%	1 - 7 days late	30%	>8 days late	9%
4	Report completeness	100% complete	95%	71 - 99% complete	0%	≤70% complete	5%
5	Management controls	0 open observations	88%	1-3 open observations	13%	>3 open observations	0%
Overall rating* 2015		41%		45%		14%	
2014 **		51%		37%		12%	
2013		48%		41%		11%	
2012		32%		41%		32%	
<p>* The overall rating is assigned through a weighting of the risk assessment on each of the five indicators. ** Due to a reporting error, the 2014 figures in this report differ marginally from last year's figures.</p>							

6.4 COMMUNICATIONS

In 2015, LIFT communicated according to a dynamic new strategy, tailored for its different audiences. The redesigned website www.lift-fund.org was launched in January 2015. The website was used to communicate LIFT's new programmes and hits have gone from 2,500 visits a month to around 5,000. Over the year, 88 articles were published on the site.

LIFT also upgraded its social media platforms on Facebook www.facebook.com/liftfund, Twitter www.twitter.com/LIFTfund and Youtube www.youtube.com/user/liftfund, and used them to build community and promote information on the website. Successful campaigns encouraged interaction with stakeholders, see table 6.7 below. Facebook 'likes' increased from 1,500 to 6,500 in 2015.

The LIFT quarterly newsletter was launched in May with a 50 per cent open rate. Considering firewall issues which led to LIFT sending the newsletter individually to some subscribers without monitoring, this rate is likely to be much higher.

Media relations and coverage: LIFT featured in the local press in 2015 on average approximately every two weeks, with full features in the Myanmar Times (in its health, education and food & drink supplements).

Knowledge management: Aside from #LIFTLearning, the website was used to promote good practice and lessons, www.lift-fund.org/best-practices, lessons from events and training www.lift-fund.org/events. Five blog posts (www.lift-fund.org/blogs) provided clarity on LIFT's strategy, also stimulating debate and thinking. Since LIFT does not yet systematically share its knowledge and lessons, in the

second half of the year ways to improve LIFT's knowledge management were explored, which led to an external consultant's assessment of its knowledge management potential. An international Knowledge Management Analyst was recruited to start in early 2016.

Due to the elections, in November, LIFT did not hold an Annual Forum with government in 2015. An Ideas Day for implementing partners in Yangon and an Annual Forum with government in Nay Pyi Taw will take place in 2016.

Table 6.6: LIFT's Facebook and Twitter social media campaigns 2015

Campaign	Details
LIFT Photo Competition March 2015	This garnered 350 new 'likes' and proved popular among partners. The winning photo, from Radana Ayar, was 'liked' 461 times, and was used on the front cover of the LIFT Annual Report 2014.
Women's Day 2015	Both international and Myanmar Women's Day, and Rural Women's Day were promoted in a series of online posts.
#LiftLearning	Launched in May, the purpose is to draw attention to LIFT's library of over 70 studies and their launch events. Seven studies and events were promoted in 2015.
#LIFTDonorProfiles	Ireland, Luxembourg and the Mitsubishi Corporation participated in this on-going campaign.
#LIFT People	This campaign uses photos, video, quotes and short stories to profile beneficiaries.

6.5 MONITORING AND EVALUATION FOR ACCOUNTABILITY AND LEARNING (MEAL)

In early 2015, LIFT redesigned its approach and methods for monitoring and evaluation in order to better fit LIFT's revised strategy, to increase the accuracy and relevance of M&E results, and to provide a more intentional focus on learning. This change in focus resulted in the development of a new Monitoring and Evaluation for Accountability and Learning (MEAL) framework⁹⁰. The aim is to increase the capacity of LIFT and its partners to generate and use robust evidence both to measure and improve performance and to influence rural development policy and practice in Myanmar. The development and implementation of this new framework entails a significant upgrading of M&E systems, capacities and practices both within the FMO and amongst implementing partners.

Key features of LIFT's new MEAL framework include:

- A broadening and more intentional articulation of the purposes for LIFT to conduct M&E
- The creation of a three-tiered MEAL framework that defines the scope and functions of MEAL at the overall LIFT, programme, and project levels
- The development and use of theories of change (ToC) at each level to generate consensus on the envisioned change process and to underpin a systematic approach to MEAL
- A revised logical framework and the development of project measurement frameworks
- The formulation of clear evaluation and learning questions (ELQ) at each level
- The reworking of some of the ways and methods LIFT uses to measure its achievements and to learn from its programmes and projects

⁹⁰ The MEAL framework and theory of change is available on LIFT's website

More intentional purposes of M&E

LIFT's new MEAL framework serves three main purposes or primary functions: (i) *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; (ii) *evidence-based learning (improving)*: building knowledge and evidence about the extent to which certain strategies, interventions, approaches, activities, etc. have been effective or not in their respective contexts and why, used to improve the design and implementation of programmes and projects; and, (iii) *policy influence (guiding)*: generating and using policy and practice-relevant evidence to inform government policies and the design and implementation of government programmes.

The MEAL framework's three tiered structure

To fulfil the overall purposes and provide the different types of information needed, LIFT has developed a three-tier MEAL framework:

- *Overall LIFT level*: FMO is responsible for delivering LIFT's new ToC on the basis of indicators set out in a revised logical framework and answering a set of evaluation and learning questions.
- *Regional programmes*: Regional programmes have detailed ToCs indicating how programme components are expected to come together to achieve LIFT outcomes. They also have evaluation and learning questions setting out key questions seek to answer through their respective projects.
- *Project/implementing partner level*: Projects have detailed ToCs indicating how they intend to contribute to specific aspects of each respective regional programme. Projects also have measurement plans that detail the indicators that they will report on, and how information is to be collected, as well as a set of evaluation and learning questions.

Theories of change

LIFT has a high-level theory of change (see MEAL framework on LIFT's website), which summarises the LIFT strategy (2014) and marks out the broad domains of change in which LIFT aims to achieve results, and the ways in which LIFT seeks to achieve them. These results include the LIFT goal, the four LIFT purpose-level outcomes and the eight LIFT programme-level outcomes. These are defined in generic terms to provide flexibility in the way that they are adapted to each agro-ecological zone.

At the regional programme level, LIFT has developed actor-centered theories of change for the Delta, Dry Zone, and Rakhine programmes, and an Uplands ToC is under development. These present the various outcomes that the respective programmes plan to achieve and the key actors contributing to those changes. The actor-centred ToCs also show how programme components (e.g. financial inclusion, advisory services, social protection, nutrition, migration, etc.) work together to achieve the programme outcomes.

Based on the relevant programme framework or theory of change, IPs develop theories of change that show how their projects contribute to the achievement of specific programme-level outcomes.

LIFT logical framework

To better reflect LIFT's new strategy, the FMO revised LIFT's logical framework (*logframe*) through a series of consultations with Fund Board members, FMO staff and technical experts. The new logframe now consists of 11 purpose level and 25 programme level indicators. Twenty-four of these indicators are new, nine are slightly revised but can continue to use previous logframe data, and three remain the same. For the full logframe, see Annex 3.

Evaluation and learning questions

To foster greater focus and more useful knowledge products, the LIFT MEAL framework includes evaluation and learning questions (ELQs) at the overall LIFT level, at the regional programme level, and at the individual project level. At the level of LIFT as a whole, six questions have been defined for both evaluation and learning purposes. These questions roughly follow the DAC evaluation criteria and ask about LIFT's relevance, effectiveness/impact, efficiency and sustainability. In addition, there are specific ELQs on policy influence and gender equality. These questions will be answered through a combination of evaluation activities at the LIFT level, as well as through some of the programme- and project-level ELQs.

LIFT's measurement and data collection methods

In 2015, LIFT designed and conducted two large MEAL-related studies: its bi-annual household survey and the fifth round of its Qualitative Social and Economic Monitoring project that is implemented with the World Bank.

Household survey: LIFT redesigned its bi-annual household survey in 2015 to include a resilience index, a women's dietary diversity score, more comprehensive questions on nutrition and WASH, and the measurement of upper arm circumference (MUAC) of mothers with children under two years old. In addition, sample size was increased to 4800 households in order for the survey to serve both as an endline for LIFT's programmes under the old LIFT strategy (2011), as well as a baseline for LIFT's new programmes that are aligned with its new strategy (2014).

QSEM: To better fit LIFT's new strategy, LIFT and the World Bank redesigned the Qualitative Social and Economic Monitoring methodology to have greater focus on resilience, land tenure issues, nutrition, gender, and the private sector, as well as different forms of 'stepping out'. In addition, sampled villages were expanded to include areas emerging from conflict. The series was renamed *Livelihoods and Social Change: The QSEM Series of Reports*.

The M&E Unit conducted 12 evaluations in 2015.⁹¹

6.6 FINANCE

As of December 31, 2015, the cumulative donor contributions to LIFT were as follows:

Table 6.7: Cumulative donor contributions up to 31 December 2015 (USD)

Donor	Signed commitments (in USD) *	Percentage of total
Australia	18,568,374	4.3
Denmark	9,991,566	2.3
European Union	130,019,627	30.4
France	1,319,800	0.3
Ireland	842,580	0.2
Italy	852,040	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	18,187,295	4.3
United Kingdom	230,690,930	54.0
United States	5,000,000	1.2
UNDP/ PGMF	4,845,394	1.1
Total donors' contribution	427,003,032	
Interest earned	1,081,807	
Total	428,084,839	

* Commitments may vary slightly from 2014 figures due to changes in exchange rates.

91 1 mid-term review (Tat Lan), 1 impact assessment (Microfinance), 1 meta-evaluation (*Overall Evaluation of Final Project Evaluations: Process, Outputs and Uses*), 9 end-of-project evaluations

Table 6.8: LIFT expenditure for the year 2015

Activity	Budget (USD)	Actual (USD)	Over / (Under)	%
Programme implementation				
Grants to implementing partners	65,533,563	57,892,465	(7,641,098)	-12%
Non-grant support*	198,312	472,586	274,274	138%
Research & visibility	1,900,643	1,651,228	(249,415)	-13%
Operation of the Fund Manager's office	4,684,917	3,392,116	(1,292,801)	-28%
Support to the Fund Board	117,425	28,760	(88,665)	-76%
Facilities and administration	1,098,307	932,708	(165,599)	-15%
Total	73,533,167	64,369,863	(9,163,304)	-12%

* Non-grant support budget formed part of Research & visibility line in the approved budget. It is split here for disclosure purposes.

ANNEXES



ANNEX 1: LIFT ACTIVE PROJECTS AND LOCATIONS

In 2015, LIFT worked in 13 states/region, 33 districts and 93 townships across the country.

	No. of townships	No. of districts	No. of states/regions
Total reached during LIFT operation	169	48	13
Current operational on 31 December 2015	93	33	13

Table Annex 1.1: Breakdown of townships where LIFT has been active to end of December 2015

State/Division		District		Townships
1	Ayeyarwady	1	Hinthada	Hinthada, Ingapu, Kyangin, Myanaung and Zalun
		2	Labutta	Labutta and Mawlamyinegyun
		3	Maubin	Danubyu, Maubin, Nyaungdon and Pantanaw
		4	Myaungmya	Einme, Myaungmya and Wakema
		5	Pathein	Kyonpyaw, Thabaung and Ngapudaw
		6	Pyapon	Bogale, Dedaye, Kyaiklat and Pyapon
2	Bago	7	Bago	Bago, Daik-U, Kawa, Nyaunglebin, Shwegyin, Thanatpin and Waw
		8	Pyay	Paungde, Pyay, Shwedaung and Thegon
		9	Taungoo	Taungoo and Yedashe
		10	Thayarwady	Gyobingauk, Letpadan, Minhla, Monyo, Nattalin, Okpho, Thayarwady and Zigon
3	Chin	11	Falam	Falam, Hakha, Tedim, Thantlang and Tonzang
4	Kachin	12	Bhamo	Bhamo, Mansi, Momauk and Shwegu
		13	Mohnyin	Mogaung
		14	Myitkyina	Injangyang, Myitkyina and Waingmaw
		15	Putao	Machanbaw, Nawngmun, Putao and Sumprabum
5	Kayin	16	Hpa-An	Hlaingbwe, Hpa-An and Thandaunggyi
		17	Kawkareik	Kawkareik
6	Magway	18	Magway	Chauk, Magway, Myothit, Natmauk, Taungdwingyi and Yenangyaung
		19	Minbu	Minbu, Salin and Sidoktaya
		20	Pakokku	Myaing, Pakokku, Pauk, Seikphyu and Yesagyo
		21	Thayet	Aunglan and Kamma

7	Mandalay	22	Kyaukse	Kyaukse, Myittha and Sintgaing
		23	Mandalay	Amarapura
		24	Meiktila	Mahlaing, Meiktila, Thazi and Wundwin
		25	Myingyan	Kyaukpadaung, Myingyan, Natogyi, Ngazun and Taungtha
		26	Nay Pyi Taw	Nay Pyi Taw-Lewe, Nay Pyi Taw-Tatkon, Nay Pyi Taw-Pyinmana and Poke Ba Thi Ri
		27	Nyaung-U	Nyaung-U
		28	Pyinoolwin	Madaya
		29	Yamethin	Pyawbwe and Yamethin
8	Mon	30	Thaton	Bilin, Kyaikto and Thaton
9	Rakhine	31	Kyaukpyu	Ann and Kyaukpyu
		32	Sittwe	Minbya, Mrauk-U, Myebon, Pauktaw, Sittwe, Ponnagyun and Rathedaung
		33	Thandwe	Gwa, Thandwe and Toungup
10	Sagaing	34	Kale	Kale
		35	Monywa	Ayadaw, Chaung-U, Monywa, Pale, Salingyi and Yinmabin
		36	Sagaing	Myaung, Myinmu and Sagaing
		37	Shwebo	Khin-U, Shwebo, Wetlet and Ye-U
11	Shan	38	Kyaukme	Kyaukme and Hsipaw
		39	Lashio	Lashio
		40	Laukkaing	Kengtung, Nawngkhio and Laukkaing
		41	Loilen	Mongkaung
		42	Monghpyak	Monghpyak
		43	Tachileik	Tachileik and Tarlay
		44	Taunggyi	Hopong, Hsihseng, Kalaw, Lawksawk, Nyaungshwe, Pindaya, Pinlaung, Taunggyi and Ywangan
12	Tanintharyi	45	Dawei	Dawei
13	Yangon	46	Yangon (East)	Dagon Myothit (Seikkan), Dagon Myothit (East), Dagon Myothit (North), Dagon Myothit (South), South Okkalapa, North Okkalapa and Thaketa
		47	Yangon (North)	Hlaingtharya, Hlegu, Hmawbi, Htantabin, Mingaladon, Insein, Shwepyithar and Taikkyi
		48	Yangon (South)	Kawhmu, Kungyangon, Kyauktan, Thanlyin and Twantay

ANNEX 2: PROJECTS SIGNED, PROJECTS CLOSED IN 2015

Table Annex 2.1: Grants signed in 2015 to 31 December

Sr.	Name of IP	Funding mechanism	Amount (USD)	Project period	Title
1	World Vision International Myanmar	Delta 3	1,560,138	9 Sept 2015 ~ 31 Dec 2018	Growing Livelihood in Bogale Project
2	Mercy Corps	Delta 3	4,338,197	1 Oct 2015 ~ 30 September 2018	Linking Labutta to Markets (LLM) Increasing Incomes through Agriculture, Skills, & Employment
3	Welthungerhilfe	Delta 3	3,896,564	1 Oct 2015 ~ 30 September 2018	Delta Rural Intensification for Sustainable Economic Development - Delta RISE
4	Save the Children	Delta 3	3,253,390	11 Dec 2015 ~ 31 Dec 2018	Bright SUN: Building Resilience, Synergy
5	International Organisation of Migration (IOM)	Delta 3	749,100	15 Dec 2015 ~ 31 Aug 2018	Migration as a Livelihood Diversification Strategy in the Delta (MILDAS)
6	Lodestar Company Ltd. / SPPRG	Dry Zone	879,287	3 June 2015 ~ 2 June 2018	Community Based Social Protection System Efficacy and Efficiency of Pilot
7	Food and Agriculture Organisation of the United Nations (FAO)	Dry Zone	4,400,000	30 Nov 2015 ~ 31 Dec 2018	Improving Farmer Livelihoods in the Dry Zone through Improved Livestock Health, Productivity and Marketing
8	International Fertilizer Development Centre (IFDC)	Dry Zone	4,460,000	2 Dec 2015 ~ 31 Dec 2018	Dry Zone Agro-Input and Farm Services Project
9	Save the Children	Dry Zone	4,942,842	11 Dec 2015 ~ 31 Dec 2018	LEGACY: Learning, Evidence Generation, and Advocacy for Catalysing Policy
10	HelpAge	Dry Zone	4,200,000	15 Dec 2015 ~ 31 Dec 2018	Dry Zone Social Protection Project
11	Pact Global Microfinance Fund (PGMF)	Financial Inclusion	1,700,000	1 Sept 2015 ~ 31 Aug 2017	Myanmar Access to Financial Inclusion (MAFIN) Project
12	Proximity Designs	Financial Inclusion	5,097,164	1 Oct 2015 ~ 30 June 2018	Financial Inclusion – Moving Ahead
13	World Vision Myanmar/Vision Fund	Financial Inclusion	4,500,000	12 Nov 2015 ~ 31 Dec 2018	Financial Inclusion for Uplands Project
14	GRET	Financial Inclusion	1,320,176	14 Dec 2015 ~ 31 Dec 2018	Chin MFI/ Flood Response in Chin

