

***IAM Mission Report***

**The Independent Assessment Mission of the Human  
Development Initiative Myanmar**

**Covering the period  
June 2010 to May 2011**

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## LIST OF ACRONYMS

AIMS	AIDS Impact and Mitigation Strategy
APRC	Asia Pacific Regional Centre
ASEAN	Association of Southeast Asian Nations
CBASV	Community Based AIDS Support Volunteer Programme
CBOs	Community-based Organisations
CDRT	Community Development for Remote Townships
CEDAW	Committee on the Elimination of Discrimination against Women
CO	Country Office
DEX	Direct Execution
ER	Early Recovery
ERC	Early Recovery Committee
FTA	Fixed Term Appointment
GC/EB	UNDP Governing Council/Executive Board
GOM	Government of the Union of Myanmar
HDI	Human Development Initiative
IAM	Independent Assessment Mission
ICP	International Comparison Programme
ICDP	Integrated Community Development Project
ICERF	Integrated Community-Based Early Recovery Framework
IHLCA	Integrated Household Living Conditions Assessment
INGO	International NGO
MMKs	Myanmar Kyats (ks 820 = US\$1: May 2011)
LIFT	Livelihoods and Food Security Trust Fund
M&E	Monitoring and Evaluation
MEL	Monitoring, Evaluation and Learning
MDG	Millennium Development Goals
MF	Microfinance
MSM	Men Who Have Sex With Men
MPG	Myanmar (HIV) Positive Group
MPP	Micro-project Proposals
NAP	National AIDS Programme
NGO	Non-government Organisation

ODA	Official Development Assistance
PLHIV	People Living with HIV/AIDS
PwD	People with Disabilities
PoP	Poorest of the Poor
PPP	Purchasing Power Parity
RR	Resident Representative
SRDD	Senior Deputy Resident Representative
SHG	Self Help Group
SIDA	Swedish International Development Agency
SPCD	State Peace and Development Council
SRG	Self Reliance Group
SSA	Special Service Agreement Contracts
TSP	Township
UN	United Nations
UNCT	United Nations Country Team
UNDAF	The United Nations Development Assistance Framework
UNDP	United Nations Development Programme
UNHCR	UN High Commission for Refugees
VDMCs	Village Disaster Management Committees
UNOPS	United Nations Office for Project Services

## EXECUTIVE SUMMARY

### INTRODUCTION

The GC/EB requires an annual Independent Assessment Mission to monitor the programme and ensure that it complies with GC/EB decisions.

The IAM took place this year after considerable delay due to technicalities with acquiring visas for the mission. Consequently the total in-country time was reduced. Nevertheless, the Team acknowledges the tremendous support of the UNDP CO in Yangon as it met extensively with the IAM Team in Bangkok over a two week period.

Following these Bangkok engagements, the three member team travelled to Myanmar, conducted field visits to three zones (the Delta, North Rakhine State and the Shan State) and met with UNDP staff and key informants.

### COMPLIANCE WITH THE MANDATE

The UNDP programme in Myanmar is required by the Governing Council/Executive Board (GC/EB) to focus on programmes that implement activities which are “*clearly targeted towards programmes having grassroots impact in a sustainable manner...in the areas of primary health care, the environment, HIV/AIDS, training and education, and food security*”. IAM concludes that the HDI programme is in compliance with GC/EB directives, though we concur with the previous IAM positions that this continues to be a conservative interpretation and that this has had subsequent impact on the overall sustainability of effort.

The Team also acknowledges that in spite of the constraining interpretation, the HDI-IV Projects are addressing the key concerns of the GC/EB directives, in efforts at the grassroots level with township support and coordination. Furthermore, the UNDP continues to inform the government of its efforts in an open and transparent manner, without any direct involvement nor benefit.

In fulfilling this instruction, the Team emphasizes that the UNDP Executive Board needs to provide clear and defined guidance on how its decisions are to be implemented, as the UNDP is currently interpreting the mandate in a very cautious manner. This is especially relevant in the context of sustainability of the projects, which can only be considered as ‘locally’ sustainable as there are no linkages or collaboration with appropriate administrations and departments at the township, state or division levels. In this, there is a strong need for a clarification on the interpretation of the mandate, in the context of effectively implementing a comprehensive development strategy contributing to sustainable of poverty reduction.

### PROGRAMME OBSERVATIONS

*The Integrated Community Development Project (ICDP) and the Community Development in Remote Townships (CDRT)* have undertaken deeper collaboration through the creation of a joint work-plan. There is now one single framework for outcome and output results for both projects at the macro level, while space is given to bottom-up planning and selection of individual activities by the township teams. Based on this detailed work-plan, the targeting of individual households results has been improved.

With this, considerable effort has been made towards consolidating these two principal projects through closer coordination and compliment of effort. While once distinct, the

CDRT and ICDP are now variations on the same theme of community mobilisation, poverty reduction and support to livelihoods.

In this context, the Team recognises the need for a senior, strategic project manager to be in place that can address HDI's current absence of unified project level leadership, and to provide the individual HDI projects with the necessary direction, coherence and synergy required. While consideration needs to be given towards a deeper merging of the two main projects, this should be done within the oversight of a senior manager of all HDI projects. In the meantime, greater consideration should be given to further comparison and harmonisation of procedures and project strategies, with a view towards having one consolidated project approach for the new programme.

Overall the IAM finds that the ICDP/CDRT is providing adequate support to both the poor and disadvantaged through livelihood initiatives, access to credit and improved skills and the strengthening of social capital. Self Reliance Groups are the centrepiece around which most gains are achieved. Importantly, the two projects work through modalities that recognise that improving the capacity, mobility and participation of women at the household and community levels has significant, broader implication for the community.

#### ICDP/CDRT MODALITIES:

**Self Reliance Groups (SRG)** are a key feature of the HDI's community development approach for livelihood enhancement as well as wider community development, health and education. These community institutions are distinct from the Micro Finance groups in their efforts to increase the social capital of rural communities.

With maturity SRGs need to be linked together for support and sharing in the cluster groups and with relatively little support from the project. Furthermore, as SRG begin to complement the microfinance initiatives it is important to preserve the flexible credit to SRGs for small scale farmers. There is a risk that SRG groups could be excluded if the microfinance model is universally implemented.

