



VALUE CHAINS FOR INCLUSION (AND INCLUSIVE GROWTH) PROJECT

Myanmar | Impact Brief
(2016–2021)

End-of Project
Evaluation Report

THIS MEANS THE WORLD



About this report

This brief summarises the results from an end of project evaluation of World Vision Myanmar’s VCDFI project (2016-2021), completed independently by M-CRIL Ltd, between June and July 2021. Data analysis was supported by Vincent Potier, Senior Evidence and Learning Advisor, World Vision Australia; Elena Paleo, Country Impact Manager, World Vision Australia; Gayathri Jayadevan, Technical Advisor, World Vision Australia; Saw Eh Law Hsaw, Interim Chief of Party, World Vision Myanmar; and Ms Nyein Myint, Grants Manager, VisionFund, Myanmar.

Value Chain Development and Financial Inclusion (VCDFI) for Inclusive Growth was supported by the Australian Government through the Australian NGO Cooperation Program (ANCP).

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Front cover photo: Hpa- An, Myanmar





Hpa- An, Myanmar.

CONTEXT

Agriculture has long been Myanmar's economic mainstay. In 2015, the sector contributed 32 percent to GDP, employed 56 percent of the workforce, and accounted for 21 percent of the country's exports¹.

However, in recent years, agricultural production has faced major difficulties with many farm families squeezed on all sides by lower earnings, higher costs, delayed access to markets, and limited access to credit.

Although Myanmar's farms are well diversified, with most farms producing rice during the monsoon season and other crops such as beans, pulses, oilseeds and maize, during the cool and dry seasons, agricultural productivity is low. For example, to harvest rice, one day of work in Myanmar generates only 23 kg of rice, compared to 62 kg in Cambodia, 429 kg in Vietnam, and 547 kg in Thailand². This low productivity is a result of multiple factors, including labour-intensive farm practices, inefficient use of fertilisers, low irrigation coverage, and an undersupply of quality public services such as research and rural infrastructure, which for example, does not produce enough good seeds.

Kayin State in southeastern Myanmar is an area where the majority of the population practice subsistence cultivation. Like much of the country, agricultural production in Kayin has been characterised by low productivity, poor quality seeds, deficient storage and post-harvest processing, as well as limited access to technical services and credit. With a decline in remittances from migration labour (once the primary source of cash income in the area), there has been a growing dependency on the land to survive. However, a lack of economic development opportunities has kept many of these farmers vulnerable to food insecurity, multi-dimensional poverty and poor nutrition, with children and women often the worst affected.

In 2016, World Vision Myanmar initiated a project aimed at increasing agricultural production and income by building the capacity of producers through local value chain development and financial inclusion, with a focus on improving nutritional practices. As summarised in this brief, the project implemented a range of initiatives and activities that were already showing promising emerging results. The onset of dual crises brought on by COVID-19 and the military's takeover of government has not only disrupted the project in various ways but has also made it more difficult to accurately assess the project's achievements.

¹ ADB, "Myanmar's agriculture sector: unlocking the potential for inclusive growth", December 2015.

² <https://www.worldbank.org/en/country/myanmar/publication/myanmar-analysis-of-farm-production-economics>

PROJECT OVERVIEW

Project Goal: **To increase the income of over 15,000 vulnerable people, with a focus on nutritional improvement, especially for children under 5.**

Project Overview: From July 2016 to June 2021, World Vision Myanmar implemented a five-year project titled 'Value Chain Development and Financial Inclusion for Inclusive Growth', funded by the Australian NGO Cooperation Program (ANCP), World Vision Australia and private donations from the people of Australia. The project plan was to sustainably improve incomes in the area by enabling farmers to increase on-farm production and by connecting farmers, producers and key actors in selected value chains in Hpa-An and Hlaing-Bwe townships in Kayin State. The project also aimed to facilitate access to financial services for producer groups (PGs) and small and growing businesses. Nutrition sensitive and specific interventions were integrated into the project, guided by gender considerations, to ensure that any increase in household income contributed to improved nutritional outcomes.

World Vision's Local Value Chain Development (LVCD) model formed the basis for the project design and communities identified their own value chains for development which included rice, groundnuts, sugarcane, cowpeas, soyabeans, livestock (pigs), flowers and weaving. Targeting over 15,000 participants (including smallholder farmers, men, women, and children under 5), the project set out to achieve the following outcomes:

Outcome 1:

Increased income from target value chain activities

Outcome 2:

Increases in crop and livestock productivity

Outcome 3:

Nutritional improvement, especially for children under 5

Outcome 4:

Improved access to financial services

Figure 1: How the VCDFI project achieves change.

WHAT IS LOCAL VALUE CHAIN DEVELOPMENT?