Sr.	Name of IP	Funding mechanism	Amount (USD)	Project period	Title
15	Pact Global Microfinance Fund (PGMF)	Financial Inclusion	8,323,497	14 Dec 2015 ~ 31 Dec 2018	Rakhine Access to Financial Inclusion (RAFIN)
16	Yoma Bank	Financial Inclusion	18,070,000	18 Dec 2015 ~ 31 Dec 2018	Yoma Bank Agri-Business Finance Programme (Yoma Bank AFP)
17	Michigan State University	Learning and Innovation	2,199,178	1 July 2015 ~ 30 June 2018	Agri-food Value Chain Development in Myanmar: Implications for Livelihoods of the Rural Poor
18	World Fish	Learning and Innovation	3,284,592	21 Sept 2015 ~ 31 Dec 2018	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)
19	Gender Equality Network (GEN)	Civil Society	1,972,165	1 Jan 2016 ~ 31 Dec 2018	Deepening Commitment to Gender Equality in Myanmar
20	Land Core Group (Land Consulting Group Co., Ltd.)	Civil Society	1,699,466	1 Jan 2016 ~ 31 Dec 2018	Fostering Equitable Access and Control Over Land and Related Natural Resources in Myanmar
21	Food Security Working Group (FSWG)	Civil Society	1,622,958	1 Jan 2016 ~ 31 Dec 2018	Harnessing Resources and Partnerships to Achieve Food Security in Myanmar (Phase 2)
22	International Organisation of Migration (IOM)	Migration	1,999,217	1 Jan 2016 ~ 31 Dec 2018	Capitalizing Human Mobility for Poverty Alleviation and Inclusive Development in Myanmar (CHIME)
23	Radanar Ayar	Private Sector Engagement	216,325	20 Nov 2015 ~ 31 May 2017	Food Safety Project (Heineken)
24	PRIME	Private Sector Engagement	5,884,862	14 Dec 2015 ~ 31 Dec 2018	Water for Livelihoods & Smallholder Prosperity
25	IRC	Rakhine	10,500,000	23 Nov 2015 ~ 31 Dec 2018	Tat Lan Sustainable Food Security and Livelihoods Programme Phase II
26	CARE	Rakhine	964,463	4 Dec 2015 ~ 31 Dec 2018	M&E and Learning for Tat Lan Phase II
27	Oxfam	Rakhine	935,076	4 Dec 2015 ~ 28 Feb 2017	Tat Lan Sustainable Food Security and Livelihoods Programme Phase II

Sr.	Name of IP	Funding mechanism	Amount (USD)	Project period	Title
28	Save the Children	Rakhine	10,300,000	8 Dec 2015 ~ 31 Dec 2018	Tat Lan Sustainable Food Security and Livelihoods Programme Phase II
29	CARE International	Rakhine	3,519,147	10 Dec 2015 ~ 31 Dec 2018	Supporting the Food Security, Resilience and Social Cohesion of Households and Communities in Rathedaung Township
30	Better Life Organisation (BLO)	Rakhine	1,016,902	11 Dec 2015 ~ 28 Feb 2017	Tat Lan Sustainable Food Security and Livelihoods Programme Phase II
31	Pact Global Microfinance Fund (PGMF)	Flood Response	2,434,000	1 Sept 2015 ~ 31 Dec 2015	Post-Flood Agriculture Rehabilitation for Microfinance
32	Vision Fund International	Flood Response	500,000	11 Dec 2015 ~ 31 July 2016	Flood Impact and Rehabilitation Proposal in Hinthada, Pathein, Sagaing, Hpa-An
33	Choklei Organisation for Rural and Agricultural Development (CORAD)	Flood Response	92,902	1 Sept 2015 ~ 31 Dec 2015	Supporting the Food & Asset Recovery of Disaster Affected Families in Northern Chin State
34	Choklei Organisation for Rural and Agricultural Development (CORAD)	Uplands	7,093	4 Nov 2015 ~ 31 Dec 2015	Proposal preparation of Promoting Agriculture Diversification and Economic Integration in Northern Chin State
35	Centre for Resources Mobilisation (CRM)	Uplands	7,366	5 Nov 2015 ~ 31 Dec 2015	Proposal preparation of Innovative Livelihood and Value Chain (ILVC) Project
36	Karen Development Network (KDN)	Uplands	11,893	6 Nov 2015 ~ 31 Dec 2015	Proposal preparation of Enhanced Livelihoods for Displaced People (ELDP)
37	Metta Development Foundation	Uplands	29,934	9 Nov 2015 ~ 31 Dec 2015	Preparation of full proposals for two projects under the Call for Proposals for Uplands
	Total		120,887,894		

Table Annex 2.2: Grants finished in 2015 by 31 December

Sr.	Name of IP	Funding mechanism	Project end date	Project title
1	GRET	Countrywide	3-Jul-15	Sustainable Livelihoods and Natural Resource Management in 5 townships of the Northern Chin State
2	Metta Development Foundation	Countrywide	31-May-15	Farmer Field School to LIFT the Food Security of Small and Marginal Land Holders (LIFT-FFS)
3	HelpAge	Countrywide	30-Jun-15	Reducing Economic Vulnerability through an Equitable/Inclusive Approach to Livelihoods Project
4	Disabled People's Development Organisation (DPDO)	Countrywide	31-Mar-15	Sowing the Seeds for Person with Disability in Dry Zone Area
5	CESVI	Countrywide	30-Jun-15	Livelihood Security in Kyauk Mae and Naung Cho townships in Northern Shan State
6	SwissAid	Countrywide	31-Mar-15	Improving Livelihoods Through Civil Society Strengthening
7	ActionAid	Countrywide	11-Apr-15	Thadar Civil Society led Community Based Livelihood Resources Development in the Dry Zone
8	Welthungerhilfe	Delta - 2	30-Sep-15	Value Chain Development for Inclusive Economic Growth in Central Bogale/ Mawlamyinegyun townships
9	Link Emergency Aid & Development (LEAD)	Delta - 2	4-Jul-15	Accelerating Food Security: Ensuring Food Security Among Farmers and Landless Labourers by Provision of Technical, Farming and Livestock Inputs in Kone Gyi and Tei Pin Khaing Village Tracts of Pyinsalu Sub-township in Labutta District in Ayeyarwady Division
10	Proximity Designs	Delta - 2	30-Apr-15	Livelihoods Support for Vulnerable Communities in Bogale, Mawlamyinegyun and Labutta
11	Mercy Corps	Delta - 2	31-Aug-15	Beyond Recovery : Promoting Market-led, Pro-poor Economic Growth
12	Pact	Delta - 2	31-May-15	Sustainable Microfinance to Improve the Livelihoods of Cyclone Affected Poor in Delta
13	Proximity Designs - IDE	Dry Zone/ Delta	31-Dec-15	Catalysing Smallholder Agriculture Finance
14	Food and Agriculture Organisation of the United Nations (FAO)	Dry Zone	31-Jan-15	Dry Zone Programme Development and Formulation

Sr.	Name of IP	Funding mechanism	Project end date	Project title
15	International Rescue Committee (IRC)	Rakhine	31-Dec-15	Tat Lan Sustainable Livelihoods and Food Security Programme
16	Choklei Organisation for Rural and Agricultural Development (CORAD)	Uplands	31-Dec-15	Supporting the Food and Asset Recovery of Disaster Affected Families in Northern Chin State
17	CORAD	Uplands	31-Dec-15	Proposal preparation of Promoting Agriculture Diversification and Economic Integration in Northern Chin State
18	Centre for Resources Mobilization (CRM)	Uplands	31-Dec-15	Proposal preparation of Innovative Livelihood and Value Chain (ILVC) Project
19	Karen Development Network (KDN)	Uplands	31-Dec-15	Proposal preparation of Enhanced Livelihoods for Displaced People (ELDP)
20	Metta Development Foundation	Uplands	31-Dec-15	Preparation of full proposals for two projects under the Call for Proposals for Uplands
21	Pact Global Microfinance Fund (PGMF) - Flood response	Financial Inclusion	31-Dec-15	Post-Flood Agriculture Rehabilitation for Microfinance
22	Inya Institute	Learning and Innovation	30-Jun-15	Burmese - English Manual for Social Research Methods
23	Adventist Development and Relief Agency (ADRA)	Learning and Innovation	10-Apr-15	Vocational Training to Support Livelihoods (VTSL)
24	International Rice Research Institute (IRRI)	Learning and Innovation	30-Sep-15	Improving Livelihoods of Rice-based Rural Households in the Lower Region of the Ayeyarwady Delta (LIFT)
25	ActionAid - Gender Equality Network (GEN)	Learning and Innovation	31-Dec-15	Mobilizing Action for the Advancement of Women in Myanmar
26	IRRI - Research	Learning and Innovation	27-Nov-15	Reducing Risks and Raising Livelihoods in the Rice Environments of Myanmar Through Improved Knowledge of Environment and Management
27	CARE International	Learning and Innovation	31-Dec-15	TEA Business Enabling Environment for the Ex-Opium Farmers of Kokang
28	ActionAid	Direct grant	11-Apr-15	Building Local Capacities for Livelihoods Systems Approaches in the Ayeyarwady Delta

Annex 3: LIFT Logical Framework 2015 - 2018

LIST OF INDICATORS - 29 April 2016

PURPOSE: To improve the incomes and nutrition status of poor people in Myanmar by promoting resilient livelihoods and food security

Purpose Level Indicators
Purpose-level Outcome (PO) 1: Increased incomes of rural households
<p>PO 1.1: Number of LIFT households with increased income (by sex of HH head)</p> <p>Definition: This indicator measures the total number of LIFT households reporting that their income increased compared to the previous year, based on their perception of the change. Data Source: HH Survey.</p>
<p>PO 1.2: % of households in LIFT villages below the poverty line (by sex of HH head)</p> <p>Definition: This indicator measures the percent of households in LIFT villages below the poverty line. The applicable poverty line is USD 1.25 dollars (prior to 2015) and USD 1.90 (post-2015) per person per day, converted into local currency at 2005 "Purchasing Power Parity" (PPP) exchange rates and adjusted for cumulative inflation using the relevant consumer price index. Measurement is based on the value of average daily consumption expenditure per person, where food and other items that a household consumes out of its own production are valued as if the household purchased those items at market prices. The poverty rate is estimated by dividing the number of household members in poor households in the sample by the total number of household members in the households in the sample. Data Source: Expenditure Survey.</p>
Purpose-level Outcome 2: Increased resilience of rural households and communities to shocks, stresses and adverse trends
<p>PO 2.1: Number of LIFT households with increased asset ownership score (by sex of HH head)</p> <p>Definition: Asset ownership provides a measure of the extent to which a household has (a) been able to accumulate assets over time; and (b) sells or loses assets when faced with various shocks and stresses. The score is based on a standard list of 25 key household assets. Data Source: HH Survey.</p>
<p>PO 2.2: Number of LIFT households with increased income diversity score (by sex of HH head)</p> <p>Definition: This indicator is measured on the basis of the number of income sources from which a household is earning. By diversifying sources of income rural households are able to better manage risks that may threaten any one of their income sources. Data Source: HH Survey.</p>
<p>PO 2.3: Number of people whose resilience has been improved and ability to cope has increased (by sex)</p> <p>Definition: This indicator is a composite indicator that counts the number of individuals and households supported by LIFT through interventions that increase their resilience. Data Source: IP data.</p>
Purpose-level Outcome 3: Improved nutrition of women and children
<p>PO 3.1 Number of LIFT households with an acceptable food diversity score (by sex of HH head)</p> <p>Definition: This indicator uses the HDDS (Household Dietary Diversity Score) methods of FANTA (Food and Nutrition Technical Assistance) and is used for measuring households' access to and utilization of food. The "acceptable" score for Myanmar is 4 (as per expert inputs from the technical committee on nutrition). Data Source: HH Survey.</p>
<p>PO 3.2: Number of LIFT households with an increase in food security by at least one month (by sex of HH head)</p> <p>Definition: This indicator of food security measures the number of households with at least 11 months of food security. It is based on the MAHFP (Months of Adequate Household Food Provisioning) module in the household survey. Household food access is defined as the ability to acquire a sufficient quality and quantity of food to meet all household members' nutritional requirements for productive lives. Data Source: HH Survey.</p>

<p>PO 3.3: % of moderately/ severely stunted children under 5 years of age in LIFT villages (by sex and age group)</p> <p>Definition: This indicator measures the percent of children 0-59 months who are stunted. Stunting is a height-for-age measurement that is a reflection of chronic undernutrition. This indicator is seen as a long-term indicator of resilience since stunting is affected by a household's inability to cope with severe shocks and stresses and has lifelong implications that affect an individual's well-being and productivity. Data Source: Nutrition Survey.</p>
<p>PO 3.4: Proportion of children under 5 with diarrhoea in the previous 2 weeks (by sex and age group)</p> <p>Definition: This indicator measures the proportion of children under 5 years of age with diarrhoea in the previous two weeks. Diarrhoea is an outcome of multiple stresses and conditions. On the one hand it results from nutrition, sanitation and hygiene conditions whereas on the other it has been demonstrated to have a significant impact on nutritional outcomes. Data Source: Nutrition Survey.</p>
<p>Purpose-level Outcome 4: Improved policies and effective public expenditure for pro-poor development</p>
<p>PO 4.1: Number and type of public sector/rural development policies influenced by LIFT</p> <p>Definition: This indicator captures the results of all policy-influence activities carried out by LIFT FMO and LIFT implementation partners with support from LIFT. It includes policy formulation processes, the formulation of new policies, and changes in the content or approach of existing policies. Data Source: FMO and IP Data.</p>
<p>PO 4.2: Number and type of changes in public sector/rural development budget allocations and spending influenced by LIFT</p> <p>Definition: This indicator captures LIFT's work on influencing public sector budget allocation and spending. Whereas PO 4.1 focuses specifically on changes to policies, this indicator aims to identify whether and to what extent this is leading to increased or better targeted (a) budget allocation and (b) spending. Data Source: FMO and IP Data.</p>

<p>Programme Level Indicators</p>
<p>Programme-level Outcome (Pr) 1: Increased sustainable agriculture and farm-based production by smallholder farmers</p>
<p>Pr 1.1: Number of LIFT households reached by advisory services (by sex of HH head)</p> <p>Definition: This indicator measures the number of rural households reached by LIFT-supported agriculture- and livestock-related advisory services during the last one year. It encompasses both direct service delivery by IPs as well as indirect service delivery by IP-supported agents (e.g., retailers), groups and organisations, whether public, private or NGO. Data Source: IP data.</p>
<p>Pr 1.2: Number of LIFT households who trial and/or adopt improved practices, inputs and technologies (by sex of HH head)</p> <p>Definition: This indicator measures the total number of households that were reached by advisory services (i.e Pr 1.1) that applied improved agriculture, livestock, aquaculture and agro-forestry practices and technologies on their private lands (i.e. excluding wild fisheries and forestry on government or common lands) in the last 1 year (trialed) or last two years (adopted). Data Source: HH Survey.</p>
<p>Pr 1.3: Number of LIFT households with an increase in production – crops only (by sex of HH head)</p> <p>Definition: This indicator measures the number of households adopting a new practice (i.e. Pr 1.2) who report an increase in yield compared to the previous year for any of the crops that they grow. Data Source: HH Survey.</p>
<p>Programme-level Outcome 2: Improved market access and market terms for smallholder farmers</p>
<p>Pr 2.1: Number of LIFT households who are members of functional producer groups (by sex of HH head)</p> <p>Definition: This indicator counts the number of households who have at least one member who is part of a financially active producer group. The term 'financially active' refers to the group having some kind of income and expenditure, whether this is in cash or in kind. Producer groups include agriculture, livestock, aquaculture, fishery, business, marketing, processing, buying and selling groups. It does not include MFIs, VSLAs, or SHGs involved in only savings and credit. Data Source: IP data.</p>