For the **Poorest of the Poor (PoP)** there has been a fall in the total number of PoP groups, and this has been the result of various factors that have not been fully explored. There is anecdotal data to explain the decrease, and to the degree to which this may be the result of improvements prompted by the project. However a full evaluation is not yet available.

While good results and improvements have been achieved in providing support to the PoPs for their material needs, it is not clear to what degree participation and 'voice' of these group of people is secured and to what extent the PoP strategy is addressing the needs of the most poor and vulnerable, comprehensively.

The **Community Based Organisations (CBO)** are maturing into broader-based activities that consolidate complementary activities in line with community consensus. This is evident in their support to agricultural activities, as well as their comprehensive plans and their engagement in projects with wider village significance.

**Sustainable Microfinance to Improve the Livelihoods of the Poor (MF):** The microfinance activities continue to perform with high efficiency that meet international standards in providing credit and micro-insurance to the poor and vulnerable; crucial for their livelihoods, meeting consumption needs and enhancing their ability to absorb shocks in times of crises.

The idea that microfinance has reached a point of saturation in the villages requires testing and validated, as conventional moneylenders and pawnbrokers still remain entrenched those areas.

It has not been possible to come to any conclusions about the performance of wholesale loan and SRG-microfinance linkage, as lessons will need to be drawn from this which hopefully will come out of the impact assessment that is scheduled to be conducted during 2011.

***The Integrated Household Living Conditions Assessment (IHLCA)*** has examined the extent, nature and causes of poverty in Myanmar, in the context of providing an overall assessment of living conditions of people in rural and urban area of the country. The IHLCA (I and II) have now been approved, as a baseline for the country to track its progress on MDGs. The IHLCA recognises that limited dissemination of data and results of IHLCA-II could risk its underutilisation in development planning and financing. To this end, the country office (CO) is undertaking a national launch in early June 2011, to be follow by workshops in Nay Pyi Daw and Yangon to strengthened the dissemination of IHLCA-II.

Within the HDI programme, the capacity to link its work at policy level with project planning and implementation at grassroots needs further development.

***Enhancing Capacity for HIV/AIDS Prevention and Care Project (HIV/AIDS)*** has been working at both upstream (through various national level initiatives) and downstream (with community based support and awareness training and livelihoods to the most vulnerable) levels. The national efforts have been significant and lead to various sustainable activities; including support to civil society organisations and establishing strong working relationships with national counterparts to support the formulation of policy and strategy.

## OTHER CROSS CUTTING AND OTHER ISSUES

***Gender:*** HDI-IV projects have had significant impact in addressing women's equality through the SRG and microfinance in which the majority are women. Within the HDI, the SRG and microfinance groups have had an impact on addressing women's inequality and vulnerability through supporting mechanism where members and clients are almost exclusively women. In spite of these achievements, the HDI has shown relative weakness in its consistency in applying a gender strategy and action plan.

The HDI is also at a critical junction as it begins the inception of a new phase and without a integrated and comprehensive gender analysis to support planning there is a risk of an inadequate input to project design.

***Environment:*** Environmental issues have been addressed in HDI-IV with significant effort made to introduce environmental improvement activities. Further analysis of the impact of these initiatives is required: Particularly the comparative study on forest plantation establishment, natural forest conservation and agroforestry activities.

***DRR:*** Disaster risk reduction is a new area of work for HDI which has relevance beyond the immediate response to the Nargis and Giri cyclone emergencies. Some areas are closely linked to environmental initiatives, but there are distinct areas of work in disaster preparedness and a further requirement for linking village groups to township support systems and ultimately with district level DRR support.

***A Rights-based Approach:*** UNDP's original mandate articulated the need for a basic-needs framework to programming. Application of a rights-based approach would take this one step further, and UNDP is moving in this direction by piloting community feedback mechanism,

as well as through engaging with consultants to deepen this area in the run-up to the new programme.

***M&E and Reporting:*** The CO has been making serious attempts to move to result-based management framework, and the log-frame developed for the 2011 implementation cycle brings forward efforts to moving staff from activity-focus to output and outcome monitoring and reporting.

***Community Feedback and a Response System:*** After numerous delays, the community feedback mechanism was introduced this year. This needs to be based on a clear policy statement from senior management so as to keep an oversight on the assessment of the results of the pilot and ensure a comprehensive roll out.

***Field Coordination, Oversight and Quality Assurance:*** The pressure of delivering an extensive range of activities may risk field staff missing opportunities to engage in wider programmatic opportunities in the absence of strong support and oversight of strategic programming from the CO.

Furthermore, the process of approval of MPPs needs to be simplified and speeded up in order to effectively deal with the volume of proposals in time for effective implementation of seasonal activities.

## THE FUTURE OF HDI

The Human Development Initiative, now in its fourth phase, is considering an option for an additional extension for another year.

The IAM acknowledge that the HDI-IV programme has applied considerable effort to address a number of concerns raised in the IAM of 2010. Specifically this has been on the efforts towards consolidating the two principal projects (ICDP and CDRT) into closer coordination and complementarity of effort. Consideration now needs to be given to the possibility of undertaking a fuller merger. While this would help manage the two projects, consolidate of effort can also lead to incorporation of the strongest of these project modalities into the new programmatic framework.

This merger should be done at a practical and basic level so as not to distract from the remaining time at hand: Wherein the HDI would be best served to hold its course and focus its effort towards the closure of the current HDI cycle, while beginning a retrospective analysis of its achievement to date. From this, the UNDP CO should concentrate management efforts towards the preparation of the new HDI programme and decide which of the strongest and relevant modalities can be incorporated into a new design.



## 1 INTRODUCTION

The 2011 IAM was undertaken in the spring of this year. The IAM Team comprised three persons including Glen Swanson, Abhijit Bhattacharjee and Liz Kiff who visited Myanmar from the 6<sup>th</sup> through to the 20<sup>th</sup> of May, 2011.

As a result of delays in granting visas, the Team was required to spend two weeks in Bangkok, followed by another two weeks in Myanmar. This unexpected delay imposed some constraints on activities in country and consequently on the amount of time in the field, as well as meeting with other agencies, the UNDP Country Team and the HDI staff.