Local Value Chain Development (LVCD) helps smallholder farmers sustainably increase their incomes through better engagement with markets and by building relationships with service providers that can help them improve productivity and quality, while overcoming constraining market barriers.

Key components include:

- 1. Participatory Market Analysis:** World Vision works with the community to scope the local economy and identify high-potential products through participatory value chain analysis.
- 2. Producers work collectively:** World Vision mobilises and strengthens producer groups to work collectively to purchase inputs, as well as process and market products.
- 3. Producers are empowered with knowledge and skills:** World Vision links producer groups to technical and business training and coaching to ensure they have the required knowledge, skills and behaviours to respond to market requirements.
- 4. Links are facilitated:** World Vision supports producer groups to access savings and finance, extension and business services and new and existing markets by linking them to market actors and service providers, ensuring long-term self-sufficiency.

EVALUATION OVERVIEW

The evaluation primarily focused on the value chain development component of the project. For the financial inclusion and nutrition components the evaluation team utilised insights from a concurrent survey with VisionFund Myanmar (VFM) clients.

The evaluation team used three key tools for the evaluation – surveys with participants (including members of PGs and nutrition groups) and volunteers; Focus Group Discussions (FGDs), and Key Informant Interviews (KIIs).

The surveys were conducted via mobile phone in late June and early July 2021 with 486 producer and nutrition group members, 235 VFM borrowers and 100 project volunteers. Sample households were selected from 60 of the 64 active project villages in the two townships of Hpa-An and Hlaing-Bwe and included 12% female-headed households, 3% households with disabled persons and 8% very poor households (PPI poor).

Supplementing the surveys, 11 FGDs were conducted with members of different PGs and other community members, along with 26 KIIs with various project stakeholders.

LIMITATIONS

A major limitation of the evaluation was the government-imposed COVID-19 restrictions on travel and gatherings which required all interviews to be conducted remotely by mobile phone. The lack of face-to-face interaction with

participant households was not ideal, especially vis-à-vis key project indicators like yield, health and nutrition outcomes, and dietary diversity since covering these in sufficient detail was too complex for a phone survey and required physical interaction. For example, relying on recall during a phone conversation was not appropriate for obtaining data on production and yield. This sort of information should be collected as part of monitoring or immediately after crop harvest in a face-to-face set up.

This limitation was compounded by the insufficient number of telephone contacts available (for example, only 849 phone numbers [40%] were available from 2,114 PG members). This, along with other logistical challenges, was a major reason why many of the participants surveyed at baseline and midline could not be contacted for the endline evaluation. As a result, it is difficult to make valid comparisons between the baseline and endline results. However, the survey team was able to use the data and qualitative interactions to undertake trend analysis, which they believe has provided significant insights into the entire five-year project.



Visiting a producer group of certified rice seeds. Hpa-An. Myanmar.

FINDINGS

GOOD PROGRESS DESPITE CHALLENGES

The project surpassed its goal of supporting 5,000 vulnerable youth (70% women and 5% people with disabilities) by reaching 5,959 youth (women 3,712, male 2,247), 19% more than original target.

The evaluation demonstrated significant and large improvement of incomes for these youths (38% increase). Almost 60% of youths surveyed reported increased income in the final evaluation compared with only around 22% at baseline.

OUTCOME 1: INCREASED INCOME FOR HOUSEHOLDS FROM TARGET VALUE CHAIN ACTIVITIES (PRODUCTION, LABOUR, PROCESSING, SELLING)

The median annual income of all households emerging from the endline survey was MMK 3.04 million (AU\$2,376), which exceeded the project's target of MMK 3 million (AU\$2,345). This indicates a significant increase from the start of the project (baseline median income was MMK 2.20 million or AU\$1,720), although it should be noted that this income is from all sources, including non-farm jobs such as remittances from migrant labour and salaried jobs.

Significantly though, there has been a shift with many more households reporting that crop sales/agriculture

is now their main income source (up from 54% to 67%). Previously, remittances from migration labour were the main income source but this has dropped, due mainly to COVID-19 travel restrictions. The need of return migrants to replace their cash incomes from migrant labour with other income has resulted in increased agricultural production. Median income from target value chain crops was reported at endline as MMK 1.4 million (AU\$1,095), which is a 25% increase in contribution to overall household income since midline.