<p>Pr 2.2 Number of LIFT households adopting new marketing practices (by sex of HH head)</p> <p>Definition: This indicator measures the total number of households reporting that they adopted one or more new marketing practices (including selling to a new market, selling at a different time, processing product in a different way, negotiating a better price, buying collectively, selling collectively, use of contract farming, sorting quality produce for sale). Data Source: HH Survey.</p>
<p>Pr 2.3: Number of LIFT households securing higher returns (profit) from agriculture/livestock/fishery activities (by sex of HH head)</p> <p>Definition: This indicator measures the number of households directly or indirectly supported by LIFT on any livelihood activity based on-farm or with access to common property resources for productive purposes who report an increase in returns/profit from these activities. Data Source: HH Survey.</p>
<p>Programme-level Outcome 3: Increased and safe employment in non-farm activities for smallholders and landless</p>
<p>Pr 3.1: Number of LIFT households supported in non-agricultural skills development (by sex of HH head)</p> <p>Definition: This indicator measures the total number of individual men and women reached through various non-farm/homestead based trainings including migration-related awareness trainings, employment-related skills trainings and small business and micro-enterprise trainings. Data Source: IP Data.</p>
<p>Pr 3.2: Number of trained people who establish their own enterprises or become employed (by sex)</p> <p>Definition: This indicator measures the total number of trained people (Pr3.1) who establish their own enterprises (small and medium enterprises) or become employed. Small and medium enterprises include any individual or group based business in which goods or services are sold to generate income. Employment includes any type of waged activity, whether full-time or part-time, seasonal or annual through which an employer pays a wage. This may be located within the village, in a neighbouring village, at the township level or in a remote location (e.g. where migration occurs). Data Source: HH Survey.</p>
<p>Pr 3.3: Number of LIFT households with an increase in income from non-agricultural activities (by sex of HH head)</p> <p>Definition: This indicator measures the number of households that have achieved an increased income from non-agricultural sources, based on their perception. Data Source: HH Survey.</p>
<p>Programme-level Outcome 4: Increased access to adequate and affordable financial services by smallholders and landless</p>
<p>Pr 4.1: Number of LIFT MFIs financially self-sustaining</p> <p>Definition: This indicator measures the number of MFIs 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. Data Source: FMO and IP data.</p>
<p>Pr 4.2: Number of LIFT households with access to financial services (by sex of HH head)</p> <p>Definition: This indicator measures the number of target households that have the potential to access credit, savings, insurance or other financial services. These services may be provided through a variety of different channels, including VSLAs, Banks, MFIs or any type of saving and credit groups. Potential to access means that these households are situated in the geographic area feasibly covered by any of the aforementioned types of institution. Each household should only be counted once during a given reporting period, even if multiple loans and financial services are accessed. Data Source: FMO and IP data.</p>
<p>Pr 4.3: Number of LIFT households using financial services by purpose (by sex of HH head)</p> <p>Definition: This indicator measures the number of target households that have actually accessed and used credit, savings, insurance or other financial services as a result of being linked to any kind of group or institution that provides such services. To be counted, households must have successfully applied for and received a loan, an insurance scheme or any other such service and/or have set up and used a savings facility. Data Source: FMO and IP data.</p>

Programme-level Outcome 5: Improved nutrition, sanitation and hygiene practices

Pr 5.1: Number of LIFT households reached with nutritionally sensitive information (by sex of HH head)

Definition: This indicator measures the number of households reached through interventions that aim to provide nutritional information related to: (1) appropriate health-seeking practices for pregnant and lactating women (ANC/PNC) and (2) appropriate nutrition and care practices for children during the first 1000 days. Data Source: IP data.

Pr 5.2: Number of men/women in LIFT households with awareness of nutritional needs of women and children in the community (by sex)

Definition: This indicator measures the knowledge of Maternal Child Health and Nutrition (MCHN) related practices among men and women with children under two years of age. The four MCHN practices of focus are: 1) at least four antenatal visits during pregnancy, 2) eating more during pregnancy, 3) early initiation of breastfeeding, and 4) introduction of complementary foods at six months. All men and women who are identified as being a parent of a child under two years of age are selected to respond to the questions related to this indicator. Data Source: Nutrition Survey.

Pr 5.3: Number of children 6-23 months with “acceptable” dietary diversity (by sex)

Definition: This indicator measures the number of children 6-23 months of age who receive a minimum acceptable diet (MAD), apart from breast milk. The “Minimum Acceptable Diet” (MAD) indicator measures both the minimum feeding frequency and minimum dietary diversity, as appropriate for various age groups. If a child meets the minimum feeding frequency and minimum dietary diversity for their age group and breastfeeding status, then they are considered to receive a minimum acceptable diet. Data Source: Nutrition Survey.

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

Definition: This indicator measures the number of children 0-5 months of age who were exclusively breastfed during the day preceding the survey. Exclusive breastfeeding means that the infant received breast milk (including milk expressed or from a wet nurse) and may have received ORS, vitamins, minerals and/or medicines, but did not receive any other food or liquid, including water. Data Source: Nutrition Survey.

Pr 5.5: Number of LIFT households using an improved sanitation facility (by sex of HH head)

Definition: This indicator measures the number of LIFT households using an improved sanitation facility. This includes connection to a public sewer, connection to a septic system, pour-flush latrine, simple pit latrine or a ventilated improved pit latrine. Data Source: HH Survey.

Pr 5.6: Number of LIFT households using protected water source (by sex of HH head)

Definition: This indicator measures the number of LIFT households using a protected water source. This includes household connection, public standpipe, borehole, protected dug well, protected spring, rainwater collection (these are all improved water sources) and protected ponds (this is a protected water source). Data Source: HH Survey.

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

Pr 6.1: Number of LIFT villages where common property resource management is taken up (by type)

Definition: This indicator measures the number of LIFT villages where common property or natural resources (forests, grazing lands, mangroves, wild fisheries, embankments, soil and water conservation) are being actively managed. Data Source: Village Profile.

Pr 6.2: Number of LIFT households benefitting (directly/indirectly) from protected/managed natural resources (by type)

Definition: This indicator measures the number of households with at least one member who comes into direct contact or engages with the natural resources that are protected/managed. Data Source: HH Survey.

Programme-level Outcome 7: Strengthened local capacity of communities, local government, CSOs and private enterprises to support and promote food and livelihood security

Pr 7.1: % of LIFT funds managed by national entities

Definition: This indicator measures the total % of LIFT funds managed by national entities. These may be public, private or civil society organisations. This indicator includes LIFT funds directly transferred to such national entities (when they are implementing partners) and funds that are transferred from non-national implementing partners to national entities (e.g. sub-grantees). In all cases, what is critical is that the funds enter the organisational accounts of the national entity and that they are responsible for managing and using such funds. Data Source: FMO and IP data.

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

Definition: This indicator measures the number and type of local groups and institutions supported by LIFT to promote food and livelihood security. These groups include village organisations (CBOs, VDCs, VSLAs, etc.), producer organisations, farmer organisations and unions, IGA groups, financial groups (including SHGs), local CSOs and NGOs and government departments or offices. Support provided includes training and technical assistance, the provision of supplies and materials, encouragement and motivation for improvements, or facilitation support for activities such as networking, the establishment of linkages, or participation in workshops or advocacy events. Data Source: FMO and IP data.

Pr 7.3: Number and type of supported local groups and institutions actively promoting food and livelihood security

Definition: This indicator counts only the number and types of local groups (see Pr.7.2) which are active and functioning. Since definitions for 'active and functioning' will vary depending on the type of group, IPs together with the FMO will need to arrive at satisfactory definitions of 'active and functioning' that correspond to the nature of the group in question. Data Source: FMO and IP data.

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

Pr 8.1: Number of LIFT-supported policy oriented events organized

Definition: This indicator tracks the number of policy influence-oriented events organised by LIFT and its partners. Policies can include laws, legal frameworks, regulations, administrative procedures, or institutional arrangements might also include enabling environment for private sector investment, trade, inputs, land and natural resource management, and nutrition. Events can include workshops, dissemination events, public meetings, speeches, presentations, formal and informal meetings, discussion forums or advocacy events whose aim is to influence policy processes, whether directly or indirectly. Data Source: FMO and IP data.

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

Definition: This indicator measures the number of publications by the LIFT FMO as well as by LIFT-supported IPs and initiatives that are intended to inform policy-processes. This includes research papers, policy briefs, documentaries, case studies, published articles, messaging through television, newspapers, journals, radio and other media channels, and published evaluation reports that are specifically targeting policy influence. It does not include internal documents or project evaluation reports. If more than one policy-oriented publication is produced for the same policy (e.g., different types of publication could be English and other local languages, different publications for INGOs, private and government), count each publication. Data Source: FMO and IP data.

ANNEX 4: PROJECT ACTIVITY CHARTS FOR THE DELTA, DRY ZONE, UPLANDS AND RAKHINE

Table Annex 4.1: Important updates on 15 projects during 2015 in the Delta

Sr.	IP, project title, timeframe, budget, status	Important updates
1	<p>ActionAid/Thadar Consortium</p> <p>Building Local Capacities for Livelihoods Systems Approaches in the Ayeyarwady Delta</p> <p>From 16/09/2011 to 11/04/2015</p> <p>Budget: USD 1,997,488</p> <p>Closing</p>	<p>The project area spanned 24 villages across six village tracts in Bogale and Mawlamyinegyun townships. A total of 2,083 households were assisted within the project period.</p> <ul style="list-style-type: none"> In the project extension period, emphasis was given to the strengthening of the community-based organisation's (CBOs) management systems, networking, and collaborating with other CBOs, promoting a sense of ownership in the community's development work, and increasing their abilities to function independently. A total of 24 CBOs were part of this component 24 social protection initiatives were implemented in 24 villages with the participation of 1,817 households accessing funds for: cash assistance for the elderly; provision of nutritious food for school children; shelter construction; and health-related problems
2	<p>IOM</p> <p>Migration as a Livelihood Diversification Strategy in the Delta (MILDAS)</p> <p>From 15/12/2015 to 31/08/2018</p> <p>Budget: USD 749,100</p> <p>Ongoing</p>	<p>The project will: conduct a study on migration and development, generating knowledge for migration programming; support LIFT stakeholders on mobility sensitive development programming; support safe migration; and support households (HH) that have migrant family members.</p> <p>Inception phase:</p> <ul style="list-style-type: none"> Development of MEAL plan; Baseline survey; and Meeting with other LIFT Delta IPs for support in addressing migration in development programming
3	<p>IRRI</p> <p>Improving Livelihoods of Rice-based Rural Households in the Lower Region of the Ayeyarwady Delta</p> <p>From 17/02/2012 to 30/09/2015</p> <p>Budget: USD 2,100,000</p> <p>Closing</p>	<p>The project had two main components: 1) focusing on participatory research with demonstration of new rice varieties and 2) best management practices and strengthening capacity of research and extension personnel from LIFT IPs, and the government and the private sector.</p> <ul style="list-style-type: none"> Four factor trials on a combination of improved varieties and improved management practices versus farmer practices were conducted: stress-tolerant varieties and better management practices led to 20 per cent yield increases in non-flooded areas and more than 30 per cent (1.0 t/ha/ or 0.40 ton per acre) in flood-prone areas in the

Sr.	IP, project title, timeframe, budget, status	Important updates
		<p>Ayeyarwady Delta. Incomes from using integrated best management practices (IBMP), compared with farmers' practices (FP), increased by six per cent in non-flooded areas and by eight per cent in flood-prone areas</p> <ul style="list-style-type: none"> • Recommendations on rice varieties and best practices, based on analyses of data on seeds distributed to farmers, were finalised for each Delta area and cropping season. • Community seed banks were developed in villages where the IRRI postharvest team had installed a flatbed dryer. The capacity of seed storage is about 2,000 baskets. The village community has given common land for this cooperative facility • Within the framework of the Post-harvest Learning Alliance, technologies identified from post-harvest and value chain assessment were introduced, tested, and adapted as needed through a series of village demonstrations (hermetic storage, flat bed drier, solar bubble drier, lightweight thresher, reaping machine) • The project final evaluation was conducted in June 2015
4	<p>IRRI-Research</p> <p>Reducing Risks and Raising Livelihoods in the Rice Environments of Myanmar through Improved Knowledge of Environment and Management</p> <p>From 28/08/2012 to 27/11/2015</p> <p>Budget: USD 1,627,880</p> <p>Closing</p>	<p>The project had three main components focusing on GIS mapping, participatory research, and developing tools for capacity building:</p> <ul style="list-style-type: none"> • Maps of the cropping patterns developed by using remote-sensing data (MODIS images) were validated and refined with stakeholders in the target townships in the Delta • Ground-based salinity data were analysed, and temporal salinity dynamics mapped for three townships in the Delta. • Remote-sensing-based flood maps with high temporal resolution were developed for three townships in the Delta. • Two rice varieties that were introduced and evaluated in the project were accepted by the National Seed Committee for multiplication and release • Key findings from agronomic studies were distilled to develop guidelines for best management practices (BMP) for each stress domain (drought-prone, submergence-prone, and salt-affected areas, and alkaline soil) • Integrated BMP (combination stress-tolerant variety and innovative management options) for each recommendation were demonstrated in the target townships in the Delta.