The Team undertook an extensive document review before and during the mission. In addition, field visits were carried out to the project villages of the Delta (Kyaiklatt, Mawlamyinegyun and Bogale Township), the Shan State (Kalaw, Nyaungshwe and Taunggyi Townships) and the Eastern Rakhine State (Sittwe, Mrauk Oo Township and Minbya Township (see project map Annex 1). The locations were chosen to provide the Team with exposure to a range of UNDP HDI activities and contexts. These included meetings with project beneficiaries (Self Reliance Groups, microfinance clients, community-based organisations and leaders, among others), and local community, township and area programme staff.

The Team undertook extensive interviews and meetings with the country office staff in Yangon, as well as with relevant staff at the UNDP Regional Centre in Bangkok.

In spite of the delays and reduced time, the Team believes that they have been successful in having gained a high degree of understanding of HDI programmatic framework, from which the observations, comments and recommendations in this report are made.

This report was written, presented and discussed during the final week of the mission with final editing in country to ensure completion for submission to the UNDP New York offices in June 2011.

## 2 OVERALL ASSESSMENT OF PERFORMANCE

The year 2010 has seen a significant consolidation of various activities under the HDI programme. In line with the recommendations of the 2010 IAM, and in compliance with UNDP's mandate in Myanmar, the programme undertook several initiatives which are likely to enhance the effectiveness of the current programme which comes to an end in 2011, and pave the way for the launch of a new programme from the year 2012.<sup>1</sup> Some of the key achievements during the year were as follows:

- 1) Partial integration of CDRT and ICDP: These two projects which have historically been separate and de-linked from each other and are being gradually brought together for greater synergy in the programme. Although the integration is not yet complete,

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<sup>1</sup> It is noted that the UNDP CO has just proposed (May 24<sup>th</sup> 2011) an option under discussion for a possible request for an additional extension to the current HDI-IV programme. The current HDI-IV was originally scheduled to be completed in 2006 and was granted its first extension for 2006- 2007, followed by an additional extension for 2008 to 2010 and a third extension to cover 2010 to 2011. (source: The Independent Assessment Mission , Human Development Initiative: Phase IV, April-May 2011 in Myanmar Initial Draft Terms of Reference.

and the implementation structures remain separate, as of 2011 a common work-plan underpinning the projects was prepared and introduced, which harmonises outcomes and results of the two projects.

- 2) Linking Microfinance with Self-reliance Groups (SRG): A major step undertaken towards ensuring self-reliance of SRGs and meeting their growing credit needs has been to recognise the significance of prompting community level social capital and linking some of the (76 so far) mature and well-developed SRGs to the microfinance project under the UNDP/PACT joint initiative. This is also part of an exit strategy as the HDI current programme cycle draws to a close.
- 3) Integrated Household Living Conditions Assessment (IHLCA): The IHLCA-II which began in 2009 has been completed. This now provides a baseline for the country to track its progress on MDGs, and it is expected that the data will be used extensively for development planning purpose in the country.
- 4) Community Feedback Mechanism: As part of its commitment to move towards a rights-based approach, UNDP has launched a community feedback mechanism which enables individual members of the communities it works with to provide feedback and comments on UNDP's work. Although it is still at a pilot stage, as one means to demonstrating accountability to beneficiaries, this mechanism should help ensure that the programme remains responsive to needs and perspectives of the communities.

The programme initiatives which led to the above achievements also raised challenges which will need to be addressed in the coming months and years. The major challenges for UNDP going forward in its future programming in Myanmar are as follows:

- 1) Staying relevant in the future: With a new Government appointed at the end of March 2011 and elections held for putting in place regional governments in the States and Divisions, a move towards decentralisation is stated to be on the government agenda. There is a cautious optimism among a number of interlocutors interviewed by the Team over the Government's stated intent to launch a comprehensive reform process involving decentralisation, legal reform, rule of law, anti-poverty programmes and greater engagement with international community. These potential changes are beginning to be viewed by many development agencies as offering a window of opportunity for greater engagement with State and township authorities as well as national authorities. The continued conservative interpretation of the mandate runs the risk of UNDP missing important opportunities to influence the changes that are now taking place in the country, and may continue to challenge UNDP's impact in the future.
- 2) SRGs' role in social capital formation: SRGs are the cornerstone of UNDP's community development approach. It is a distinctly different vehicle to the microfinance groups which, though very successful in stimulating micro-business enterprises, may not directly engage in wider community development issues. There are encouraging<sup>2</sup> signs that SRGs are reaching levels of maturity from which they can

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<sup>2</sup> We acknowledge that after 8 to 10 years with only 18% of the SRGs having reached maturity; this can be interpreted as overly optimistic statement, yet it is our impression that there are also many other SRGs functioning

maintain activities, connecting among themselves with relatively little support from the project. In its efforts to link the SRGs with microfinance, the HDI needs to ensure that the capacity development and social capital aspects of SRGs are appreciated and safeguarded to the extent possible and recognise that these are distinct from microfinance. Both SRGs and microfinance initiatives have their unique roles, as both have their advantages and disadvantages for different socio-economic groups which the HDI programme aims to reach out to.

- 3) The Poorest of the Poor (PoP) strategy: The PoP strategy was aimed at targeting the most vulnerable groups, which the SRGs and CBOs initially bypassed in their self-selection.<sup>3</sup> While their basic material needs seem to be addressed by the project-facilitated CBOs and traditional community copying mechanisms, it is not clear to what extent the strategy applied is addressing the needs of the most poor and vulnerable comprehensively.
- 4) The Microfinance project: With the current HDI programme cycle coming to a close, the future of the microfinance project's net worth and its utilisation require some critical decisions in regard to its short-term and long-term future. While the MFP continues operations, dialogue with stakeholders to explore regulatory framework and to facilitate entry of other providers will be necessary to provide greater access to credit for the poor. At the project level, it is too early to comment on the performance of wholesale loan or SRG-microfinance linkage, and lessons will need to be drawn from this. In addition, the forthcoming impact assessment that has been scheduled to be conducted during 2011 should be able to contribute to this process.
- 5) IHLCA project: Acknowledging that this is a work in progress, the UNDP CO needs to fully confirm that the current, developed dissemination strategy<sup>4</sup> is fully implemented in such away as to provide a user-friendly way for the various stakeholders in the country. Furthermore, special effort will be required to ensure an understanding and relevance of the IHLCA data for planning and programming purposes within the HDI projects. Currently the capacity to link its work at policy level with project planning and implementation at grassroots is weak, and in the long-term this may undermine the effectiveness and impact of its work on the ground.
- 6) Programme management and support: The pressure of delivering an extensive range of activities often tends to make the field staff miss out on opportunities to engage in wider programmatic opportunities in the absence of strong support and oversight on strategic programming from the CO. As UNDP moves into the next phase of programming, ensuring that the CO has high level of capacity in providing strategic programmatic oversight and technical support on quality assurance, coordinating to build synergies with other development initiatives in the country, and continuous learning for staff will be crucial.