Factors related to increased earnings from agricultural activities include:

- Around 88% of households were engaged in agricultural production at endline (70% grew rice, 22% groundnuts, 24% sugarcane, 15% pulses). This compares with 72% of households at midline, indicating a growing dependence on agriculture.
 - Overall, the supported value chains (rice, groundnuts, sugarcane, cowpeas, soya beans, flowers and weaving) showed good potential for productivity and, thereby, income improvement.
 - The proportion of households earning an income from agricultural production has gone up significantly from 76% at baseline to 87% at endline, suggesting increased commercialisation in the sector over the course of the project.
 - Sugarcane is the major cash crop generating an average annual income of more than MMK 2.5 million (AU\$1,954).
 - One-third of households (50% in Hlaing-Bwe) grow rice for self-consumption only. This is due mainly to poor market conditions, such as long distances to fully functioning markets.
 - Apart from rice production, pig rearing has become a major activity undertaken by farmers (48% in Hpa-An) with pig sales increasing by 14% since midline. However, the pig value chain was not as successful as expected.
- This was largely due to market constraints and other limitations, with the result that livestock upscaling was not undertaken after the midline assessment.
- Although 4 out of 5 producers reported buying inputs from local markets, there is still limited engagement with markets for selling their crops and/or livestock with most preferring to use middlemen/suppliers/traders.
 - The number of input suppliers known to producers has increased, thereby enabling greater choice and ability to obtain the prevailing open market prices.
 - Collective marketing aimed at enabling PG members to find new markets for their crops has yielded limited results and this is blamed on different harvest times, inadequate storage arrangements and limited transport infrastructure (resulting in costly bulk transport).
 - Flower growers and weavers were more successful at developing new markets with the project able to make direct contact between producers and buyers (through the proactive engagement of local market facilitators [LMFs]), resulting in a very successful market linkage.
 - The project's effort at increasing and improving channels of market information were not very effective since the electronic means of communication like Facebook and other social media, as well as Farmer Digital TV, did not become popular for reasons of access, infrastructure and lack of familiarity.

OUTCOME 2: PRODUCERS HAVE IMPROVED CAPACITY TO INCREASE AGRICULTURAL PRODUCTIVITY IN A SUSTAINABLE MANNER

The project aimed to build the capacity of producers to increase crop productivity and improve livestock management in a sustainable manner with the goal of providing better prices and returns for their produce. The survey results indicate that the capacity of producing households has been gradually built and strengthened by providing high-yielding certified seeds and training on new agricultural techniques and livestock management. The project has successfully boosted crop productivity in rice (up 27%), groundnuts (>100%) and soya beans (>100%). The average production per household of individual target crops was found to be highest for rice, followed by sugarcane and soya beans.

A number of producing households were provided with agricultural kits containing certified seeds, pesticides and fertilisers and encouraged to become certified seed producers (and suppliers to local farmers). Although close on two-thirds of farmers have access to certified seeds, only a little over a quarter (28%) have used this improved input. The seeds and the application of new techniques have been shown to increase yield but there are also increased production costs (i.e., for the seeds and fertiliser) meaning the net income gain is fairly limited.

“Certified seeds have produced 20 extra baskets from one acre – highest in many years.”

– FGD with paddy farmer

About half of producing households reported receiving support and services from agricultural extension workers (AEWs). AEWs provide technical training to PG members on topics such as crop management, compost making, and fertiliser use.

Factors relevant to increased productivity include:

- Over 80% of the producing households associated with agricultural PGs have implemented at least one training received on new agricultural techniques. This increased substantially from around 50% at midline.
- Of the 400 producer households in the sample, 73% reported receiving training in the last 12 months of the project.
- Improved application of mineral fertilisers, better seed storage techniques, pest control and nursery by 'depod' method were the most popular new techniques applied.
- Certified seed production, undertaken by just 13% of PG members, has proven to be less popular than expected.
- The use of natural resource management techniques is catching on, with 30% of farmers in the sample (36% of PG members) reporting using some of these techniques.
- The proportion of livestock PG members who have adopted improved livestock management practices is 434 members or 75%.
- Over 50% of households engaged in pig rearing received the support of Livestock Extension Workers (LEWs), and this proportion exceeded 75% in the case of pig-rearing PG members.
- Commercial pig-rearing training was implemented by all households associated with livestock PGs.
- Reported use of livestock management skills have actually declined (37%) compared with mid-term (52%), which is thought to be due to COVID-19-related disruption to follow-up training.
- Crop producers acquired additional practical knowledge of new agricultural techniques that included access to and the use of processing machinery. However, a relatively small proportion (less than 10%) reported having benefitted from processing machinery managed by their PGs (mainly rice producers using threshers).