Sr.	IP, project title, timeframe, budget, status	Important updates
		<ul style="list-style-type: none"> • Training materials detailing the project's approaches to reducing risks and improving livelihoods in the rice areas of the Delta were prepared, together with reference materials, targeting trainers and teaching staff in local universities and extension services • Project final evaluation conducted in June 2015
5	<p>Link Emergency Aid and Development (LEAD)</p> <p>Accelerating Food Security: Ensuring Food Security Among Farmers and Landless Labourers by Provision of Technical, Farming and Livestock inputs in Kone Gyi and Tei Pin Khaing Village Tracts of Pyinsalu Sub-township in Labutta District in Ayeyarwady Division</p> <p>From 05/07/2011 to 04/07/2015</p> <p>Budget: USD 399,994</p> <p>Closing</p>	<p>The project provides inputs and technical advisory services to small farmers for monsoon paddy cultivation and winter crops. It multiplies and disseminates saline tolerant seeds, provides some equipment (harvesters and threshers) and organises exchange visits. The project also supports non-farmer/landless households to do small livestock husbandry, home gardening, and fruit tree plantation.</p> <p>The project set up a number of interest groups and established revolving funds:</p> <ul style="list-style-type: none"> • The project supported a total of 1,577 households for monsoon paddy cultivation, winter crops, and livestock • Monsoon paddy: farmers reported that the new seed varieties produced about 20 per cent larger harvests compared to their traditional variety • Winter crops: the project provided seeds such as watermelon, groundnut, sesame, and cowpea, which were traditionally grown in the area. Out of all the varieties, watermelon was reported as the most successful in villages near the seashore and irrigated from freshwater wells • Livestock: 62 per cent of beneficiaries raised pigs and 38 per cent raised chickens. Most of beneficiaries reported increased incomes as a result of the project. That money used mostly for household consumption, education of children, and reinvestment • The final evaluation was conducted in May 2015
6	<p>Mercy Corps – Ar Yone Oo</p> <p>Beyond Recovery: Promoting Market-led, Pro-poor Economic Growth</p> <p>From 01/07/2011 to 31/08/2015</p> <p>Budget: USD 4,287,431</p> <p>Closing</p>	<p>The two main components of the project were: 1) group establishment, capacity building and provision of granted and subsidised inputs to Farmer Producer Enterprises (FPE) to reach resource-constrained rice farming households that owned their own land; and 2) group establishment, capacity building and provision of granted and subsidised inputs to Income Generating Groups (IGGs) to reach landless labourer households. The project focused on a range of market development approaches for the FPEs. This included partnership building among market actors, developing local market intermediaries to connect farmers with product buyers and input sellers, and facilitating exploratory contract arrangements to demonstrate a feasible business case:</p>

Sr.	IP, project title, timeframe, budget, status	Important updates
		<ul style="list-style-type: none"> • A Labutta seed sector study was conducted with IRRI assistance, with the two-fold aim to gain a better understanding about the local varieties farmers preferred for cultivating in the Intermediate Zone, and learn about success factors among local rice seed producers across Labutta Township; • The households surveyed indicated that 30 per cent of farmers used improved seed in the last 12 months • 174 FPEs/IGGs received training in pesticide use • 324 FPE members received training on key agriculture practices • Independent end line survey data indicated that 1,287, or nearly 60 per cent, of all IGG members have received a small cash grant (mean value USD 50) during the course of the project; and • 79 per cent of IGG small grant recipients are operating vegetable or non-vegetable micro- or small-businesses that are currently profitable • Contract farming • The total worth of contractual agreements had reached USD 374,452 with 22 FPEs, 8 large millers and 2 inputs suppliers • Sales between FPE/millers and Mandalay traders increased; Awba developed stronger links with millers to channel fertiliser to FPEs • Final project evaluation was conducted in June 2015
7	<p>Mercy Corps - Ar Yone Oo, Swiss Contact</p> <p>Linking Labutta to Markets (LLM) - Increasing Incomes through Agriculture, Skills, and Employment</p> <p>From 01/10/2015 to 30/09/2018</p> <p>Budget: USD 4,338,197</p> <p>Ongoing</p>	<p>The project will support: FPEs for service delivery (inputs supply, extension services, equipment rental and hire purchase, access to credit, and contract farming with millers); landless with vocational, business and life skills development, migration-related information; and linkages to Yangon-based employers.</p> <p>Inception phase:</p> <ul style="list-style-type: none"> • Strategic Resilience Assessment (STRESS) conducted in collaboration with WHH/GRET in the three Delta target townships • Baseline survey • Development of project MEAL plan

Sr.	IP, project title, timeframe, budget, status	Important updates
8	<p>Pact - Delta II</p> <p>Sustainable Microfinance to Improve the Livelihoods of Cyclone-affected Poor in the Delta</p> <p>From 01/01/2014 to 31/05/2015</p> <p>Budget: USD 440,820</p> <p>Closing</p>	<p>LIFT supported PGMF's activities in the Delta through United Nations Development Programme (UNDP) from 2011 to 2013 and continued its support directly to PGMF after the end of the contract with UNDP, to May 2015</p> <ul style="list-style-type: none"> • PGMF provided USD 9.3 million to 31,627 clients from 121 villages from Labutta, Mawlamyinegyun, and Bogalay townships. The clients invested 55 per cent of the loan amount in small businesses, 24 per cent in agriculture, and 21 per cent for livestock breeding • PGMF reached financial self-sustainability. Therefore, PGMF continued support to poor households and smallholder farmers beyond the project timeframe
9	<p>Proximity Designs</p> <p>Catalyzing Smallholder Agricultural Finance</p> <p>From 01/01/2013 to 30/11/2015</p> <p>Budget: USD 2,300,000</p> <p>Closed</p>	<p>In this project, Proximity Finance (PF) has provided affordable credit of USD 10.3 million for 47,884 loans in the Yangon Region, Bago Region, and in the Delta and Dry Zones. LIFT funded 34.1 per cent of the loan disbursement amount (USD 2.272 million).</p> <ul style="list-style-type: none"> • Responding to PF's client satisfaction surveys, PF increased the initial loan size to MMK 200,000 for new customers and MMK 250,000 for next cycle borrowers based on their repayment record and loan criteria • To strengthen engagement with borrowers and improve liquidity characteristics, PF changed the loan terms for interest payments at fixed 2- or 3-month intervals, depending upon the crop type, loan length, and disbursement period. • PF improved its lending methodology from lending to larger to smaller lending groups (i.e., from 30 people's collective responsibility to that of 4 to 8 clients) • In order to become an independent MFI, PF is investigating the procedure for registration, asset transfer, and optimal structure. Proximity Designs' board of directors is considering the topic of ownership and governance for the new formal entity "Proximity Finance" and its relationship with Proximity Designs

Sr.	IP, project title, timeframe, budget, status	Important updates
10	<p>Proximity Designs</p> <p>Livelihoods Support for Vulnerable Communities in Bogale, Mawlamyinegyun, and Labutta</p> <p>From 11/01/2012 to 30/04/2015</p> <p>Budget: USD 2,691,279</p> <p>Closing</p>	<p>The project had two main components: 1) focusing on improving village connectivity and creating immediate non-farm income opportunities through cash-for-work projects; and 2) improving food security and bolstering incomes by increasing productivity and paddy yields for small plot farmers, reducing dependency on chemical fertilisers, and reducing crop losses from pests and diseases.</p> <ul style="list-style-type: none"> • Proximity Designs funded infrastructure, such as roads and ponds, in 91 village tracts and 183 villages in three townships through cash-for-work programmes. The average cost for every project was MMK 4,948,679, employing an average of 106 labourers per project (about 27 per cent were female) for an average of 14 days of employment for each worker with a median income per labourer of MMK 53,560. A total of 15,455 HHs were beneficiaries of cash-for-work activities • An estimated 19,000 farming HHs adopted one or more techniques promoted by Farmer Advisory Services on green manure, double cropping, seed selection, and pest and diseases control • The final evaluation was conducted in June 2015. Farmers from brackish and salt intrusion areas in some part of Bogale and Mawlamyinegyun adopted double-cropping techniques (i.e. two crops per year) with technical support from the project. This technique has led to a significant increase in yields and farmer's incomes. The project had constructed 10 embankments for water control to improve plant health and yields for food insecurities and vulnerable households. This activity benefited 499 beneficiary households, who farm 5,894 acres in 24 particularly vulnerable villages in Bogale and Mawlamyinegyun
11	<p>Radanar Ayar</p> <p>Socio-economic and Environmental Development (SEED) in Bogale Township</p> <p>From 11/01/2012 to 10/01/2016</p> <p>Budget: USD 1,169,941</p> <p>Closing</p>	<p>The project promoted the adoption of improved technology for quality seed production and empowering farmers with appropriate knowledge and information, organising specific farmers and providing key material and financial resources:</p> <ul style="list-style-type: none"> • 2,192 farmers provided with quality seeds and reached with advisory services • 200 seed growers trained in seed production and multiplication, and 54 outstanding seed growers identified to continue seed production in Bogale Township • 6,800 baskets of certified seeds produced in 2015 and sold or exchanged among other farmers in the area, or sold to millers and NGOs • 18 seed stores built in 18 villages where seed growers are operating. Managed by farmer groups • The final evaluation was conducted in May 2015

Sr.	IP, project title, timeframe, budget, status	Important updates
12	<p>Save the Children</p> <p>Bright SUN: Building Resilience, Synergy</p> <p>From 11/12/2015 to 31/12/2018</p> <p>Budget: USD 3,253,390</p> <p>Ongoing</p>	<p>The project will deliver Maternal Cash Transfers and Behaviour Change Communication to mothers throughout the <i>First 1,000 Days</i>, 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"> • Inception phase: • Coordination with Ministry of Health • Baseline survey • Development of MEAL plan
13	<p>Welthungerhilfe (WHH)</p> <p>Value Chain Development for Inclusive Economic Growth in Central Bogale and Mawlamyinegyun Townships</p> <p>From 16/06/2011 to 30/09/2015</p> <p>Budget: USD 4,102,855</p> <p>Closing</p>	<p>The project targeted smallholder farmers and landless in Bogale and Mawlamyinegyun townships to sustainably increase food security and incomes through a market based approach that is managed by community-based organisations (CBOs).</p> <ul style="list-style-type: none"> • The project adopted a comprehensive approach for extension services, which combined different methodologies and activities: demo plots, farmer field schools, learning centres, technical training, Management Advice for Family Farms (MAFF), exchange visits and study tours. A total of 7,400 HHs were reached • A Participatory Guarantee System (PGS) pilot for seed production took place. A total of 937 baskets of seed (four varieties) were produced. Quality tests were done and only 15 per cent did not comply with the certification standards. Among the total of 889 baskets were sold, 488.6 of those to individual farmers, 205 baskets to Mawlamyinegyun authorities and the Department of Agriculture, 113 to private millers, and 81.5 baskets to local organisations • The project worked with CBOs to improve their capacities to provide demand-driven agricultural services to the target communities, and create links with the public and private sectors: Forty-nine Village Development Committees (VDC) hosted village-based training of Animal Health Workers for livestock management; six Community Agro-economic Development Platforms (CAEDPs) were created; seven VDCs provided Purchase Finance System (PFS) services for collective storage and selling of paddy; five

Sr.	IP, project title, timeframe, budget, status	Important updates
		<p>committees provided inventory credit services and linkages with millers and traders; and seven hire-purchase committees were linked with private sector providers for machinery services. A total of 715 households had access to these services in the target area</p> <ul style="list-style-type: none"> • A gender study was conducted to inform the gender strategy of the Delta 3 project
14	<p>Welthungerhilfe (WHH)</p> <p>Delta Rural Intensification for Sustainable Economic Development- Delta RISE From 01/10/2015 to 30/09/2018</p> <p>Budget: USD 3,896,564</p> <p>Ongoing</p>	<p>The project will support producer organisations 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 support landless and vulnerable households for off-farm local livelihood activities (horticulture, livestock, and aquaculture) and small-scale business. The project will oversee the promotion and dissemination of improved nutrition and basic hygiene practices among all target groups but with a focus on mothers and children during the critical 1,000 days window, and on households needing subsistence security.</p> <p>Inception phase:</p> <ul style="list-style-type: none"> • STRESS assessment conducted to identify resilience capacities for the most vulnerable to prevent and respond to shocks and stresses • Baseline survey • Development of MEAL plans • In November, a PGS farmers' exchange visit was organised with 27 participants. A final farmers' field inspection (51 participants) was held, which included Bogale and Mawlamyinegyun DoA, WHH, and Radanar Ayar staff • In order to facilitate production, the certification process, the extension and the marketing of PGS seeds, GRET supported the creation of a PGS network to coordinate the sale of seeds at the township level • At the end of December 2015, for the recent monsoon production: <ul style="list-style-type: none"> • 335 baskets were kept by PGS farmers for next season; • 134 baskets were directly sold to farmers (even with pre-order before harvest); and • 1,273 baskets were stored in cooperation with producers organisations

Sr.	IP, project title, timeframe, budget, status	Important updates
15	<p>World Fish</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>From 21/09/2015 to 31/12/2018</p> <p>Budget: USD 3,284,000 TBC</p> <p>Ongoing</p>	<p>The project will support the engagement of 5,000 smallholder farmers in farm research and development, and scaling-up of small-scale homestead-based aquaculture (SSA) (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> <p>Inception period:</p> <ul style="list-style-type: none"> • Scoping study in Delta conducted, and promising aquaculture technologies were identified and will be tested during the learning phase • Project staff capacity building: a cross visit for nine staff for Training-of-Trainers course on aquaculture and nutrition organised in December, including a project visit to Bangladesh • Finalisation of agreement with project implementing partners: GRET, Network Activities Group (NAG), and Department of Fisheries (DoF) • Baseline survey • Development of MEAL plan

Table Annex 4.2: Important updates on 13 projects during 2015 in the Dry Zone

Sr.	IP, project title, timeframe, budget, status	Important updates
1	<p>ActionAid</p> <p>Civil Society-led Community-based Livelihood Resources Development in the Dry Zone</p> <p>From 12/06/2011 to 11/04/2015</p> <p>Budget: USD 2,457,169</p> <p>Closing</p>	<p>The 10-month extension period that ended 11th April 2015 involved four of the six original local organisations (Ratana Metta Organisation (RMO), Swanee Development Foundation (SDF), Asho Chin Baptist Conference (ACBC), and the Environmental Conservation and Livelihoods Outreach Foundation (ECLOF) (two partners had finished their activities).</p> <p>VDCs established by the project significantly improved their capacities to operate in their communities as leaders in village development activities. The village fellows continued to serve as resource person to support village development processes. Linkages among peer CBOs and fellows were created, and the project facilitated increased coordination between communities and government line departments.</p> <p>Levels of food security and access to clean water were increased in the project area. A variety of livelihood opportunities were created and supported, with approximately 83 per cent of vocational trainees (197 out of 236) using their learned skills to generate income.</p>

Sr.	IP, project title, timeframe, budget, status	Important updates
2	<p>ActionAid SEDN</p> <p>Social Economic Development Network for Regional Development (SEDN)</p> <p>From 08/03/2013 to 07/03/2017</p> <p>Budget: USD 1,312,936</p> <p>Ongoing</p>	<p>Despite the decline in tourism due to the flooding in the Dry Zone and elections in 2015, SEDN's sales increased by 22 per cent compared to the previous year. (2014 = MMK 42,635,258 (or USD 38,627); 2015 = MMK 51,706,560 (or USD 43,088).</p> <p>The Minister of Tourism provided centrally located free land in New Bagan to the Craft Producers' Network (CPN) to build a sales and exhibition space. This was a significant contribution and indicates the minister's recognition of CPN's contribution in showcasing Myanmar textiles. Women receiving vocational training and organising in women producer groups produced 118 new products, bringing the number to 517.</p>
3	<p>Disabled People's Development Organisation (DPDO)</p> <p>Sowing the Seeds for Persons with Disabilities in the Dry Zone Area</p> <p>From 31/01/2011 to 31/03/2015</p> <p>Budget: USD 334,160</p> <p>Closing</p>	<p>The project covered three townships in the Magwe Region. During the project period, 57 self-help groups (SHGs) comprised of people with disabilities (PwDs) or people from families with PwD. The amount of their revolving funds eventually grew to USD 230,741, starting from USD 81,300 seed money.</p> <p>The project improved skills and knowledge of SHG members on agriculture and livestock breeding. This resulted in successfully managing bigger broiler and pig farms.</p> <p>The training increased the number of women in leadership roles. They constituted more than 58 per cent of SHG management positions.</p> <p>Improvements in awareness about nutrition and hygiene as well as unity among the people with disabilities were significant results of the various training in the villages.</p> <p>81 per cent of households with PwDs have increased agricultural productivity by at least 5 per cent. More than 52 per cent of beneficiary PwD households earned enough for both food items and other expenditure income for the families.</p>
4	<p>FAO Livestock</p> <p>Improving Farmer Livelihoods in the Dry Zone Through Improved Livestock Health, Productivity and Marketing</p> <p>From 30/11/2015 to 31/12/2018</p> <p>Budget: USD 4,400,000</p> <p>Ongoing</p>	<p>The project is in its first days, and has been approved by the LBVD with meetings held with livestock departments at union and regional level to ensure continued support and engage government staff in the project planning and implementation.</p> <p>The project will work on improved animal health, reduce constraints in livestock trade and establish good practices in livestock breeding, nutrition and husbandry.</p>