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to level that may be capable of sustaining their activities beyond the financial support of the project- be it in a modified and reduced form.

<sup>3</sup> The earlier exclusion of the poorest of the poor was the result of the communities by-passing them in their ranking process.

<sup>4</sup> The current developed strategy for dissemination focuses on providing pamphlets, booklets and CDs. In addition this is to be followed with a research laboratory in the IHLCA office for researchers, a webpage under the UNDP website; and the access to data through user friendly software.

In order to address these issues, a series of key recommendations are made in this report. In specific cases, where evidence-base exists, practical actions needed to implement the recommendations are also provided.

### 3 COUNTRY CONTEXT, KEY STRATEGIC ISSUES AND CHALLENGES

During 2008-09, following the cyclone Nargis, Myanmar witnessed a significant increase in foreign aid for relief and recovery work, taking the total to over US\$ 500 million for 2008 alone. However, during 2010, foreign aid to Myanmar decreased to pre-Cyclone Nargis levels, according to data from the Organisation for Economic Development and Cooperation. The country received a total of US\$ 357 million in foreign assistance in 2009; approximately 30% lower than the total aid it received in 2008 at the height of the international response to Cyclone Nargis. The “total foreign aid received by Myanmar in 2010 could be as low as US\$ 5 per capita as the country receives even less humanitarian aid.”<sup>5</sup>

The year 2010 and the early part of the current year have seen some major changes in the operating context in the country. With a new Government taking charge and elections held for putting in place regional governments in the States and Divisions, a move towards decentralisation is stated to be on the agenda. Although early days, international staff of various UN Agencies and INGOs who have watched the scene for several years, aver that at least in terms of policy announcements and public proclamations, the new Government appears to desire some change in the country’s development and political landscape. There is cautious optimism among some agencies interviewed by the Team over the Government’s stated intent to launch a comprehensive reforms process involving decentralisation, legal reform, rule of law, anti-poverty programmes and greater engagement with international community.

These potential changes may be viewed as offering a window of opportunity for greater engagement with State, Divisions and township authorities as well as national authorities in a manner which was “unthinkable even six months ago”, according to Head of one UN Agency.

### 4 HDI COMPLIANCE WITH THE MANDATE

As required by the ToR, the IAM Team has reviewed the Governing Council/Executive Board (GC/EB) decisions.<sup>6</sup> The Team has also reviewed the documentation for each of the HDI-IV projects,<sup>7</sup> met extensively with UNDP CO team and carried out project villages visits to nine of the 60 Project townships in which HDI is currently operational.<sup>8</sup>

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<sup>5</sup> <http://www.devex.com/en/blogs/the-development-newswire/aid-to-myanmar-drops-to-pre-nagris-levels> (accessed 18/05/2011, at 1203 GMT)

<sup>6</sup> The Team has reviewed the provisions of Governing Council decision 93/21 as well as the Executive Board (EB) relevant decisions ([http://www.nm.undp.org/Executive\\_board.html#2001](http://www.nm.undp.org/Executive_board.html#2001)) that included: EB Decision 1996/1; EB Decision 2001/15; EB Decision 2003/2; EB Decision 2004/2; EB Decision 2005/3; EB Decision 2006/2; EB Decision 2006/31; EB Decision 2007/36; EB Decision 2009/24.

<sup>7</sup> The current portfolio comprises the three core activities including the Integrated Community Development Project (ICDP), the Community Development in Remote Townships (CDRT) and Sustainable Microfinance to

In addition, the IAM Team also carried out consultations with a number of beneficiaries and community groups during field visits, as well as with various multi-lateral and bilateral representatives working in Myanmar.<sup>9</sup>

From this, the IAM Team has come to the conclusion that the UNDP is in compliance with the mandate given to the CO by the Governing Council/Executive Board, through its consecutive decisions since GC/EB 93/21. The Team also notes that, as was observed by previous IAM missions,<sup>10</sup> the UNDP takes a conservative interpretation of the mandate, and this has subsequently had a bearing on the scope and impact of HDI activities.

In the context of our findings of a conservative interpretation of the GC/EB decision 93/21, it is worthwhile to highlight the key features expressed in that document:

1. “Recognizing that there are *critical humanitarian and basic human development needs of all the people of Myanmar at the community level* which require focused external assistance and continuation of United Nations Development Programme assistance at an operationally cost-effective level, which should be made available for the benefit of all peoples of Myanmar.
2. Decides that, until a country programme for Myanmar is considered at an appropriate time, all future assistance from the United Nations Development Programme and related funds to Myanmar should be clearly *targeted towards programmes having grass-roots-level impact in a sustainable manner*, as called for in the aforesaid decision 92/26, particularly in the areas of primary health care, the environment, HIV/AIDS, training and education, and food security.”

This conservative interpretation is especially evident in the context of sustainability of the projects which can only be considered as ‘locally’ sustainable (i.e. limited to sustainability of effort at the village level), as there are no linkages or collaboration with the government. As the current interpretation of the mandate does not differentiate between the various representations of the Myanmar government, and this indistinguishable whole is incoherently referred as ‘the government’. The Team understands that it is necessary to make a distinction: that support to service delivery should be provided through technical line departments at township level, while in full accordance to the mandate, by not subordinating to ministries at the central level, nor providing any financial support to the government, nor providing any aspect of the HDI to control of the government. In this, there is a strong need for a reassessment of the interpretation of the mandate in the context of effectively implementing a comprehensive development strategy contributing to sustainable poverty reduction.

The IAM Team appreciates that in conforming with the mandate the UNDP efforts in Myanmar are also required to address the more specific concerns of a key donor to the UNDP.