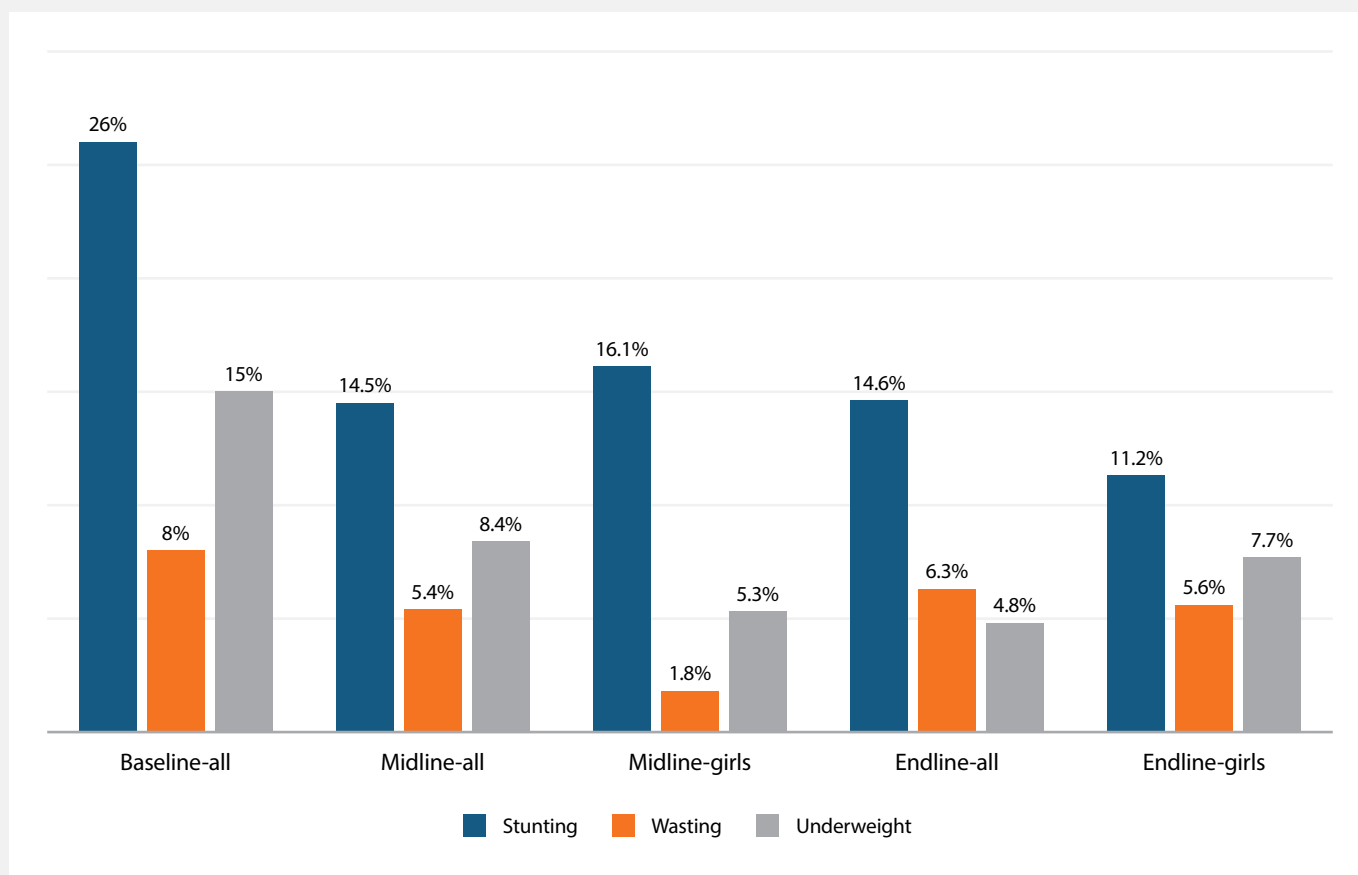
OUTCOME 3: HOUSEHOLDS HAVE IMPROVED NUTRITION AND CHILD-FEEDING PRACTICES.

The project target for child health and nutrition was achieved for most indicators with good progress made on health-related outputs and awareness of nutrition aspects. Conditions for improved child health and positive growth have been created but the pandemic has caused a setback in adherence to minimum dietary diversity (MDD) norms, de-worming and growth monitoring. The lack of growth monitoring and promotion (GMP) events has resulted in the dilution of the message over time and some gains appear to have reversed. For example, more than 80% of children and child-bearing women were reportedly adhering to MDD at midline but for children this was down to 51% at endline, particularly for children under 2 years in Hpa-An.

With health monitoring so badly affected by COVID, it is difficult to draw conclusions regarding health outcomes. The project did make considerable progress in providing de-worming with 90% of children under 5 surveyed having received de-worming by endline.

As shown in Figure 2 below, there were limited differences between the nutritional status of children under 5 between midline and endline, but improvements over baseline. The evaluation team cautions here that gathering the endline data was significantly complicated by COVID-19 restrictions resulting in a small sample size which may have compromised the accuracy of the data. However, on a positive note, all of these child nourishment indicators are lower than both the national and Kayin State averages.³

Figure 2: Findings of anthropometric studies of children under 5



³ National level averages for child nourishment data: 8% wasted, 35% stunted, 22% underweight; Kayin State averages: 4% wasted, 22% stunted, 20% underweight as per child malnourishment data of Multiple Indicator Cluster Survey (MICS) of Myanmar, 2009-10.