Sr.	IP, project title, timeframe, budget, status	Important updates
5	<p>HelpAge International</p> <p>Reducing Economic Vulnerability through an Equitable/Inclusive Approach to Livelihoods Project (REVEAL)</p> <p>From 15/12/2010 to 30/06/2015</p> <p>Budget: USD 3,413,824</p> <p>Closing</p>	<p>The project initiated VDCs and other village-based groups to address village problems. Training promoted greater awareness of vulnerability in the villages. The resulting mobilisation of neighbourly assistance and channeling resources to the neediest people helped the most vulnerable people in the villages. This model was shared with other states and regions.</p> <p>Township VDC consortiums successfully raised funds by selling loom weaving products at a wholesale centre and at township markets, and by selling animal feed in the villages. Overall 50 per cent of the income (from the revolving fund and fund-raising activities) was used for village development activities.</p> <p>The quality of life for the elderly has improved. VDCs organise support and provide medicines and an old age pension. Nutritious food as well as regular home-based care is part of the mutual neighbourhood assistance.</p>
6	<p>International Fertilizer Development Center (IFDC)</p> <p>Dry Zone Agro-Input and Farm Services Project</p> <p>From 02/12/2015 to 31/12/2018</p> <p>Budget: USD 4,460,000</p> <p>Ongoing</p>	<p>IFDC established an office in Pakokku and started a survey of the existing retailers in the project area. This was to facilitate an informed decision on the selection of the 50 retailers who will be supported by the project.</p>
7	<p>IRRI-Research</p> <p>Reducing Risks and Improving Livelihoods in the Rice Environments of Myanmar Through Better Targeting of Management Options</p> <p>From 28/08/2012 to 27/11/2015</p> <p>Budget: USD 1,627,880</p> <p>Closing</p>	<p>The project had three main components focusing on GIS mapping, participatory research and tools for capacity for Delta and Dry Zone:</p> <ul style="list-style-type: none"> • For the Dry Zone, maps of the cropping patterns were developed by using remote-sensing data (MODIS images). The maps were validated and refined with stakeholders (LIFT IPs and DoA) in the target townships in central Dry Zone • The project tested, validated and demonstrated new rice varieties and improved management practices, in order to identify appropriate varieties and management practices under farmer conditions in the Dry Zone, and support extension. Two rice varieties (IR64 NILs) were submitted and accepted by the National Seed Committee for multiplication and release. Key findings from agronomic studies were distilled to develop guidelines for best management practices (BMP) in paddy production for each stress domain (drought-prone, submergence-prone, salt-affected areas, and alkaline soils). Integrated BMP (a combination stress-tolerant seed and innovative management option) for each recommendation were demonstrated in the target townships of the central Dry Zone

Sr.	IP, project title, timeframe, budget, status	Important updates
		<ul style="list-style-type: none"> • Training materials detailing the project's approaches to reducing risks and improving livelihoods in the rice areas of the central Dry Zone were prepared, targeting trainers and teaching staff in local universities and extension services
8	<p>Lodestar Company Ltd./ SPPRG</p> <p>Community-based Social Protection System Efficacy and Efficiency of Pilot</p> <p>From 03/06/2015 to 02/06/2018</p> <p>Budget: USD 879,287</p> <p>Ongoing</p>	<p>The project conducted workshops with Sagaing's regional government to foster political will and ensure ways for continuous co-ordination for the social protection transfer pilot project.</p> <p>Project preparations like recruitment and capacity building of village interns from the local communities and village selection process were completed. The seed funding for the community-based social protection was disbursed.</p> <p>The project also produced three guidance papers: on the "Use of Traditional Social Organisations for Social Protection and Development Activities" (guidance on potential roles of traditional organisations, and selection criteria). Secondly, guidance on "Social Cohesion", introducing the concept of social cohesion and possible approaches to measuring social cohesion. Thirdly, guidance on "Resilience Frameworks and Approaches".</p>
9	<p>Save the Children</p> <p>LEGACY: Learning, Evidence Generation, and Advocacy for Catalysing Policy</p> <p>From 11/12/2015 to 31/12/2018</p> <p>Budget: USD 4,942,842</p> <p>Ongoing</p>	<p>The project has just entered its inception phase in mid-December 2015.</p> <p>The project will conduct a randomised control trial to test the impact of monthly maternal cash transfers to pregnant women and women with children over a period of 24-30 months.</p>
10	<p>Terre des Hommes (TdH)</p> <p>Soilless Horticulture and Other Water-saving Innovative Technologies for Landless and Marginal Farmers</p> <p>From 01/02/2014 to 31/01/2017</p> <p>Budget: USD 1,318,519</p> <p>Ongoing</p>	<p>TdH continued training women and men in the use of hydroponics (934 people) and drip irrigation (504 people). Village extension officers in 36 villages learned about both systems to provide advisory services in their villages.</p> <p>The trainees established 605 greenhouses and 245 drip irrigation systems in 39 remote villages where water is scarce.</p> <p>The hydroponic greenhouses produced 230,909 leafy vegetables and other vegetables (fruits, roots, seeds). The drip irrigation systems produced 10,673 kilos of vegetables. This produce has improved the nutrition of 1,438 households directly and 2,538 households benefitted from the opportunity to obtain fresh vegetables (through purchase or a sharing system) at the village level. Nutrition training and cooking demonstrations took place in each village.</p> <p>TdH renovated ponds and dug new wells to ensure the hydroponic and drip irrigation systems weren't using the village drinking water resources. Water committees managed the operations and maintenance of the water facilities.</p> <p>The project established vegetable producer groups to market the increasing volume of produce. They received management and financial training.</p>

Sr.	IP, project title, timeframe, budget, status	Important updates
11	<p>UNESCAP</p> <p>Integrated Rural Economic and Social Development Programme for Livelihoods Improvement in the Dry Zone of Myanmar</p> <p>From 01/01/2014 to 31/12/2016</p> <p>Budget: USD 1,104,905</p> <p>Ongoing</p>	<p>Towards the end of 2015, the project conducted a total of six studies (two studies on three topics) which will be available in 2016. Each topic was covered by a study on policies, institutions, and processes (PIP) and a stakeholder mapping. The topics were:</p> <ul style="list-style-type: none"> • value chains for seed development • custom hiring of agricultural machines • farmer-led innovations for climate resilient agriculture <p>Workshops on '<i>Promoting Farmer-led Innovation for Climate-resilient Agriculture in Myanmar's Dry Zone</i>', and '<i>Enabling Environment for Custom Hiring of Agricultural Machinery in the Dry Zone</i>' were conducted in November and December in Mandalay. The discussions were attended by representatives from government technical departments, the private sector and international and national NGOs.</p>
12	<p>World Fish</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>From 21/09/2015 to 31/12/2018</p> <p>Budget: USD 3,284.592</p> <p>Ongoing</p>	<p>(also profiled in the Delta chart) Inception phase:</p> <ul style="list-style-type: none"> • A Scoping study in the Dry Zone was conducted to identify promising aquaculture technologies for testing during the project • Project staff capacity building: a cross visit to Bangladesh was organised for 9 project staff (including partners staff): WorldFish Bangladesh provided a Training of Trainers course on aquaculture and nutrition in December, based on experience from their on- going project "<i>Aquaculture for Income and Nutrition</i>" • Finalisation of agreement with project implementing partners for the central Dry Zone: Pact and DoF • Baseline survey • Development of MEAL plan
13	<p>HelpAge International</p> <p>Dry Zone Social Protection Project</p> <p>From 15/12/2015 to 31/12/2018</p> <p>Budget: USD 4,200,000</p> <p>Ongoing</p>	<p>The project started preparations for recruitment and setting up offices in the selected townships in the Dry Zone. The project will pilot government programmes on old age pension and support for PwD. A second component of the project will pilot village-based social protection mechanisms for the most vulnerable.</p>

Table Annex 4.3: Important updates on 13 projects during 2015 in the Uplands

Sr.	IP, project title, timeframe, budget, status	Important updates
1	<p>Adventist Development and Relief Agency (ADRA)</p> <p>Vocational Training to Support Livelihoods (VTSL)</p> <p>From 11/04/2014 to 10/04/2015</p> <p>Budget: USD 100,000</p> <p>Closing</p>	<ul style="list-style-type: none"> • Three modular curricula (basic computer training, agriculture equipment/small engine mechanic training, and advanced sewing) were provided by OVEC Thailand to the Myanmar Ministry of Science and Technology (MoST) and used in the Hpa-An THS • In March, an evaluation and lessons-learned symposium was organised by the project at the Hpa 'An Technical University. A delegation from Thailand and officials from government departments attended • According to the final evaluation of the project, 63 per cent of the 111 technical and vocational education and training (TVET) course graduates obtained employment and increased their income within three months of course completion
2	<p>CARE International</p> <p>TEA Business Enabling Environment for the Ex-Opium Farmers' of Kokang</p> <p>From 13/07/2012 to 31/12/2015</p> <p>Budget: USD 768,199</p> <p>Closing</p>	<ul style="list-style-type: none"> • The project established and supported the Tar Shwe Tan Tea Association (TSTTA) including tea producer groups from 17 villages with 735 members • Armed conflict erupted in Kokang in February 2015 and the project area had to be evacuated. The project was suspended until CARE attempted to resume activities in November, focusing on tea plantation rehabilitation. However the lack of security led to the decision to close the project at the end of December
3	<p>CESVI</p> <p>Livelihood Security in Kyauk Mae and Naung Cho Townships in Northern Shan State</p> <p>From 14/10/2010 to 30/06/2015</p> <p>Budget: USD 2,288,243</p> <p>Closing</p>	<ul style="list-style-type: none"> • During the extension period, the project focused its support to the 70 villages (out of 101) with the best performing Village Development Committees; these were determined by a participatory evaluation carried out by the project team. All 70 villages developed a revised Village Action Plan (VAP) • In March 2015, 145 VDC members participated in advocacy meetings with township-level authorities and departments to explain their village plans • 928 VDC members (496 women) were trained to evaluate their capacities and identify future capacity needs • The project established seed banks in 87 villages, supporting 1,719 farmers • 917 households were able to breed pigs or goats with assistance from the livestock bank • Township LBVD officers trained 65 Animal Health Workers (AHW) in advanced animal husbandry • 277 people or 60 per cent of the 457 villagers who underwent vocational training, have strengthened their business and increased their incomes • The project established 31 school gardens where children grew and consumed a wide variety of nutrition-rich vegetables and fruit

Sr.	IP, project title, timeframe, budget, status	Important updates
4	<p>GRET</p> <p>Sustainable Livelihoods and Natural Resource Management in 5 Townships of the Northern Chin State</p> <p>From 04/11/2010 to 03/07/2015</p> <p>Budget: USD 3,471,205</p> <p>Closing</p>	<ul style="list-style-type: none"> • CORAD (Choklei Organisation for Rural and Agricultural Development) applied for registration in 2014, obtaining a temporary registration document from the Chin government while registering at union level • CORAD provided a range of training and technical support to 105 village-based groups comprising 3,499 members (1,277 women). These groups developed community action plans. 125 projects (terrace, irrigation, fish ponds, orchard grape and orchard coffee) were implemented during the project duration • The project organised experience-sharing meetings in 174 villages with 5,936 participants (2,594 women) to review and discuss the process and results of these collective action plans with other villagers and collected suggestions • The project has developed three technical training manuals on agro-forestry, ecology and water management • In April, the project organised a series of short trainings on project cycle management, governance, conflict resolution and change management for the CORAD board members (four farmer representatives, two non-farmer members, and six staff)
5	<p>GRET</p> <p>Expanding rural financial markets by institutionalizing Chin MFI</p> <p>From 1/12/2015 to 31/12/2018</p> <p>Budget- USD 1,320,176 including flood response</p> <p>Ongoing</p>	<ul style="list-style-type: none"> • In its first month of operation, GRET conducted a workshop in which GRET senior staff discussed the organisational structure of Chin MFI in order to start company registration process. GRET selected a law firm to proceed with the registration process
6	<p>ICRAF (World Agroforestry Centre)</p> <p>Agroforestry Alternatives to Shifting Cultivation in Myanmar</p> <p>From 22/10/2014 to 21/10/2018</p> <p>Budget: USD 599,896</p> <p>Ongoing</p>	<ul style="list-style-type: none"> • ICRAF is working closely with the Yezin University of Forestry (YUF). They have been unable to finalise a Memorandum of Understanding (MoU) yet with the Ministry of Environment Conservation and Forestry (MOECAF), but have received the approval of the minister to implement the project. Now ICRAF is negotiating a MoU with YUF, which is becoming an institution independent from the ministry • The project has signed agreements with two implementing partners, Ar Yone Oo (AYO) to work in Tedim Township in Northern Chin State, and Ecosystem Conservation and Community Development Initiative (ECCDI) to work in Pinlaung Township, southern Shan State

Sr.	IP, project title, timeframe, budget, status	Important updates
		<ul style="list-style-type: none"> In each of these areas, the project established pilot demonstration plots planted with nitrogen fixing trees. ICRAF organised an inception workshop: "Agroforestry: Alternatives to Shifting Cultivation in the Upland Myanmar" on 8th September 2015 in Nay Pyi Taw
7	<p>Mercy Corps (in partnership with Swiss Contact)</p> <p>Making Vegetable Markets Work (MVMW) for the Poor</p> <p>From 17/06/2014 to 10/06/2017</p> <p>Budget: USD 4,000,000</p> <p>Ongoing</p>	<ol style="list-style-type: none"> Due to topographic constraints, MVMW shifted the programme's secondary geographic focus from Chin State to Rakhine State. The project townships there are Mrauk U, Kyawktaw, and Sittwe, endorsed by the Rakhine State government. MVMW mobilised 2,005 farmers into 107 farmer groups across all six targeted townships. East West Seeds provided technical training to 1,769 farmers. 134 demonstration plots were established across all programme areas The project is facilitating supply chain development for seedling trays, plastic mulching, and trellis netting in southern Shan The project facilitated the formation of the Vegetable Sector Acceleration Task Force (VSAT), which is a multi-stakeholder platform that convenes government, the private sector and development partners to speed up the development of Myanmar's vegetable sector. VSAT organised a comprehensive vegetable sector development strategy. The project organised regular VSAT meetings and 37 representatives from the government and private sector, including trade associations and international firms, are involved in this taskforce
8	<p>Metta Development Foundation</p> <p>Farmer Field School to LIFT the Food Security of Small and Marginal Land Holders (LIFT-FFS)</p> <p>From 09/12/2010 to 31/05/2015</p> <p>Budget: USD 1,582,103</p> <p>Closing</p>	<ul style="list-style-type: none"> In Kachin, rice banks were set up in 20 villages benefiting 535 farmers (313 men, 222 women) During the last year, Metta developed an integrated pest management (IPM) training curriculum. Eleven villages in Shan and three in Kachin trialed IPM practices for garlic and potato with higher or similar yields in IPM plots compared to farmer practice.

Sr.	IP, project title, timeframe, budget, status	Important updates
9	<p>PRIME Water for Livelihoods and Smallholder Prosperity</p> <p>From 14/12/2015 to 31/12/2018</p> <p>Budget: USD 5,884,862</p> <p>Ongoing</p>	<ul style="list-style-type: none"> • Signed a general support agreement with LIFT in December 2015 • Opened project office in Heho • Prepared project site selection with project team at field level
10	<p>SWISSAID Improving Livelihoods through Civil Society Strengthening</p> <p>From 01/03/2011 to 31/03/2015</p> <p>Budget: USD 1,260,945</p> <p>Closed</p>	<ul style="list-style-type: none"> • The project provided organisational and technical support to six Local Development Organisations (LDOs) in Kachin and Shan States. During the last year, the project support focused on Banmaw and Southern Shan LDOs • The project trained 126 farmers in soil conservation and 82 farmers in vermi-compost, and delivered agricultural inputs to 278 households • Construction materials were provided to eight community-initiated rice banks for them to build new storage facilities benefiting 258 households. The project established a total of 17 rice banks • In collaboration with the Department of Agricultural Land Management and Statistics (DALMS), the project provided information on land tenure and land registration to another 166 villagers. The training encouraged participants to apply for a Land-Use Certificate for the land they cultivate. Afterwards, some villages collectively asked SLRD to conduct additional surveys. Other villages also started the process of registering their forest as community forest land
11	<p>TAG International Plan Bee: Introduction and Expansion of Modern Beekeeping and Honey Production in Shan State</p> <p>From 23/10/2013 to 31/03/2016</p> <p>Budget: USD 716,341</p> <p>Ongoing</p>	<ul style="list-style-type: none"> • In September the Apiculture Resource and Business Centre was officially opened in Pindaya • The Centre is equipped with an automated bottling machine • The project held training in how to make honey bi-products, i.e., bee wax candles and balms. They trained 43 women • In the 2015 Niger pea flow season, commercial beekeepers received shallow supers, queen excluders, refractometers, and polystyrene hives free of charge in order to test their utilisation • Two demonstration farms were established for pollination by bees of corn and sunflower with assistance from the MoAI. A 22 per cent yield increase was measured for sunflower, 62 per cent for Niger, with no significant increase for corn in comparison to the netted areas that prevented pollination. A mango farm yielded an increase of 67 per cent; another mango farm, which did not apply the IPM methods, only increased by 10 per cent