The Team is of the opinion that addressing those other concerns has resulted in reducing the overall impact of the programme, through unnecessary limitations on the HDI that prevents

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Improve the Livelihoods of the Poor Microfinance, as well as the Enhancing Capacity For HIV/AIDS Prevention and Care and the Integrated Household Living Conditions Assessment (IHLCA (HIV/AIDS) project Household Living IHLCA.

<sup>8</sup> ICDP and MF projects are overlapping in 11 old townships in Delta (Bogalay, Mawlamyinegyun and Laputta), Dry (Magway, Kyaukpadaung and Chaung U), and Shan (Kalaw, Nyaung Shwe, Pindaya, Pinlaung and Ywangan), the net HDI townships are 57 (68 – 11) townships

<sup>9</sup> These include the European Union, and the USA Chargé des Affaires in Yangon as well as the representative from USAID the First Secretary of the Norwegian Embassy, other bilateral aid agencies (DFID, SIDA, AUSAID), as well as NGOs / INGOs and other UN agencies in Myanmar.

<sup>10</sup> The Team refers to IAM reports from 2007, 2008, 2009 and 2010.

coordination, information sharing, technical support and capacity building with the relevant departments at the township and community level, as well as contributing to policy formulation at high levels.

This issue of the interpretation of the mandate is especially relevant as the HDI-IV comes to a close this year. The UNDP country team is now undertaking a re-design for a new programme and any specific instructions to the interpretation of the mandate will have subsequent consequences for the design, scope and implementation of the forthcoming portfolio of UNDP country activities currently being prepared.

To that end, it is worthwhile returning to the last Executive Board decision for 2010 that expressly “Recommends that the UNDP initiate, as soon as possible, *within the full potential of the existing mandate*, the design of programming activities ...” It is this full potential of the mandate that needs to be addressed and understood for the HDI programmatic framework to effectively operate within the context of linking activities to the necessary department and technical agencies at the township level, on poverty reduction at the grassroots level, and where appropriate to engage in constructive dialogue on policy and strategy.

The Team is of the opinion that clearer guidance on the mandate, in line with the recommendations of past IAM reports and in following the guidance of GC/EB 93/21, will result in a more positive effect on the sustainability of the HDI project initiatives.

## RECOMMENDATION

R1: The Team recommends that the UNDP Executive Board provide clear and defined guidance as to how its decisions are to be implemented, as the UNDP is currently interpreting the mandate in a very cautious manner, and as a result the HDI has not been able to work with either township officials, nor the relevant technical departments in addressing poverty at the grassroots level in a sustainable manner.

## 5 FOLLOW-UP TO THE PREVIOUS IAM RECOMMENDATIONS

To reiterate the clarification made in the previous IAM mission, the Team would stress that the IAM recommendations should be appreciated by the HDI team as a constructive contribution to their efforts and these recommendations are not provided with a conditional obligation to follow through each one. IAM missions provide their recommendations as a management tool to engage the team in constructive reflection and to stimulate project development; in addition to being a mechanism to flag inconsistencies and cautions with in the HDI projects.

Nevertheless the Team appreciates the effort in responding to the recommendations of the last IAM. It is clear from the country team’s response matrix that conscientious effort was made to constructively respond overall to the key concerns raised by the 2010 IAM. This matrix clearly identifies the core recommendations following the ‘stay-on-course’ option and then maps out the CO’s subsequent actions that were implemented.

## 6 The HDI PROGRAMME

*The Integrated Community Development Project (ICDP)* is a multi-sectoral project which operates in 23 townships in the Dry Zone, Shan State and the Ayeyarwady Delta. The core objective of the project is to strengthen the capacity of poor communities to address the basic needs of the community, through improving livelihoods of the poor and disadvantaged, together with development of community assets. A participatory approach that builds community capacity and self-reliance is used.

Following Cyclone Nargis in May 2008, operations in the Delta region needed to address the immediate emergency conditions. Consequently the Integrated Community Early Recovery Component (ER) was introduced to address the emergency and recovery needs in the four heavily impacted townships of the Ayeyarwady Delta. This component was operated as a separate project with its own management and budget until December 2010. Since January 2011 it has been reintegrated into the regular ICDP project.

*Community Development for Remote Townships (CDRT) Project* operates with the same objectives as ICDP in the border states of Kachin, Chin, Kayin/Mon, and Rakhine, including the northern Rakhine State. Currently the CDRT Project covers 26 Townships within five States or Regions: Kachin (7), Chin (9), Rakhine (6), Kayin (1), and Mon (3).

As with the ICDP, its counterpart programme, it works with communities principally through a participatory community development approach in which the main instruments of engagement are the Self Reliance Groups (SRGs) and Community Based Organisations (CBOs).

The CDRT uses different types of groups for social capital formation. There are, in principle in a village, four types of groups: SRGs (savings based); CBOs related to infrastructure (irrigation group, land development group, infrastructure committees); livelihood (livelihood committees); as well as food banks which have been established in most of the 1,451 CDRT villages. Some of the food banks are also used to provide direct support to PoP households, or communities may use surplus and savings through interest from such banks to support community teachers.

Overall within the ICDP and CDRT significant effort has been placed on the consolidating of these two principal projects to achieve closer coordination and complement of effort. There remains room to carry this initiative further, and greater consideration should be considered towards a fuller merger of these two projects. While once distinct, today to a great extent they are variations on the same theme of community mobilisation, poverty reduction and support to rural livelihoods.

The Team recognises the need for a senior strategic programme manager to be in place that can address HDI's absence of a robust and unified project level leadership, and to give the individual projects the necessary direction, coherence and synergy required to bring their effort together in a strong complement of effort.

The current ICDP and CDRT project managers are focusing on their relative activities and attempting to provide unity and collaboration, but the IAM Team recognises the outstanding need for a single overall manager who can fully develop HDI into more articulate programme of activities remains.

*Sustainable Microfinance to Improve the Livelihoods of the Poor (MF)* focuses on disciplined and sustainable microfinance services to female micro-entrepreneurs, in selective poor villages. The MF project operates in 22 townships.

*Enhancing Capacity for HIV/AIDS Prevention and Care Project (HIV/AIDS)* refocused its objective in 2005, on strengthening the capacity of the Self Help Groups (SHGs) and on raising awareness of the villagers, including young adults, adolescents and men at risks of HIV/AIDS.