OUTCOME 4: HOUSEHOLDS HAVE IMPROVED ACCESS TO FINANCIAL SERVICES

The project exceeded its targets to improve access to financial services in the majority of indicators with survey participants overwhelmingly supporting World Vision's savings options to alternatives. Village Savings and Loan Associations (VSLAs) promoted by World Vision are clearly seen to be driving such savings with around 90% of households reportedly saving with them (including amongst the vulnerable groups). The project responded positively to the need to save outside the home by forming and expanding these VSLAs to improve access for many households. By endline, a total of 9,909 women and 2,123 men had increased

their access to financial services due to the formation of VSLAs and the penetration of VFM in previously underserved/unserved areas.

“Our financial stress has reduced since our association with World Vision.”

– Savings group member

Factors relevant to the improved access to financial services include:

- Nearly 60% of the households surveyed reported some access to financial services, although 49% said they still save at home.
- VSLAs are growing and flourishing. From midline to endline there was an 8% increase in the number of VSLA members and a 66% rise in savings amounts.
- With VSLAs being used extensively, reliance on friends and family, as well as cooperatives, has declined to 20% levels (much lower than the 60% at midline).
- There is a significant change since midline with the use of formal financial services by PG members increasing from 49% at midline to 59% at endline. Overall, the use of financial services at endline by nearly 11,000 clients (VFM and VSLAs) was over 1.8 times the 6,000 level at midline.
- In the qualitative survey, participants confirmed an increase in capacity to save and borrow since the start of the project.
- The survey underlines the growing importance of VSLAs with 90% of savers now using VSLA services compared to 74% at midline.
- Unlike the increase in savings, credit uptake among surveyed households remains low at 26%.
- Borrowing from informal moneylenders is down to negligible levels, presumably due to the increased availability of credit from VSLAs and the growing activity of VFM.
- The limited documentation required and lower interest rates than the informal credit market were given as reasons for preferring VSLAs.
- Purchasing agricultural inputs accounts for 51% of the loans by surveyed households.
- At midline, the overall average loan amount received by borrowing households was reported at MMK 630,000 (AU\$490). By endline this had increased by 38%.
- The median size of VFM's main loan product (Capital Loan, 89% of portfolio) was MMK 1.47 million (AU\$1,145) and the SGB (Small & Growing Business) loan median was MMK 2.3 million (AU\$1,790).
- The overall value of disbursements in the project area was MMK 10.6 billion (AU\$8.2 million), roughly equally distributed between the two townships. Nearly 80% was borrowed by women clients. 90% was lent as a capital loan intended to finance people's day-to-day activities and 10% were SGB loans.
- Overall, more women were able to get emergency loans, indicating a good level of participation in financial matters in the majority of households.
- Almost all respondents across both townships and vulnerable groups were reportedly found to be highly confident in managing their finances including transactions.
- 95% of households who have taken a loan from VSLA in the last 3 years expressed their satisfaction with VSLA participation.
- A lesser incidence of borrowing among project participants from VFM is due to less demand for its larger loan sizes and the perception of relatively high interest rates and restrictive conditions relative to those of VSLAs.
- PG members interviewed had limited experience with formal finance in general. Comments regarding microfinance reflect the limited understanding of markets and access to formal finance as there was very little formal finance available before the entry of VisionFund.



Daw Khin small business selling snacks made of wheat such as cake, bread and other local products.

HOW VISIONFUND WORKS WITH RURAL COMMUNITIES

VisionFund, World Vision's microfinance services provider, empowers rural entrepreneurs with small loans and other financial services to unlock the potential for their small businesses to grow.

Giving people the training and support they need provides them with a sustainable income that enables their children to grow up with improved education, nutrition, health and shelter – the foundation to build a better future.

70% of the world's poor live in rural areas, relying on farming for food and income. VisionFund helps rural communities outside the reach of traditional financial services to access the products they need for sustainable livelihoods. This provides a reliable source of funds to be used to set up or develop a small business. Microfinance is an important tool to help families and communities break free from the cycle of poverty, empowering people to generate their own income, and not rely on charity in the long term.

SUSTAINABILITY

The project faced several headwinds affecting sustainability including the military takeover of the government which has impacted the policy environment and the COVID-19 pandemic which affected activity implementation.

Other external factors that are likely to influence the project's sustainability is the threat of more flooding in the future and the spread of swine flu in the area.

Much of the region is prone to heavy rainfall, making floods an intrinsic risk to agricultural productivity and a threat to livestock. At the time of the midline survey, floods completely destroyed crops in some of the low-lying areas and this has limited the choice of crops that can be grown (i.e., groundnut is less susceptible since it is sown towards the end of October when the monsoon recedes). The project's crop diversification based on local conditions is seen as a wise move from a sustainability perspective.