Sr.	IP, project title, timeframe, budget, status	Important updates
		<ul style="list-style-type: none"> • 375 farmers (110 female) participated in a visit to a Heho demonstration farm to observe the results. • In 2015, 16 CBEs extracted four tons of honey during the jujube season and 8.58 tons during the Niger honey-flow season from 894 hives • The project is now proposing beekeepers to own hives individually. 13 beekeepers now own 280 hives privately
12	<p>CORAD (Choklei Organisation for Rural and Agricultural Development)</p> <p>(Remark: Flood response)</p> <p>From 09/2015 to 12/2015</p> <p>Budget: USD 92,902</p> <p>Closed</p>	<ul style="list-style-type: none"> • CORAD has provided support to 1,615 households in 55 villages in Northern Chin affected by landslides in July • Through cash-for-work programmes, 322 households rehabilitated 89 acres of terraces in 20 villages. And 689 households rehabilitated irrigation systems feeding 785 acres in 34 villages • Irrigation material was provided for 300 acres benefitting 389 households from 24 villages • Seeds (potato, peas, beans, garlic, cabbage, cauliflower, onion, and Niger) were provided to 797 households for cultivating 92 acres in 36 villages
13	<p>World Vision Myanmar/ Vision Fund</p> <p>Financial Inclusion For Uplands Project</p> <p>From 23/10/2013 to 31/03/2016</p> <p>Budget: USD 4,500,000</p> <p>Ongoing</p>	<ul style="list-style-type: none"> • Established branch offices in Tarlay, Kyaing Tong, Hpa-an, Lashio and Hsipaw • Recruited branch staff in new branches • Updated credit system software to be included in borrower's saving records

Table Annex 4.4: Important updates on the Tat Lan Programme (Phase I and II) 2015 in Rakhine

Sr	IP, project title, timeframe, budget, status	Important updates
1	<p>Tat Lan Phase I –</p> <p>Sustainable Food Security and Livelihoods Programme</p> <p>Phase I From 01/03/2013 to 31/12/2015</p> <p>Budget Phase I: USD 14,104,965</p> <p>First phase closed in December 2015</p> <p>Phase II From 01/01/2016 to 31/12/2018</p> <p>Budget Phase II: USD 23,716,440</p>	<p>Updates:</p> <ul style="list-style-type: none"> • The LIFT Fund Board approved Phase II for Tat Lan from January 2016 to December 2018, allotting nearly an additional USD 24 million • 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&E • Additional villages and new sectors are addressed in Phase II. The maternity cash transfer scheme and WASH activities are brought to scale across Pauktaw, Minbya, and Myebon • In addition, LIFT signed a new livelihood project in Rathedaung with CARE • Substantial new financial inclusion funding (USD 10 million) is directed to Rakhine through PGMF and Yoma Bank • A new window of funding opportunities is opened for skills and vocational development • A smaller project will work on linking vegetable production to markets in the Marauk district through Mercy Corps <p>Selected Results Tat Lan Phase I:</p> <ul style="list-style-type: none"> • 92.5 miles of robust embankments with 31 sluice gates and 27 culverts built to protect 22,297 acres of paddy land • 87 miles of robust embankments withstood the destructive forces of Cyclone Komen • 26,143 vulnerable villagers participated in social protection, cash-for-work infrastructure development • 5.1 per cent reduction in stunting within 1 year of maternity cash transfers across the pilot villages • 24.7 per cent of babies under the age of six months were exclusively breastfed compared to 16.2 per cent in the 2013 baseline survey • 69 per cent of women were included in financial decision-making processes at the household and community level • 210 Village Saving and Loans Associations (VSLAs) were formed and savings of USD 300,000 benefit micro-enterprises mainly led by women

ANNEX 5: SUMMARY OF ACHIEVEMENTS BY LIFT MICROFINANCE PARTNERS BY END OF 2015

	LIFT Microfinance Partner	OSS	FSS	Clients	Women clients	Per cent of women clients	Villages	PAR30	Assets	Outstanding loan amount	Balance of savings
1	PGMF	151%	129%	673,828	660,351	98%	10,062	0.57%	126,258,448	112,584,662	34,566,150
2	Vision Fund	66%	62%	58,943	51,280	87%	376	0.00%	8,873,893	8,035,789	N/A
3	Proximity Finance	105%	103%	47,884	10,534	22%	1,225	3.99%	9,730,957	5,980,361	N/A
4	Gret (Chin MFI)	137%	105%	9,647	9,454	98%	105	0.40%	1,872,000	1,540,000	N/A
5	Gret (Dryzone)	75%	52%	4,324	3,762	87%	55	0.00%	901,073	404,360	N/A
6	ASA Myanmar	54%	32%	31,397	31,397	100%	88	0.00%	2,306,550	2,080,575	459,707
7	Alliance Myanmar	19%	19%	10,060	8,853	88%	106	0.00%	937,197	758,231	79,480
8	Fullerton	35%	55%	36,096	33,569	93%	104	0.00%	6,461,940	3,892,818	213,039
9	Ar Yone Oo	190%	100%	5,772	5,714	99%	69	0.00%	643,435	391,954	138,648
10	Border Development Association	187%	104%	6,099	6,038	99%	58	0.00%	677,485	581,549	128,816
11	Ratana Metta Organization	175%	92%	6,165	6,103	99%	38	0.00%	607,338	533,785	104,913
12	Environmental Conservation and Livelihood Outreach Foundation - ECLOF	168%	97%	7,339	7,266	99%	90	0.00%	679,734	672,617	154,043
	LIFT Microfinance Partner	OSS	FSS	Clients	Women clients	Per cent of women clients	Villages	PAR30	Assets	Outstanding loan amount	Balance of savings
13	Myanmar Heart Development Organisation	199%	105%	6,396	6,332	99%	64	0.00%	494,082	460,513	74,690
14	Social Vision Services	167%	92%	5,825	5,767	99%	59	0.00%	477,128	429,735	71,152
15	YMCA	201%	99%	4,683	4,636	99%	54	0.00%	484,159	424,917	58,972
16	Wan Lark	106%	50%	4,965	4,915	99%	36	0.00%	433,499	266,427	42,275
17	The Sun	111%	60%	5,342	5,289	99%	69	0.00%	340,929	291,908	44,821
18	24 Credit Cooperatives ¹⁴	123%	N/A	9,746	5,653	58%	180	0.14%	253,301	230,509	103,075
	Total 41 LIFT Partners			934,511	866,914	93%	12,838		162,433,147	139,560,711	36,329,783
	All 168 MFIs in Myanmar			1,682,147					267,576,502	207,777,784	50,654,548
	Contribution of LIFT Microfinance Partners			56%					61%	67%	72%

OSS = Operational self-sufficiency, FSS = Financial self-sufficiency

ANNEX 6: POLICY ENGAGEMENT IN 2015

Financial Inclusion	
<p>Issue: Sectoral and Institutional Development in Microfinance LIFT IP: 16 Microfinance Institutions and IFC</p> <p>Collaborators: Myanmar Microfinance Association (MMFA)</p>	<p>IFC is supporting MMFA with organising microfinance training programmes and facilitating microfinance policy and regulatory development. In June 2015, MMFA started hosting microfinance working group meetings attended by microfinance institutions, investors, and donors including LIFT FMO. The working group members meet every two month to discuss microfinance policy and regulatory issues.</p> <p>By the end of 2015, the working group successfully prepared a paper for policy reform recommendations to accelerate microfinance services in Myanmar. The paper recommends for the following key policy changes:</p> <ul style="list-style-type: none"> Phasing out restrictions on MFI members' savings deposits Reducing restrictions on borrowing funds Reducing the minimum interest rates allowed for deposits Reducing the liquidity ratio for deposit-taking Expanding the range of financial products <p>The paper also highlights the importance of regulatory and supervisory capacity building at the Financial Regulatory Department under the Ministry of Finance (MoF).</p> <p>MMFA plans to launch an open discussion on this paper and present this to the Government in early 2016.</p>
Food Security	
<p>Issue: Food Security Policy Analyses for Policy Advocacy LIFT IP: Food Security Working Group (FSWG)</p>	<p>In 2015, FSWG completed five comprehensive food security policy analyses:</p> <p>Farmer Protection and Welfare Enhancement Bylaws FSWG has influenced a number of recommendations for writing into the revised <i>Farmer Protection and Welfare Enhancement By-laws</i>. To achieve this, the Group organised a series of public consultation meetings and a workshop, which consolidated the findings of the meetings and resulted in a final legal analysis paper on the by-laws. Then FSWG presented the paper to the Agricultural, Livestock and Fisheries Development Committee (ALFDC) of Pyithu Hluttaw in Nay Pyi Taw on 2 April 2015. The ALFDC accepted the findings and recommendations made by FSWG in the paper as part of by-law revisions. A policy briefing paper is being prepared and expected to be released in the first quarter of 2016.</p> <p>Seed Law and Policy From December 2014 to March 2015, the FSWG undertook a study of the seed law and the seed policy to analyse the policy and stakeholder environment, as well as to map the seed markets. Gaps and leverage points were identified to develop an advocacy strategy and action plan (with special focus on smallholder farmers) for policy subgroup implementation. The final reports were published in December 2015, in both English and Myanmar languages.</p>

	<p>Literature Review on Myanmar Rice Policy</p> <p>The previous rice policy designed by the Myanmar Rice Federation offers a good framework for further policy development. Based on this policy, FSWG has suggested a number of recommendations. These include developing the seed sector, banking sector reforms, training of farmers in financial management, and awareness to help them think about the future consequences of entering into formal contracts, increasing the capacity for soil testing, farm land law review, and the development of a Myanmar- specific framework for ongoing agriculture development. Soft copies of this review are available from the FSWG Yangon Office.</p> <p>A Study on Agricultural Investments – April to October 2015</p> <p>The research was conducted to improve the understanding of the impact of corporate and smallholder agricultural investments on food security and rural livelihoods. It also analysed the stakeholder environment related to the <i>Agricultural Investment Law</i>. The research therefore provided FSWG with the necessary evidence for good practice relating to pro-poor public policies that address food security in Myanmar. As part of this research, three case studies: sugarcane, watermelon, and tea were reviewed. The final report and briefing papers were published in both English and Myanmar languages and disseminated in November 2015.</p> <p>The Farmers' Organisation Mapping Study</p> <p>The study was commissioned at the beginning of 2015 in collaboration with GRET in order to better understand the dynamics of farmer organisations in Myanmar and to build a typology of organisations. An initial research tool orientation workshop and a data collection workshop were conducted in March and June 2015 respectively. Then, data collection was done in 11 states and regions across Myanmar: Yangon, Magwe, Sagaing, Mandalay, Bago, Ayeyarwady, Rakhine, Taninthari, Shan, Chin, and Kayah. The final report and the farmers' organisation directory are being finalised and will be published in both English and Myanmar languages and disseminated in the first quarter of 2016.</p>
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Gender	
<p>Issue: Legislation on Violence Against Women</p> <p>LIFT IP: Gender Equality Network (GEN)</p> <p>Collaborators: ActionAid</p>	<p>GEN continues to lead in the development and finalisation of the <i>Prevention (and Protection) of Violence Against Women Law (PoVAW)</i>, which will ensure legal protection for women to live healthy, productive, and engaged lives, that are free from violence. The draft PoVAW law was completed in December 2014 and has been revised several times, as the Department of Social Welfare (DSW) amended wording and content to ensure that the law would fit with Myanmar legal terminology and formatting. This was a process which involved re-drafting of the entire law by a senior Myanmar legal specialist; reviews by GEN and the UN Gender Theme Group; discussion with the Law Drafting Working Group; submission of comments and edits; and debate, discussion, and further revisions.</p>

<p>Issue: National Strategic Plan for the Advancement of Women 2013 – 2022 LIFT IP: Gender Equality Network (GEN)</p>	<p>In terms of union-level gender strategy, GEN successfully lobbied for civil society representation on the Gender Equality and Women's Empowerment Sector Working Group (GEWE SWG), which has been the formal mechanism for the implementation of the National Strategic Plan for the Advancement of Women 2013 – 2022. Furthermore, the GEN and The Women's Organisation Network (WON) formed a complimentary civil society mechanism in parallel with the GEWE SWG. The GEN-WON Core Group produced a Member Mapping Report. It is a comprehensive mapping of GEN and WON members' activities. It also identifies the gaps in coverage and provides important recommendations for government, development partners, and civil society to address these gaps.</p>
<p>Issue: Gender Responsive Land policy LIFT IP: Gender Equality Network (GEN)</p>	<p>For land policy development, GEN's Gender and Environment Working Group submitted the report '<i>Towards Gender Equality in the National Land Use Policy</i>' to the union government. After months of strategising and lobbying National Land Use Policy policymakers, GEN was able to include a gendered lens especially for women in the policy as its key success in 2015. The policy has been approved by the union government.</p>

Inclusive Value Chains

<p>Issue: Vegetable Sector Development LIFT IP: Mercy Corps Collaborators: Swisscontact, East-West Seed International, Ministry of Agriculture and Irrigation</p>	<p>Mercy Corps' 'Making Vegetable Markets Work' (MVMW) project facilitated the formation of the Vegetable Sector Acceleration Taskforce (VSAT) in March 2015 to bring together public, private, and civil society partners in order to address critical issues, such as farming practices, development of the seed sector, safe and effective use of inputs, reducing post-harvest loss, and creating market demand.</p> <p>MVMW supported the cost of the VSAT secretary to run the taskforce. Accordingly, two VSAT meetings were held and an agenda and concrete activities proposed for 2016, including works for developing a seed sector strategy with the Myanmar Seed Association, improving the regulatory environment for pesticide registration, marketing and enforcement, and conducting Myanmar's first ever consumer preference survey on the fresh vegetable sector. VSAT also drafted vegetable sector policy in 2015.</p> <p><i>'What Holds Vegetable Farmers Back: a Conflict, Governance and Markets Assessment Making Vegetable Market Work for Smallholders Programme'</i> report was also produced. The report found that vegetable farmers are vulnerable to particular risk factors (e.g. volatile market prices, inconsistent quality of farm inputs and weak demand for high quality vegetables) and policy recommendations to mitigate these risks in order to increase farmers' incomes, and improve the functioning and inclusivity of the larger market system.</p>
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Land Tenure Security	
<p>Issue: National Land Use Policy advocacy LIFT IP: Land Core Group (LCG)</p>	<p>The Land Core Group has actively engaged in a number of on-going meetings on land advocacy, including National Land Use Policy (NLUP) Expert Round Table meetings with stakeholders. It has also played a pivotal advisory role to the NLUP drafting committee, and has extensively worked to improve the draft of the National Land Use Policy. It organised:</p> <ul style="list-style-type: none"> • Lobbying of national parliamentary members on the NLUP in February in Nay Pyi Taw • The National Dialogue on Customary Tenure and rotational shifting cultivation in Nay Pyi Taw, held to support the governments' efforts to redraft the NLUP by addressing customary land tenure issues • A presentation on customary tenure and shifting cultivation at the Asean Social Forestry Network Conference at Inle Lake in May • The hire of an advocacy coordinator who worked with Pyoe Pin to provide on-going land rights awareness training to political parties in nine states and regions in order to increase the awareness and understanding of political party candidates' awareness on land issues
	<ul style="list-style-type: none"> • Two meetings with the EU mission in Myanmar and visiting delegation from Brussels to explain the situation about land issues and the connection to human rights • Presentations on customary tenure at Transnational Institute/ Land in our Hands workshop on the voluntary guidelines of governance and tenure to provide information to the meeting participants in Yangon and Mandalay
<p>Issue: In-depth Knowledge Generation on Rural Land Access and Land Tenure Security LIFT IP: GRET Collaborators: LCG, WHH</p>	<p>Focusing on access to land and land tenure security, GRET's '<i>Understanding rural land issues to engage comprehensive policy dialogue in Myanmar</i>' report identified different forms of land access, land markets, land tenure insecurity, and processes of securing land tenure in the Dry Zone and the Delta. The final draft of the research report for these two zones has been produced. The project is also focusing on the same research issues in Yangon (Htantapin Township) and Chin (Hakha Township). Five newsletters entitled '<i>Myanmar Land Brief</i>' have also been issued and shared with land stakeholders in Myanmar and the Greater Mekong Region (GMR) in order to disseminate land tenure information to potential policy actors.</p>
<p>Issue: Strengthening National Land Management Capacity LIFT IP: UN-Habitat Collaborators: Department of Agricultural Land Management and Statistics (DALMS)</p>	<p>UN-Habitat's Land Administration and Management Programme project aims to support effective implementation of the 2012 Farmland Law. It seeks to provide technical assistance and capacity building to DALMS, the key government agency, to establish a land administration and management system with reliable ownership information, including updated land maps.</p> <p>In 2015, two pilot projects of updating kwin (land unit) maps in Thayawaddy and Myingyan townships were completed. The pilot experience will be applicable if the nation-wide land map update is implemented in the future.</p>

Nutrition

Issue: **Improving Access to Micronutrients via Staple Food in Myanmar/Rice Fortification Policy Formulation**
 LIFT IP: **PATH**
 Collaborators: **National Nutrition Centre (NNC), Food and Drug Administration, *Population Services International (PSI)/ Myanmar, Nutritional Development Initiative Consulting Group, and Myanmar Business Development Consultancy**

*NNC and Food and Drug Administration are parts of Ministry of Health.