*The Integrated Household Living Conditions Assessment (IHLCA)* conducted the first national survey on the extent, nature and causes of poverty in Myanmar. A second follow-up survey is presently underway.

## 6.1 ICDP/CDRT MODALITIES

### 6.1.1 SELF RELIANCE GROUPS (SRG)

Self Reliance Groups (SRGs) are a principal instrument in the HDI for improving livelihoods of poorer households within communities. The SRG is both a vehicle for introducing democratic process and a means for promoting economic initiatives, through establishment of a savings and credit fund, from which members can borrow.

While both projects strongly promote the SRG concept, there are some distinctions in the facilitation mechanisms; with CDRT following more closely the initial model adopted from the Indian MYRADA approach.<sup>11</sup>

SRGs are predominately functioning well and are a good mechanism for community engagement. Members are often actively involved in the newly formed village disaster management committees (Delta region) and in community asset development and service provision. Improved hygiene, sanitation and health practices have been introduced through trainings and exposure visits,

alongside new and improved livelihood activities funded through the savings and credit schemes. Several of the groups visited contribute to community asset development and maintenance, undertaking footpath construction and waterway clearing. The savings and loans schemes are relevant and suitably flexible to address issues that relate to food security and income generation in agricultural, livestock, fishing and micro-business sectors. The SRGs were seen by the Team to be particularly effective at mobilising women from poorer households and increasing their voice and active participation in their community.

Within ICDP there are no CBOs as with the CDRT, but there are farmer, fishermen and Micro/Small Enterprise (MSE) groups organised around specific livelihood initiatives. Introduction of power tillers, through the farmer groups has been a particularly successful intervention. It enables more timely and extensive cultivation, reduces the cost of cultivation, earns revenue and creates employment for group members. Several groups visited had re-invested earnings in further mechanisation (threshers and hoes) and had expanded operations

#### **Increased emphasis on livelihoods:**

Within both CDRT and ICDP a shift in activities has been underway as the projects have moved away from infrastructure activities towards livelihoods;<sup>1</sup> the percentage of budget allocated to livelihood has increased from 41% to 61% from 2009 to 2010 with a further increase to 64% planned for 2011.

<sup>11</sup> Furthermore, SRGs for CDRT are mainly on savings while ICDP SRGs undertake both savings and credit, and are also involved in wider village-based development schemes. The microfinance linkages are only within the context of ICDP.



to provide services outside of their own village.<sup>12</sup> The threshers also provide more efficient and timely operations, reducing cost of the process and grain losses (particularly important in the more variable weather conditions now present). Spare parts are available locally and groups have maintenance teams that keep the tools operational.

Of the 3,237 SRGs established under ICDP as of December 2010, 16% (502) have reached a level of self reliance,<sup>13</sup> some 66% (2,146) are functioning and 18% (589) are identified as still weak.<sup>14</sup>

Of the 2,282 CDRT SRGs, 210 have reached a higher level of maturity (approx. 10%). Among these, 641 SRGs (28 %) are functioning well and 864 (38%) are functioning at a fair level. There are 551 (24%) rated as weak SRGs and 226 (10%) as very weak SRGs.

In the Early Recovery (ER) project, capacity assessment has been completed for some 93% of SRGs (1,132 out of 1,218 SRGs). Of these 17% were found to be self reliant, 45% functioning and 38% weak.<sup>15</sup> The higher incidence of weak SRGs within the ER programme is linked to the continuing difficulties families face in rebuilding livelihoods and assets after the Cyclone Nargis. Considering the enormous loss, both in material assets and in many cases death of family and community members, SRGs have reformed, with over half functioning well in a surprisingly short time (less than 3 years).

The budget available for ER in 2010 has reduced significantly since 2009 (from some US\$17.5 to US\$ 4.6 million) as recovery activities are phased out and the project prepares to re-merge communities with the ICDP.

To facilitate the linking of SRGs to microfinance the assessment of the organisational maturity of SRGs was simplified in 2010, moving from the six point scale used in 2003 to a three point scale<sup>16</sup> in 2008.<sup>17</sup> This new scale was based on four main indicators; i) capacity to manage loans (40%) ii) capacity to build savings (10%) iii) capacity to manage books (25%) and iv) adherence to rules and regulations (25%). The later category in the new criteria includes several aspects of capacity building within the group, such as rotation of leadership and book keeping knowledge and skills. This could usefully be expanded to include rotation of book keeping, to reduce vulnerability of groups if key individuals leave.

Assessment of maturity is used to target capacity strengthening activities and to determine suitability for linkage with the microfinance programme, in which SRGs attaining self-reliant status are considered eligible for consideration for access to microfinance loans with the Micro Finance Project. That mechanism is presently being piloted in the ICDP areas. Indeed the new assessment criteria adopted for this pilot purpose, emphasise capacity to manage microfinance and leave out previous social mobilisation and empowerment criteria. Self Reliance Groups are more than savings and credit institutions, encouraging active participation in community development and skill enhancement at individual and group level. At present these aspects of SRG maturity are not captured by the assessment criteria used.

The wholesale loan scheme for SRGs, linked to the Micro Finance Project, is being piloted in five townships in ICDP's Shan Zone. Started in early 2010, the scheme has distributed some

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<sup>12</sup> Though priority was still given to group and village members over outsiders and a set charge applied.

<sup>13</sup> The terms self reliance, functioning, weak and very weak are ranking terms used within the ICDP and CDRT projects.

<sup>14</sup> HDI, ICDP Progress and Achievements 2010 (presentation to IAM 2011).

<sup>15</sup> (Ibid).

<sup>16</sup> The three point scale is self-reliant, functioning and weak. Capacity assessment of SRGs, undated.

<sup>17</sup> The six point scale was introduced using the MYRADA model from India; ICDP Self Reliance Group grading, undated. SRG\_Assess\_maturity.xls

US\$ 126,000 in 76 loans to 71 SRGs, with five SRGs now on their second wholesale loan.<sup>18</sup> This is a good product for those under-capitalised SRGs, which need more capital for loans. It is not attractive to all SRGs however, as the interest doesn't accrue to the common fund and they are concerned by less flexibility in repayment, compared to their common fund management.<sup>19</sup> This is an issue particularly for financing of agricultural investments, due to dependence on weather and seasonality of operations. Pressure to sell produce to service a loan at a sub-optimal time can jeopardise the profitability of the enterprise. Indeed it is clear that under the Micro Finance Project, agricultural loans may risk being repaid through an alternative enterprise.<sup>20</sup> Flexible loans available via SRGs are consequently particularly important for small scale farmers. The microfinance model is considered best suitable for clients who engage in micro-businesses, which produce a regular income.