Regarding the problem of swine flu, the project's vaccination program is likely to continue as farmers are well aware of the benefits and many have acquired the skills to vaccinate their livestock.

The success of the project's financial inclusion program is also likely to continue as many farmers have joined savings groups and PGs have access to loans. VFM's operations will continue, providing benefits to those project participants who need larger loans than those available from VSLAs.

Regarding the project's nutrition-related outcomes, a lot will depend on the policies of the new military government. The project's objectives were well aligned with the previous government's priorities but any policy changes will have an impact on local development activities. Through interviews, government nutrition staff have expressed concerns that without incentives community participation may be lost. For the time being, all cooperation with the government is suspended since local people are not willing to work with the military.

***"The number of participants coming for the GMP has increased – because they are given incentives and gifts from the World Vision. When the project ends, the incentives will also stop and that may hamper their regular attendance, as the government will not provide such incentives."* – Government Nutrition Staff**

An overall analysis of discussions with project stakeholders shows that while some of the project activities may not be sustainable, the impact of other activities is likely to linger in the community for a long time. As several project activities either started late or could not be up-scaled, there are mixed feelings about sustainability.

In general, lack of interest or low participation from the community is a major sustainability issue. The project management feels this is partly the weakness of a time-bound project that did not give them enough time to create community capabilities and a sense of ownership. The lack of market linkages for some PGs and supporting infrastructure such as warehouses and processing units locally are some of the issues that affected the sustainability of value chain initiatives.

Factors likely to affect the sustainability of farming productivity include:

- Farmers coming together to sell their produce as a collective group remains a challenge (often due to variation in harvest times). It seems like PGs will only survive if there are active AEWs, LEWs and LMFs with an interest in continuing the activities promoted by the project.
- A lack of market linkages limits the scope of farmers, forcing them to sell locally at cheaper prices. This problem can only be resolved by the establishment of more processing facilities. On the positive side, there is now a groundnut processing unit (to process groundnut oil) in Hlaing-Bwe, as well as a rice processing unit.
- The participation of the private sector is also limited by the adverse economics of having to provide processing facilities. AWBA, a large agricultural technology and service company, has moved into the project area but their present links are with a relatively small number of PGs.
- Links with the government in all areas – agriculture, livestock, nutrition – are at a low ebb. The revival of these links will need the current political stalemate in the country to be resolved.
- The adoption of high-yielding varieties of rice seed is likely to grow as long as there are favourable conditions, along with good returns from the market.
- Established home gardens are likely to continue as the initiative has demonstrated the benefits of growing vegetables to enable minimum dietary diversity.

CROSS-CUTTING THEMES

GENDER

The project had integrated a gender component from its design phase by hiring a gender specialist and collecting gender disaggregated data to track the involvement of women and men across all project activities. All trainings and workshops organised by the project therefore encouraged both genders to overcome cultural barriers and participate in the project. Women were the most active participants in most project activities, working together alongside men. Interviews and discussions with women revealed that they are gradually feeling more empowered to work in the community.

The effectiveness of promoting equitable participation of men and women varies from one group to another and from one value chain to another. Women's participation in trainings and group meetings as a result of subtle gender disparity between male and female PGs (or members of the same PG) has been an issue.

Findings related to women's participation include:

- Women's participation was particularly pronounced in the nutrition program, home gardening and VSLAs.
- Female heads of household and women in general were very active in savings groups and made up the majority of VFM's clients.
- In other activities there remained uneven gender participation, particularly in agriculture (except in the case of soya beans).
- With the exception of the women-dominated weaving PG group, there was very limited representation of women in leadership roles across PGs.
- Value chain activities such as certified seed production and pig rearing were undertaken almost exclusively by men.
- After midline, the project promoted women's participation in pig rearing through livestock training, building pig-sties, etc. and feedback indicates that there are now a few women successfully engaged in the pig rearing business.

DISABILITY

Feedback from the project did not highlight any significant efforts made (i.e., design innovations or special activities) to include people with disabilities. Feedback from FGDs indicates that people with disabilities do not generally participate in agriculture and are more engaged in home-based livelihood activities.

The absence of any significant attention given to people with disabilities has been noted as a missed opportunity for the project and addressing this issue is one of the recommendations for future projects.

"There are disabled people in the area. Their interest is more in activities which are more appropriate to their lives like doing handicrafts, knitting, tailoring rather than livestock rearing and agriculture. Other NGOs have given training in accounting/bookkeeping to PWD... BRAC has given loans to them to support their businesses."