PATH's *Fortified Rice in Myanmar Project* aims to introduce and commercialise fortified rice in order to improve the nutritional status of the whole population in Myanmar. It supported the implementation of *National Plan of Action for Food and Nutrition (NPAFN)* for 2011–2015, which identified several food fortification strategies to address micronutrient deficiencies in Myanmar.

The project focal agency under the Ministry of Health (MoH), the National Nutrition Centre (NCC), is tasked with operationalising this plan under the Scaling Up (SUN) initiative. The project seeks to promote direct purchase of fortified rice by consumers as well as distribution to existing food and nutrition programmes supported by the Myanmar government and NGOs.

To do so, PATH:

1. Works on the development of a supply chain and distribution channel for:
 - The transfer of the PATH Ultra Rice technology to selected food manufactures, who will then produce and sell fortified grains to rice millers; and
 - Paving the way for rice millers, traders, and retailers to increase revenue and market share through added value product portfolios
2. Works closely with PSI, which specialises in social marketing to develop the design of a comprehensive demand-generation campaign to create public demand for fortified rice, which is new to Myanmar consumers
3. Works towards the creation of a favourable policy environment through the formation of the Rice Fortification Working Group

During 2015:

Gold Power produced its initial fortified kernels in August and rice millers produced fortified rice in the final quarter of 2015. The project planned to launch the products in 2016 and identify additional voluntary producers and distribution channels to reach out to the population. It also looked for demand from other development actors. The World Food Programme (WFP) has expressed interest in distributing locally produced fortified rice to HIV/AIDS and TB patients in 2016.

At the same time, PATH worked with government partners, specifically NNC, as well as with the private sector, and UN agencies/NGOs/CSOs, to formalise the Rice Fortification Working Group which began drafting a national policy on rice fortification. The first draft, with two major components on composition and quality control processes, is almost finished

Rural Development and Poverty Reduction	
<p>Issue: Formulation of National Action Plan for Agriculture LIFT IP: Food and Agriculture Organisation (FAO) Collaborators: Ministry of Livestock, Fisheries, and Rural Development (MLFRD)</p>	<p>Upon the request of the union government to FAO to provide technical support to the formulation of a <i>National Action Plan for Agriculture</i> (NAPA), the agricultural component of the National Strategy on Poverty Alleviation and Rural Development (NSPARD), LIFT funded FAO to do so. FAO implements the NAPA project in close collaboration with the Department of Rural Development from MLFRD with inputs from the MOAI and the Ministry of Environmental Conservation and Forestry (MECF).</p> <p>The project has two phases:</p> <ol style="list-style-type: none"> 1. Provide a broad overview of the agricultural sector and identify the key issues that need to be addressed in order to promote poverty alleviation through agricultural sector development 2. Provide guidance on how the key issues identified in Phase 1 can be addressed in the most effective manner <p>For Phase 1, 13 thematic studies in crop, livestock, agricultural water and soil management, fisheries, forestry, coastal area management, rural cooperatives, rural employment, rural finance, land tenure, marketing and trade, post-harvest and agro-industries, and gender and social inclusion have been conducted in the agriculture sector (which combines crops, forests, livestock and fisheries sectors). Analysis and synthesis of these technical studies into a draft report has been done via consultation meetings, verification workshops, and a national consultative conference with the three ministries at the township, regional/state, and union-levels.</p>
<p>Issue: Fishery Co-management at State Level LIFT IP: Oxfam GB Collaborators: Rakhine State government, MLFRD, International Rescue Committee, Save the Children, Better Life Organisation, CARE International, and other CSOs such as Rakhine Thahara</p>	<p>Previously, LIFT funded the Tat Lan Programme partners to provide technical support to develop the 2014 <i>Rakhine State Freshwater Fisheries Law</i> to ensure adoption of community-based fisheries co-management in the Law. In 2015, Oxfam GB mainly continued its support of giving inputs to the Rakhine State government to make by-laws required for implementation of the law. Via the Rakhine Fisheries Partnership Platform, Oxfam GB, together with other CSOs such as Rakhine Thahara Association, worked with the Rakhine State government developing by-laws.</p> <p>Accordingly, two drafts of by-laws were drawn up and approved. The third draft was under discussion with the state government.</p>
<p>Issue: Operationalising Strategic Framework for Rural Development LIFT IP: LIFT itself Collaborators: MLFRD</p>	<p>LIFT supported the MLDRD to develop the four-year Comprehensive Capacity Development Plan (CCDP) and to exercise Village Development Planning (VDP), which are considered by the government as the components of implementing the Strategic Framework for Rural Development, endorsed by the government as the guide for poverty reduction and rural development in Myanmar.</p> <p>An international and a national rural development specialist from LIFT continued to sit at the DRD and worked closely with DRD personnel to finalise the CCDP they helped DRD to draft in 2014</p> <p>They also worked closely with DRD and civil society organisations to develop an unprecedented National Level Village Development Planning Model, which is a priority initiative of the CCDP</p>

	<p>A LIFT team led by the afore-mentioned rural development specialists provided technical assistance to DRD on capacity building training and workshops of MLFRD staff and community members on village development planning</p> <p>The LIFT team also provided technical assistance with field visits to a total 170 pilot villages in all states and regions to develop and complete village development plans for these villages</p> <p>The LIFT team also worked closely with the DRD Executive Committee to develop a strategy for VDP scaling up to cover all 63,889 villages in all 305 rural townships in Myanmar, based on the pilot experience</p>
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Social Protection	
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<p>Issue: Generating Local Evidence for Social Protection Policy Development LIFT IP: SPPRG Collaborators: DRD, FAO, DSW, ActionAid, Leprosy Mission Myanmar</p>	<p>To strengthen the evidence base for social protection and poverty reduction, SPPRG's <i>Inclusive Livelihoods and Social Protection Research Project</i> produced '<i>Dimensions of Poverty, Vulnerability and Social Protection in Rural Communities</i>' in 2015 by closely working with DRD, which was partially funded by FAO. The report extracted social protection and poverty-related evidence from a national study of 22,000 HHs in all states and regions.</p> <p>The report also incorporated findings on poverty, debt, and microcredit from a qualitative study of 160 respondents in three states and regions (Chin, Sagaing, and the Ayeyarwady) via open interviews. Moreover, it included 10 new recommendations for poverty reduction. It was published online in December 2015. It was also consolidated into a policy brief, which has been sent to the Office of the President.</p>
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<p>Issue: Empowering the Governments for Social Protection Policy Development and Implementation LIFT IP: HelpAge International Collaborators: DSW</p>	<p>Via the <i>Strengthening the Ministry of Social Welfare to Fulfil its Role in Expanding Social Protection Project</i>, HelpAge International supported the strengthening the Ministry of Social Welfare, Relief and Resettlement (MSWRR)'s leadership role in developing the <i>National Social Protection Strategic Plan</i>. HelpAge attempted to translate the plan into actions in 2015. The ministry sought budget allocations from the government but made little progress. Accordingly, nationwide implementation of the whole plan hasn't happened yet.</p> <p>A one-time budget allocation of MMK 500 million was given to the MSWRR in the Financial Year 2015-16 for the social pension flagship programme. The Ministry used this sum for a one-off payment to 23,879 older persons age 90 and above. The project provided support to DSW to compile a database of the 90+ older people for service delivery.</p> <p>The government also contributed MMK 31 million for cash transfers to assist families affected by the 2015 floods. Upon the request from the Deputy Minister, the project supported the development of guidelines on cash delivery in response to October flooding and provided training material related to the care of older people.</p> <p>Apart from government budget, the project and the Ministry conducted one-year pilot monthly cash transfers with LIFT funding in two townships (Moegaung in Kachin and Pyapon in the Ayeyarwady) for children, pregnant women, the disabled, and the elderly. The project offered capacity-building training to MSWRR staff to implement the pilot transfers. The pilot experience will be applicable if the nation-wide plan is implemented in the future.</p> <p>Regarding social protection laws, the project provided technical and financial support to draft the <i>Law for Older People</i>. The draft was revised following consultations supported by the project in previous quarters, and is now in its final stage of legal analysis prior to submission to the Parliament.</p>
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ANNEX 7: LIFT STUDIES DELIVERED IN 2015

Please visit www.lift-fund.org to download the studies

Sr.	Study and Author	
1	<p>LIFT 2014-15 Household Tracker Survey</p> <p>Myanmar Marketing Research and Development (MMRD)</p>	<p>Purpose - LIFT conducts a full Household Survey (HHS) every two years, the last of which was in 2013. However, to provide log frame achievement data for 2014, LIFT commissioned a stratified tracker study of the 2013 Household Survey in late 2014.</p> <p>Methodology - The study consisted of a quantitative questionnaire conducted with a random sample of around 25 per cent of the 3,200 beneficiary households interviewed in the 2013 Household Study. The study was conducted in 36 treatment villages and 15 control villages, surveying 16 households in each, with a total sample of 784 households (576 treatment households and 208 control households). Programme impact was measured by using a reduced set of indicators related to income, agricultural productivity gains, the diversification of food consumption and food security.</p> <p>Main findings - Comparing the findings from the Tracker Survey against the purpose level indicators developed by LIFT, we can conclude that there are some distinct improvements between 2013 and 2014. To list just a few examples, the monthly income of households in the higher income group (above MMK 150,000 as of in January 2015, shortly after the conclusion of harvest season) increased, Household Dietary Diversity Scores (HDDS) improved, and more households adopted or had access to sophisticated agricultural equipment such as tractors and improved crop storage silos. Moreover, although food shortages increased in both LIFT and control villages in 2014, the rate of increase in control villages are much higher than that of LIFT villages. In addition, comparing food shortages, households in two main income groups (low income; less than MMK 150,000 and high income; above MMK 150,000), over 80 percent of households in LIFT villages and over 90 percent of households in control villages that experienced food shortages were in the low income group in 2014. Therefore, LIFT support should more focus on households in low income group in the future. It is clear that LIFT activities are having a positive impact; however, much vulnerability remains.</p>
2	<p>Preliminary and Qualitative Impact Assessment of Microfinance</p> <p>Joan Hall, consultant</p>	<p>Purpose - For the Ministry of Finance, donors and microfinance practitioners On request of the Ministry of Finance, the study assessed microfinance services provided by LIFT-supported MFIs and other MFIs that received licenses in 2012 to find out the impact on the microfinance client households to understand the issues and challenges of microfinance services being provided to the low income households, and to provide recommendations for development of the microfinance market</p> <p>Methodology - Case studies</p> <p>Main findings - (i) Microfinance has increased access to affordable credit, and this is the primary attraction of MFIs. (ii) Although most clients (excluding the poorest) had access to some form of credit (moneylenders, wholesalers, suppliers), the microfinance loans are much more affordable. Access to these loans helps clients realize greater profits from their investments. (iii) Microfinance loans are used primarily for income-generating activities, and this is appropriate. The loans help people invest larger amounts in their businesses, buy inventory that sells more profitably, buy tools and equipment that improve productivity, and pay for transportation. (iv) Clients are mostly satisfied with the conditions of the credit. The affordable rate of interest, the variety of loan products, the reasonable instalment amounts, the balloon</p>

		<p>payments for agricultural loans, and the fact that no collateral is required, were all mentioned as positive attributes of the credit.</p> <p>(v) In terms of business impact, the results showed the following impact: increase in profits and income, diversification into new businesses, larger businesses (inventory, space), more productive business assets, and diversification of product lines into more profitable products. (vi) There were other, non-business, impacts. Home improvements were mentioned frequently. These were done with the profits from the businesses. Independence from moneylenders was mentioned repeatedly. Evidently the MFIs are preferred to the moneylenders. (vii) Regarding negative impact, sometimes the loans, especially in the early cycles, caused an increase in workload due to the need to make frequent payments, sometimes before the investment had made profits. This is especially true of loans invested in agriculture and livestock, which can take months to generate a profit. The balloon payment of the agricultural loan was much appreciated and helps to mitigate this issue. Sometimes business losses created the need to engage in day labour.</p>
3	<p>Analysis of Farm Production Economics in Myanmar</p> <p>The study is managed by Serjy Zorya of the World Bank and led by Agri-food Consulting International (ACI)</p>	<p>Purpose - (i) To fill the knowledge gap in farming production costs and profitability in Myanmar (e.g. the use of seeds and fertiliser, the difference in performance of small versus large farms, the difference in profitability of crops produced in monsoon and summer seasons, etc.). (ii) To obtain farmer's views on their crop cultivation methods, production, sources of supply for inputs and markets for outputs.</p> <p>Methodology - The first round of the survey was conducted in Ayeyarwady, Bago and Sagaing Regions and in Shan State from November to December 2013. The data was then complemented by a second phase focusing on second season rice and pulses from mid-October to mid-May, 2014. The survey team selected villages close to towns, which had a sufficient number of farmers practicing double-cropping. In Ayeyarwady, Bago, Sagaing and Taunggyi, village tracts were pre-selected using random sampling methods with multiple substitutes. In Shan State, the random sampling was not possible due to the security situation, so the team relied on information from the township administration office. At the village level, the survey sampled farmers performing double-cropping with at least one of the target products.</p> <p>Main findings - Preliminary findings were shared at the LIFT Annual Forum, Nay Pyi Taw, 2014. The final results of the two surveys will be presented in April 2016.</p>
4	<p>Livelihoods and Social Change in Myanmar: The QSEM Series Round 5</p> <p>Enlightened Myanmar Research (EMR) and World Bank</p>	<p>Purpose - For LIFT IPs, FMO and Fund Board, private sector, government and other stakeholders</p> <p>To monitor and understand rural livelihood situations in Myanmar over time. The qualitative research explores how people in rural Myanmar make a living, what wider factors shape their ability to do so, and how the broader social and institutional features of community life affect people's livelihood choices and outcomes. This is the fifth round of QSEM, with the first QSEM starting in 2012.</p> <p>Methodology - In QSEM Round 5, 593 interviews and over 200 focus group discussions (FGDs) were conducted, covering approximately 1,000 participants in 54 villages across Ayeyarwady, Chin, Magway, Mandalay, Rakhine and Shan.</p>

		<p>Main findings - Improvements in agriculture-based livelihoods are noted in Shan, Chin, and Ayeyarwady, while other states/regions are still more prone to weather-related shocks. Farmers are notably diversifying production in Shan, benefitting from access to the Chinese market, especially corn. More land is being brought under production. Farmers are moving from shifting cultivation to permanent cultivation. Productivity is on the rise, especially noted for rice in the Delta. More farmers are growing two seasons of rice than reported in earlier QSEM rounds. Also, diversification continues into non-farm rural livelihoods.</p> <p>Increased access to rural credit was observed, relative to earlier QSEMs. They detect increased penetration by the Myanmar Agricultural Development Bank (MADB), increased size of loans, lower interest rates from MADB, and a more diversified set of credit sources as more NGOs penetrate rural areas..</p> <p>Land registrations have spread as land ownership is asserted, again a surprising trend across QSEMs. People perceive this change positively as a way to assert their rights over land. In a small number of villages land registration has not proceeded. Increased registration has not yet led to changes in how land is used, improvements in land rights dispute resolution, nor in increased land prices.</p> <p>Villagers perceive an increase in delivery of government services, e.g. school construction, access to credit (per above), and local infrastructure. Expectations about continued increased service delivery exceed actual delivery increases. Despite this, no instances of village development plans were noted.</p> <p>Greater authority of village trade administrators is observed</p> <p>Migration has noticeably increased, with increased demand for labour in Yangon and increased need for rural households to diversify their income sources.</p>
5	<p>A Country on the Move: Domestic Migration in Two Regions of Myanmar</p> <p>Myanmar Survey Research (MSR) and Indochina Research, with the World Bank providing overall technical support and guidance</p>	<p>Purpose - This study was commissioned as a result of earlier QSEM reports that indicated significant growth in internal migration. In many countries in the region, domestic migration has played a significant role in reducing poverty and building resilient livelihoods. However, migration also contains significant risks for poor migrant households and sending communities. Using a mixed methods approach, the study used quantitative methods to identify profiles and patterns of migrants and migration, and qualitative research investigated migration strategies, enabling factors and impacts on those left behind.</p> <p>Methodology - Qualitative research</p> <p>Main findings - Earning differentials between sending and destination locations are not substantial and as such the certainty and regularity of urban jobs is a significant migration motivation.</p> <p>Social networks were found to have a pre-eminent role in influencing decisions about migration especially risk management.</p> <p>Households exercise a high degree of caution in exploring migration opportunities.</p> <p>Financial costs associated with domestic migration for most groups are low, and therefore manageable for individuals or through financial support from families.</p>