Average savings per member within the ICDP project has increased by about a third since last year (25,353 v 19,096 MMK) and is reflected in a similar increase in average savings per SRG (357,858 v 269,673 MMK).<sup>21</sup> Recommendations from last year's assessment to increase use of the common fund have been followed, with an increase in loan to fund ratio of 5% (81% v 76%).

Since the third quarter of last year, the exit strategies have been initiated. Again, after years of delays and false starts this is now in place; be it with a specific focus to support community based organisations and SRGs on the necessity to prepare for their independence and possible cessation of HDI support. Under CDRT, specific emphasis is placed on strengthening the food banks with the intention that coverage of food during lean periods reaches the saturation point for all members with the end of the year.

## CONCLUSIONS ON SRG

- SRGs are a cornerstone of UNDP's community development approach, encouraging engagement for both household livelihood enhancement and wider community development, health and education. It is a distinctly different vehicle to the Micro Finance groups which, though very successful in stimulating micro-business enterprises, do not directly engage in capacity and wider community development issues. There are encouraging signs that SRGs are reaching levels of maturity from which they can maintain activities, linking among themselves for support and sharing in the cluster groups and with relatively little support from the project. Such an exit strategy is a viable alternative to linking with Micro Finance Project and should be supported.
- The cautious rollout of wholesale loans to SRGs is appropriate, as it is not required by well-capitalised SRGs and not suited to the needs of all members.
- There is a risk of losing the community development and capacity development aspects of SRGs if this is not measured and considered important in assessments.

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<sup>18</sup> Progress on SRG- MF linkages on wholesale loans, PACT Myanmar MF project, March 2011.

<sup>19</sup> In addition SRG members may be concerned that microfinance loans are more systematic with high priority on regular pre-scheduled repayment dates.

<sup>20</sup> Repayment of microfinance loans is through 25 equal installments at fortnightly interval, so that in pig rearing at least 50% of loan must be repaid before sale. In agriculture interest is paid in fortnightly installments and the principle and loan repaid after harvest and sale.

<sup>21</sup> HDI, ICDP Progress and Achievements 2010 (presentation to IAM 2011).

- It is important to preserve the flexible credit access available via SRGs for small scale farmers. This group will be excluded if the microfinance model is universally implemented.

#### RECOMMENDATIONS:

- R2: Community development and capacity development aspects of SRGs need to continue to be captured in their maturity assessment, in terms of progress towards autonomy (as distinct from capacity to link with microfinance).
- R3: Preserve the flexible credit access available via SRGs, as this is crucial for small-scale farmers.
- R4: Deepen and widen the assessment of exit options for SRGs, by continuing support for cluster formation and measurement of SRG maturity in terms of self-governance and community linkages, as well as fund management as a viable exit strategy and alternative to linking with the Micro Finance Project.

#### 6.1.2 TARGETING THE POOREST: THE POP STRATEGY

In 2007 ICDP and CDRT projects finalised strategies to reach out to the poorest households.<sup>22</sup> The present understanding of the term refers to destitute members of the community with very little or no self help capacities. The concern was two fold, both to include those who had so far been excluded from project income earning activities and to institutionalise this inclusion within village support institutions. A review of the impact of the strategy was planned in 2009, but this has not as yet been carried out. Anecdotal evidence suggests that the strategy has been successful in reaching out to PoP households, with regards to better coverage of their material needs, but that they tend to remain isolated, or in their small PoP groups, still separated from mainstream village development groups (SRGs, CBOs and farmer, fisher people and livestock groups). A participative review is required, that will explore their experiences and what opportunities exist for further development and greater integration into mainstream village institutions.

The poorest of the poor constitute some 15% of households in the ICDP project areas.<sup>23</sup> This is lower within the CDRT with an estimated 5.3% of the 8,249 households comprising this category.<sup>24</sup> During implementation of the PoP strategy in 2007 some 186 groups were formed in 165 villages within ICDP. Three years later there remains 129 groups active in 110 villages, contributing to 1,009 households.<sup>25</sup> The slow rate of repayment within PoP groups together with multiple financial pressures and need to migrate for livelihood opportunities all contributed to instability of these groups. PoP households have received grants for livelihoods and capital for group loans which in some groups is being used productively. Further analysis is required of the efficacy of this approach for lifting these families out of poverty.

Within the CDRT project it would appear that there has been a significant reduction, from 9% to 5% in the number of PoP households. The causes of this require fuller investigation as no adequate explanation can be provided from the current data. While a reduction of poverty

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<sup>22</sup> The poorest of the poor strategy, ICDP, revised March 2007. The strategy for Vulnerable Group, or Poorest of the Poor, CDRT, draft October 2007.

<sup>23</sup> HDI, ICDP Progress and Achievements 2010 (presentation to IAM 2011).

<sup>24</sup> HDI, CDRT Progress Report 2010.

<sup>25</sup> ICDP Annual report January-December 2010

levels may be a contributing factor, graduation into SRG groups is reportedly not; as there is little if any movement from PoPs into SRG formation. Other factors that may possibly explain the attrition rates within the PoP groups, are migration, death and abandonment of the group. The impact is further magnified by expansion of the project, which has added more households of higher wealth status, but even discounting this change, figures show a reduction from 9% to 6.5%.<sup>26</sup>

Part of the PoP approach under CDRT is also to provide PoP support via the established food banks as well as to encourage mature CBOs to take care of PoP households in the villages with savings from their own funds, and thus reinforcing the existing tradition of community care for this group.

Under the ICDP, the PoP are supported through grants for livelihood activities and small income generating activities. SRGs are also encouraged to support the PoPs in their respective communities through 'credit plus' schemes wherein SRGs use their common funds to extend their financial assistance to PoPs.