– MEDA's erstwhile Value Chain Officer

ENVIRONMENTAL STEWARDSHIP

Taking the environmental risks associated with key value chains into account, project staff encouraged community members to follow Good Agricultural Practices (GAP).⁴ An environment assessment was carried out by the project, but no substantial environment impact was reported.

Specific action to lower potential negative impacts of project operations included:

- Project staff encouraged farmers to use pesticides in agriculture in accordance with GAP, and to bring their own non-plastic bags to receive the agricultural input kits.
- Proper disposal of plastics and bottles were regularly communicated to the PG members.
- To promote awareness of the proper disposal of waste, building pigsties at a distance from homes was promoted but limited space meant that this was a challenge for most households. Animal waste management was identified as a potential problem for the future – even though currently the number of animals raised under the project is too limited to cause any environmental damage. Large-scale pig breeding should not be promoted since waste from pig breeding has negative impacts on the environment.
- Organic and mixed fertilisers can reduce the negative impacts on the environment, hence, knowledge of using organic fertilisers and pesticides was constantly shared at the FFS trainings and to all the farmers in the PGs.
- Farmers were trained on using fertilisers and GAP through their PGs. Some of them were even in a position to apply for GAP certification from the Government (for using less than the usual chemical component for production), but these initiatives were stymied first by COVID and then by the forcible change of government.



Small pig production. Hpa-An. Myanmar.

⁴ GAP, as defined by FAO, is a collection of principles applied for on-farm production and post-production processes, resulting in safe and healthy food and non-food agricultural products, while taking into account economic, social and environmental sustainability.

SUMMARY AND CONCLUSIONS

The main achievements and limitations of the project can be summarised as follows:

- **There has been progress with the development of value chains through improving access to markets** and enabling greater agricultural productivity, but it has been slower than ideal as systematic market linkages for the sale of produce have yet to be established. Findings in relation to LVCD show that processing facilities and market linkages for crop and livestock are yet to be fully established resulting in producers continuing to sell their produce to casual buyers or local traders, thereby being unable to realise the full value of their produce. There is evidence, nevertheless, that the food security of participant households has improved.
- **The adoption of certified seeds has shown an increase in uptake** (in the last 2 years) particularly for rice, but at 28% it is still not as widespread as it could be and needs to be promoted consistently for all crops to increase productivity and, thereby, overall production to a higher level.
- **The project has managed to address some of the vulnerabilities that the community had** in terms of a better understanding of the nutritional requirements of children (minimum dietary diversity and breastfeeding). The lack of active participation by caregivers in the nutrition program has been partially ameliorated since midline but there is evidence that the drastic reduction in project activities during the COVID-19 period has resulted in a reduction in the use of technical knowledge, improved feeding and good nutritional outcomes.
- **Anthropometric data (though limited) suggests the prevalence of stunting and underweight development** in the sampled children is much lower than the national as well as Kayin State averages. The majority of children under 6 months, both girls and boys, are exclusively breastfed and there is some behaviour change in parents and grandparents to improve nutrition and child feeding practices. There is some concern that such learnings have a time decay element dictated by seasonal variations in income which affect the choice of foods for the family's diet.
- **Access to finance has made good progress through VSLAs and the VFM program.** VSLAs are seen to be playing a positive role in reducing financial stress by offering flexible and community-sensitive products, and have also been critical for women's participation, leadership, and community engagement. VSLAs do not, however, meet a need for larger loans for income-generating activities like the purchase of agricultural machinery and the establishment of processing facilities, which need to be addressed with applications to VFM for collective loans.
- **VFM has served PG members requiring larger loans than VSLAs are able to provide.** However, the nature of the loans offered did not always meet specific local needs in that the variety of value chains are limited to a standard financial offering. Though VFM developed a collective product, there were not mature enough PGs to provide a viable business model for the purpose of accessing credit.
- **A hybrid approach that includes health and nutrition components among the poor,** along with ensuring access to finance and building community institutions has been an important assumption of the project for long-term sustainability. Rather than just focusing on agriculture and livelihood value chains, nutrition and child health components were given equal importance during implementation and were added to more accurately monitor the impact the increase in income had on project participants.
- **At the community level, the project is seen to be working to include vulnerable sections of the population** such as female-headed households and very poor people. To address gender equity, a series of gender sensitisation trainings were conducted, and this has had some positive impact on women's empowerment. Likewise, nutritional trainings conducted to understand and assess women's nutritional status and the requirements of their children have helped to increase confidence among women about managing the health of their families. However, people with disabilities have not been adequately included in the project's activities.
- **Non-farm income has reduced substantially** during the COVID-19 period of the past 15 months, causing a sudden re-emphasis of the community on cultivation, but it is likely to reverse again resulting in a drain of both knowledge and labour resources.