6	<p>Uplands Scoping Report</p> <p>Consultant team led by Aaron M. Becker</p>	<p>Purpose - To help identify needs, outcomes and potential interventions relevant to the complex environments of the Upland areas To provide a rationale supporting a LIFT Upland area's programme framework with presentation of background and key findings, identification of Upland spatial and thematic priorities, lessons, coordination with other initiatives, risks and recommendations. The study analysed the conflict context along with the identification of potential conflict-sensitive livelihood solutions</p> <p>Methodology - Identify outcomes and potential interventions.</p> <p>Main findings - The report was published in July as a supporting document to the Call for Concept Notes for the Uplands Programme</p>
7	<p>Introduction to Social Research Methods</p> <p>Inya Institute</p>	<p>Purpose - A bi-lingual publication to introduce Myanmar readers to social research methods that can improve the implementation of social projects in the country, particularly regarding three components: Research that helps to gain better knowledge of the communities targeted by social projects. Monitoring that helps to assess progress made in the implementation of a project based on its initial plan. Evaluation that helps to assess how a completed project has reached its objectives.</p>
8	<p>LIFT Annual Report 2014 long and short versions</p>	
9	<p>What Holds Vegetable Farmers Back?</p> <p>Making Vegetable Markets Work (MVMW) project, implemented by Mercy Corps in partnership with Swisscontact and East-West Seed International</p>	<p>Purpose - To facilitate improvement in the functioning of the entire vegetable market system and along the value chain. MVMW works from the farm level to national policy level, strengthening vegetable markets, facilitating an enabling environment and supporting markets with financial services and agricultural inputs.</p> <p>Methodology - Analysis of existing (secondary) data and summary of the overall political economy context. Semi-structured interviews with key informants and a sampled cross-section of actors involved in the sector. Use of the project's baseline survey with farmers, with two additional questions posed to over 200 respondents</p> <p>Main findings - The research finds that vegetable farmers in southern Shan State are vulnerable to a range of factors, and this limits their willingness to take on risk. This in turn reduces the scope to innovate and to buy good quality inputs. Unless their vulnerability is tackled, it is unlikely that smallholder farmers in particular will be able to respond optimally to new market opportunities. Technical advice on better farming methods may not be heeded for rational reasons of risk avoidance.</p>

10	<p>Study on Extension and Advisory Services</p> <p>AFC Consultants International</p>	<p>Purpose and methodology - LIFT commissioned the study to provide a qualitative analysis of the supply and demand sides of farm advisory services in Myanmar.</p> <p>Main findings - (i) The study points out that there is no vocational educational training (VET) system for farmers, and particularly a lack of advice to the new generation of farmers with respect to new technology. In the medium-term, increased efforts are essential to include farming in the VET to increase the competences and capabilities of farmers as entrepreneurs, and - equally important- making professional farming an attractive choice for young people in rural areas of the country. (ii) The concept that a fully public-financed extension service will operate efficiently and effectively nationwide and covering all major crops is unrealistic and needs to be modified. The public system lacks resources and a formal strategy. Budgetary restrictions do neither favour frequent visits to the villages nor the implementation of any activities beyond basic routine work.(iii) The private sector is developing very fast - mainly the suppliers of fertilisers and agro-chemicals - and competition between different private sector actors is growing. They are becoming important providers of information and advice at various levels. However, a disconnect exists between government and private sector services. While there are informal situations of government and the private sector working together, the need exists for government to review its own services in relation to what the private sector is doing. This includes protecting farmers from risks associated with pesticides and chemical fertiliser.</p>
11	<p>Village Organisations (VO) Study</p> <p>George Collett, consultant</p>	<p>Purpose - To evaluate the efficacy of LIFT support to village organisations and to provide recommendations and lessons to improve future LIFT programmes.</p> <p>Methodology - Fieldwork was conducted from May to June 2014, covering 50 randomly selected villages in 28 townships, in 10 states and regions, all areas where LIFT is active. Altogether, 143 key informant interviews and 287 focus group discussions were conducted.</p> <p>Main findings - (i) LIFT projects have made a significant impact on the social and organisational landscapes in the villages that have received support. IPs have established an average of two new village organisations in each of the sample villages. Rather than work through existing groups (present in 60 per cent of the sample villages), in the vast majority of cases, they have established new organisations (ii)The potential of these thousands of VOs to contribute to ongoing community development in Myanmar is very significant. However evidence from this study suggests that not all LIFT projects have given sufficient attention to social capital formation. Generally groups have been formed quickly as the necessary vehicles for implementing short-interval LIFT projects (iii) The study indicated that many groups, despite being newly-established, had received minimal capacity development support: management committees and members frequently reported the need for further training in financial management and many lacked clear rules and regulations to govern their activities. Few had clear plans of what they would do following the end of the project. (iv) However, even those VOs not meant to have a lasting role seem motivated to be involved in other development efforts for their communities. For example cash-for work (CfW) VOs were not normally capacitated to play a lasting role in community development. Having successfully accomplished a significant development activity for the community using their local labour, nearly half of the sampled CfW groups were inspired to continue into new ventures.</p>

		<p>Recommendations:</p> <p>(i) If a suitable VO is present within the community, investigate whether it is appropriate, interesting and can be mobilised to support the LIFT IP project (rather than establish a new VO). (ii) Encourage IPs to have phased VO capacity development plans, whereby IPs take smaller and smaller roles, as well as develop clear exit strategies and sustainability plans for the VOs that they establish. (iii) LIFT should aim to build capacity for autonomous, self-directing VOs (not only the capacity of LIFT IPs); i.e. VOs that have plans for the future, skills in management and activity implementation, and understanding of alternative avenues of support. (iv) Encourage networks among VOs and VO umbrella organisations (to harness VO potential, for mutual support and learning, to empower and give voice). (v) Explore/pilot approaches to channel support directly to VOs, including farmer groups, not always mediated through IPs (or with minimal roles for IPs). (vi) More resources should be allocated to investigating/piloting ways to support the poorest and most vulnerable in rural communities.</p>
12	<p>Village Revolving Fund Study (VRF)</p> <p>Development Facilitators, consultant group</p>	<p>Purpose - The objective of this study is to assess the role, effectiveness, and sustainability of VRF groups and the extent to which they are providing sustainable access to financial services at the rural community level</p> <p>Methodology - The sample size was 25 villages: 23 villages in the Dry Zone - Mandalay, Magway and Sagaing Regions and 2 villages from Shan and Bago. The total number of villages given for sampling was 208 where the VRF projects were implemented by five partner organisations, namely DPDO, Thadar Consortium, ADRA, Mercy Corps and MCS. Quantitative and qualitative methods were used. A household survey of 453 beneficiaries of VRF was carried out using a structured questionnaire. Additionally, input was obtained from over 500 people through different qualitative techniques such as FGDs, KIIS, FCAs and Case Studies.</p> <p>Main findings - Increased access to credit has been the main outcome of VRF. There are two different types of village organisations established by partners to implement VRF activities: self help groups (SHGs) and village development committees(VDCs).</p> <p>The main service of VRF is credit facilities, which are offered in two forms. The cash loans (also called cash VRF) are the most popular and found in all VDCs and SHGs. The other is in-kind banks, where loans are given in-kind and loans also recovered in-kind except in rice bank.</p> <p>Savings are provided as a service by all SHGs and a few VDCs. However, the scope of savings was considered to be limited due to the structured nature of savings.</p> <p>In terms of usage, the largest sectors were agriculture (43 per cent), small businesses (33 per cent), and livestock (27 per cent). It also became evident that loans are used by beneficiaries for non-income generation purposes such as consumption (28 per cent), health (21 per cent) and education (17 per cent) 70 per cent of beneficiaries stated that loans have resulted in an increase in income where diversification of income sources (32 per cent) and expanding existing livelihood activities (29 per cent) have been shown as the means of increasing income by use of credit facilities.</p> <p>73 per cent of beneficiaries are women and, of them, 23 per cent are women-headed households. Key benefits for women from VRF are seen in the following: having savings and credit facilities, increased income levels, improved existing income generation activities, increased knowledge and education, development of social networks.</p>

		<p>There has been a significant impact of VRF on the community. Some of the activities are road construction and building common wells, tree planting, providing food for school children, religious activities, awareness of disaster risk management, and water and sanitation are some of the activities. Help has been given to marginalised people such as elders, and the very poor and disabled.</p> <p>Funding for VRF has been limited to funds provided by partners sourcing from LIFT. So far the VRF operations were voluntary operations, with contributions from leaders for limited operational costs.</p> <p>Aside from funding, there are a number of challenges faced by VDCs and SHGs after project completion. The lack of monitoring and follow-up support resulted in deterioration in the quality of book-keeping and other management aspects, such as lack of regular meetings.</p>
13	<p>Farmers Organisation (FO) Study</p> <p>Gret/FSWG</p>	<p>Purpose - The overall objective is to understand the dynamics of farmers' organisations in Myanmar. More specifically, the mapping intended:</p> <ul style="list-style-type: none"> (i) to develop an approach for assessing farmers' organisation based on the literature (ii) to deploy the assessment and build a typology with a national significance (iii) to generate shared knowledge of FOs' dynamics and how to strengthen them <p>Methodology - A series of interviews was conducted by GRET's research team and FSWG member organisations in the regions and states. Interviews aimed at collecting mainly qualitative data on a large number of FOs, according to a framework developed by the research team. The research work was conducted between May and July 2015.</p> <p>Main findings - There is a 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 therefore tries to elaborate a definition that applies to the country specificities. This definition shows the importance of taking into account several dimensions of farmers' organisations such as membership, functions and funding and structuring. A typology of the farmers' organisations was developed, including case studies. The report highlights the current trend of the emergence of local farmers' organisations, and their role in delivering social and economic services to their members, despite the lack of recognition and support from other stakeholders (local and national governments, donors and NGOs).</p>
14	<p>Supporting Civil Society with LIFT Funds</p> <p>Matt Desmond, Ja Tum Seng and Sandar Myo, consultants</p>	<p>Purpose - In recent years, there has been a decline in the amount of LIFT funding to support civil society. In 2015 a number of new LIFT-funded calls were launched. This study considers these two developments, seeks civil society perspectives on them, and makes recommendations.</p> <p>Methodology - Fieldwork for this study was primarily based on 36 CSO consultations in townships where LIFT will direct funds under its new calls. LIFT can be assured that civil society is active in their selected townships. Consultations ranged between 120-150 minutes. A further 17 meetings were held with groups, teams and individuals in Yangon.</p> <p>Main findings - The study concludes that new mechanisms alone will be insufficient to provide effective support to civil society with LIFT funds. Shifts in strategic belief and organisational practice will also be required. The study notes that the current funding streams cannot be adapted to meet LIFT's strategic intent for civil society, nor to address the civil society messages. Two new funding mechanisms are proposed.</p>

		<p>Recommendations: LIFT's strategic relationship with civil society is re-articulated and endorsed by all internal stake-holders. The proposed performance indicator for LIFT's support to civil society is quantified. In December 2016, LIFT commissioned a survey of "allocation of indirect-costs budgets" amongst CSO grantees or sub-grantees to contracts signed in 2015. Strategic partnerships are formed with civil society organisations in 2015, 2016 and 2017. Three small grants mechanisms are established for 2015-2018 corresponding to three of the LIFT geographical zones. The new support to civil society is conceived with a time-horizon of December 2021.</p>
15	<p>Improving Water Management In Myanmar's Dry Zone For Food Security, Livelihoods And Health</p> <p>International Water Management Institute</p>	<p>Purpose - To produce evidence-based research that government officials and development agencies can use to make decisions regarding national strategies or donor investments. Assess the water resources of Myanmar's Dry Zone. Evaluate key issues associated with water availability, access and management. Identify priority areas for investment in water management that would improve livelihoods and food security of the local communities.</p> <p>Methodology - (i) A review of existing information and published literature on water resources in the Dry Zone (ii) meetings and interviews held with government agencies and development partners, including nongovernmental organisations (NGOs), with water-related programmes in villages in the Dry Zone (iii) a village-based survey.</p> <p>Main findings - Due to the Dry Zone's variability of environments, farming systems, water access, and irrigation infrastructure, the report recognised that rather than a single blanket solution, water-related interventions must be tailored to specific needs. The study identified the following five key points to better understand the impact of irrigation on incomes and livelihood and to target investments in agricultural water management in the Dry Zone: Formal irrigation is underperforming Groundwater is a critical but limited resource Small-scale water management technologies bring benefits Soil and water conservation measures need to be actioned Further information is needed for planning and managing water resources</p> <p>Recommendations: There is an urgent need to establish an effective water-related data management system, comprising contemporary monitoring networks underpinned by appropriate data-collection protocols, and modern, accessible databases and analytical tools. This is of particular importance and urgency for the management of groundwater resources. Continued groundwater development, without assessing the availability of the resource, runs the risk of lost investment through over-exploitation and inappropriate siting of wells.</p>

16	<p>Final Evaluation of Two IRRI (International Rice Research Institute) Projects</p>	<p>Purpose - This report presents the final evaluations of two closely related LIFT-funded projects implemented by IRRI from 2012 to 2015. The purpose of the evaluation is to assess achievements of the outputs and outcomes of the programme on the basis of the project log frame, and LIFT log frame, and attention to livelihood issues. The specific objectives of the evaluation are to:</p> <ul style="list-style-type: none"> Independently assess the results of project activities against planned outputs, targets and milestones Independently assess the implementation and the management of implementation constraints and challenges Identify and explain what developmental changes have occurred (beneficial or detrimental), to what extent they can be attributed to the project, and to what extent they will be sustainable Assess the value for money achieved, or to be realised later, from the investments and associated activities, including the distribution of costs and benefits. <p>Methodology - The "Improving livelihoods of rice-based rural households in the lower region of the Ayeyarwady Delta" or "IRRI A" project involved (i) adaptive participatory research and demonstration to identify improved rice varieties and management (and post-harvest) practices that would improve farmers' rice productivity and income, and (ii) building capacity of the NGO partners and the DOA/DAR to improve extension/dissemination and seed flow. The "Reducing risks and improving livelihoods in the rice environments of Myanmar through better targeting of management options" or "IRRI B" project followed almost the same approach but in the Central Dry Zone, and in addition, used remote sensing and GIS technology to develop recommendation domain maps to improve targeting and fast track key research and extension functions.</p> <p>Main findings - Both the IRRI A (Delta) and the IRRI B (CDZ and Delta) are considered to be strong, well-implemented and successful projects. Although separate projects, they followed the same two-pronged approach of adaptive participatory research and demonstration that improved farmers' rice productivity and income, and building extension capacity to improve dissemination. IRRI B used remote sensing and GIS technology to develop recommendation domain maps to improve targeting and fast track key research and extension functions. IRRI B started a few months after IRRI A, but they worked closely together and held final workshops (IRRI A in September and IRRI B in November 2015).</p> <p>Recommendations:</p> <ul style="list-style-type: none"> LIFT should support IRRI directly as the lead implementer of a follow-on project that includes the components outlined above LIFT should continue to work with DOA/DAR/MoAI to develop its capacity and systems through learning- by- doing LIFT should encourage all supported IPs to follow the quality seed production system for the promotion and spread of new varieties of seed All projects over two years duration should have had some kind of mid-term review, with the intensity of the review adjusted according to the need.
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THE LIVELIHOODS AND FOOD SECURITY TRUST FUND

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