LESSONS

Some of the lessons emerging from this study of the project include:



Market linkage for inputs did take place but attempts at collective selling to respond to changes in market prices and improve farmers' negotiating power with traders and processors were not successful. The project's planning for collective initiatives was not adequate and efforts made produced limited results, with most farmers continuing to use local traders.



According to the mid-term evaluation, participants found the technical training too short, too fast paced, and too general. Adjustments were made to the training programs in the last two years of the project, but then the pandemic hit which limited coverage substantially. Future projects should ensure in advance that trainings are effective and suitable for the participants.



Although the number of VFM loans increased, many smallholder farmers perceived these loans as having inflexible conditions and high interest rates compared to VSLAs. Generally, this is because VFM deals with larger loans. Accessing finance through formal institutions such as MFIs needs a higher level of financial education and understanding of business investment and growth opportunities than was available through the project. While the project has responded positively on the need to save outside the home by forming and expanding VSLAs, the demand for adequate amounts of credit suited to the enterprise needs of farmers has not been met.



There is a need to be responsive to potential environmental disruption from increased pig rearing, even though currently the number of animals raised under the project is too limited to cause significant environmental damage. The project's introduction of drainage pits and bokashi composting for environmentally sound waste disposal will hopefully be used more widely in the future.



Dealing with adverse climate events (such as floods) requires ongoing efforts to develop and introduce resilient agricultural practices for high-yielding crop cultivation. What works and doesn't work in these changing conditions must be closely monitored to assist with the development of new technologies and practices.

RECOMMENDATIONS

The evaluation identified eight recommendations for the future implementation of World Vision projects.



1. Extend the project.

The current project needed at least two more years of effective functioning for it to have a lasting impact. The project's ambitious goals were hindered both by internal factors such as planning and rollout delays as well as major external factors including floods, COVID-19 and the forcible transfer of government rule to the military. Thus, the effective duration of the project was reduced from 5 years to perhaps less than 3 years.



2. Use the perspective of the participants to identify activities and value chains.

The project supported value chain improvements for rice as it was a popular crop. Unfortunately, only 28% of farmers adopted the higher-yielding rice varieties promoted by the project because according to FGD feedback the intensity of cultivation and cost of inputs did not justify the returns from this new variety. Taste and apparent lower digestibility also inhibited adoption.



3. Develop a long-term strategy for engaging volunteer extension workers.

The extension workers form a critical backbone of the project. Unfortunately, the short duration of the project has been insufficient to establish an effective cadre of volunteers in agriculture, marketing or nutrition. Continued linkage with experienced project managers and technical specialists from Department of Agriculture is essential. Ideally, this should be for another 5 years but, at a minimum, it should be in place for 2 more years. Women and people with disabilities should be involved as local extension workers as well. A clear incentive system for project volunteers with incentives provided by producer groups needs to be established.



4. Ensure gender mainstreaming and adopt a twin-track approach with targeted interventions.

Targeted interventions include the selection of value chains of particular significance for women and those that involve activities with the most potential for poverty reduction. Where the poverty reduction and gender objectives do not coincide, project planners should seek activities with significant gender implications to enhance women's economic empowerment and decision-making potential.



5. Systematise and formalise (and make women friendly) producer groups.

In contrast to the successful savings groups in which women play a key role, producer groups are much less formal and women play a much smaller role. In producer groups and caregiver groups there is no formal membership and no systematic record of who attends meetings and what is discussed at those meetings. Groups meet intermittently for training and/or making decisions on input purchases (certified seed, fertiliser, pesticides, etc.), and distribution of nutritional supplements. This lack of systematic engagement results in a sporadic flow of information and technical knowledge. A more formal structure with membership roles, regular meetings and reporting by extension workers, as well as project staff supporting them, would be more effective in communicating messages and obtaining constructive action to support farmers as well as caregivers. Women could also play a much larger role. The producer groups could be redesigned as a participatory and empowering intervention for gender balance and disability inclusion as well as higher productivity in order to improve its efficacy.



6. Engage men and boys to support women's involvement.

Strong joint decision-making is an outcome emerging from project interventions. The next phase should consider joint decision-making training and activities in financial management, managing workloads and resource management to enable women and men to share their work and share the benefit from the work.



7. Don't miss disability-inclusion opportunities.

Disability inclusion was a missed opportunity in this project. People with disabilities deserve specific consideration at the assessment phase to design interventions that can be mainstreamed and targeted (twin-track approach for disability inclusion). This was missing from the current project and needs particular emphasis.



8. Strengthen planning of collective action.

Farmers and producer groups in this project faced many issues related to market linkage that could potentially be addressed with collective action. Financing, transport and storage were three issues that potentially producer groups working together could have addressed. An apex organisation for savings groups would strengthen their operations by enabling a flow of bulk funds from banks to enable the financing and establishment of storage or processing facilities by the producer groups.



Daw Ma's small business: Producing noddles.

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