A further initiative to supporting the poorest, with an emphasis to those persons with disabilities (PwD) was introduced in the Delta area to address those injured, or abandoned following the cyclone and those left out of the PoP strategy because of their inability to undertake economic activity. This initiative aims to complement the existing traditional social safety nets that exist within villages, whereby such community members receive food and other support from their community. The project provides grants for basic needs (such as housing, rainwater harvesting and latrines), which contribute to their support within the community. Again a review of these activities would be useful to assess their effectiveness and relevance.

## CONCLUSIONS TARGETING THE POOREST

- A fall in the total number of PoP groups has been the result of various factors not fully explored, which may also include the project's overall impact on supporting these most vulnerable villagers. Currently there is no data captured at the project level that explain the overall fall in PoP percentage, nor to what degree this may be the result of improvements prompted by the project
- The PoP strategy (and supporting PwD which was included later) was aimed at targeting the most vulnerable groups which the SRGs and CBOs bypassed in their selection. While good results and improvements have been achieved in providing support for their material needs, it is not clear to what degree participation and 'voice' of these group of people in secured and to what extent the strategy is addressing the needs of the most poor and vulnerable comprehensively.

## RECOMMENDATIONS

R5: In the constraints of time, consideration should be given to conducting a participative review of both the PoP and PwD initiatives to assess their impact and effectiveness and what may be possible to further include and empower households on the margins of the community.

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<sup>26</sup> CDRT Progress and Achievements 2010 (presentation to IAM 2011).

R6: Further inquiry is needed to fully understand the drop in the total number of PoP from 9% to 5%. Currently the CDRT and ICDP are not able to adequately explain this anomaly.

### 6.1.3 COMMUNITY BASED ORGANISATIONS

Through the CDRT, the HDI supports community activities by mobilising village interest groups that can implement community-based activities. The CDRT has initiated a range of activities to provide services and support to strengthening the capacity of the communities for broad based self-governance (infrastructure activities are now being phased out in preparation of the current HDI cycle coming to a close).

The HDI reports that there are approximately 2,898 Community-based Organisations (CBOs) currently in existence under the CDRT, totalling an estimated 310,000 members. In contrast to the SRGs which are created to mobilise women-based organisations, membership in these CBOs is based on household, and following traditional patterns, household representation is often, but not exclusively exercised by men.<sup>27</sup>

In these, community governance is promoted in large part through mobilising community organisation to assess and prioritise local needs and then to implement and follow-up on these; as impoverished communities characteristically lack both the social and productive infrastructure and services needed to support villagers in their pursuit of sustainable livelihoods at the household level. In addition, with wholly insufficient resources from government budgets to support education, health and other community based development needs of remote villages, villagers are more dependent on mobilising their own physical and social resources.

#### BOX 1: THE CBO CONCEPT: SHORT-TERM OR LONG-TERM VILLAGE STRUCTURES?

CBOs within the CDRT can exist as either *ad hoc*, temporary entities, formed to address a specific task (infrastructure – for example, irrigations construction committee) or as a group that is supported to have a more lasting presence over a longer period of time. These two types of groups, require distinct form of support, and these differences should be recognised.

Groups that are created with a wider purpose (i.e. livelihoods committee) will require a higher degree of formality in respect of monitoring, establishing governing rules and offices, protocols and so forth. In contrast the specific one-off *ad hoc* activity-orientated CBOs may well require only basic support, as they exist only in the context of a specific purpose. The distinction between the two is critical in determining the resources that need to be channelled in CBO formulation, and more importantly, to ensure that the project facilitators are not driving a ‘permanence’ into a temporary structure.

The CDRT has circumvented some of these anomalies by encouraging the CBOs to consolidate within the villages into fewer number of groups (e.g social infrastructure related groups after completion of activities merging with the livelihoods related groups), piloting the forming of VDCs as wider fora for village development, as well as to respond to a wider range of community interests: For example the Team meet with a CBO focusing on livelihoods that addressed a much broader range of activities yet also undertook support to the community’s education issues (school renovation, construction, maintenance), as well hiring additional teachers by establishing a specific rice bank fund.

As CBOs are also key and distinct feature of the CDRT, it is worth understanding how these specific thematic organisations work with both the local village administration, including VDOs as well as indigenous institutions (including religious leaders and elders). It is important to be aware of any potential tensions that may arise from local resource management between CBO and other forms of community leadership.

In this context, the project supports community mobilisation through the establishment of village-based committees and CBO training. There is also encouragement for CBOs to support PoP groups within their communities and provide assistance to them when possible.

Similar to the SRGs, these CBOs, are recipients of small grants from which they can set up group managed revolving funds for local projects and through guidance and training, these CBOs will identify local priorities that they wish to address with this funding mechanism.

As the SRG model aims to empower individuals to improve their lives, it is worth noting the distinction that the CBOs focus on groups within the communities. These CBOs are established according to whether they are Livelihood or Social Activity orientated: The Livelihood Groups establish a revolving fund working in a similar fashion to the SRGs with activities centred on addressing agriculture, livestock, fisheries and natural resources. The other form of CBO is the specific purpose orientated Social Activity Group, that addresses general community-wide issues commonly including education, water and sanitation, small-scale construction projects and some Disaster Risk Reduction activities.

The project needs to be aware of the risk of overburdening villagers with demanding obligations. It is easily underestimated how little surplus time rural villagers may have at their disposal to participate frequent meetings; especially during peak agricultural periods. While a certain level of formality with regards to regular meetings, training, self assessment and auditing is needed to enable the groups to function effectively and to sustain themselves after the project exit, yet heavy conditionality can also be counterproductive to the intention of the project and threaten the relevance and sustainability of the community mobilisation amongst those more permanent groups.

## CONCLUSIONS ON CBO

- CBOs are now beginning to break out of the past propensity towards fragmentation into specific activities with broader-based activities emerging that consolidate complementary activities in line with community consensus. This was evident in the support to expansion of agricultural activities that required serious complementary activities, rather than just one-off inputs (an example seen was a more comprehensive plan for expanding seasonality with winter cropping through a larger CBO loan to address purchase of tools, labour inputs, irrigational and seeds) or engagement in small projects with wider village significance (e.g. access road construction and maintenance) on their own initiative.
- The overall reorientation of CDRT from infrastructure activities (basic social services) towards livelihood assets is well underway.<sup>28</sup>
- The establishment of project initiated committees focusing on agricultural activities, livestock and infrastructure development risks not being properly linked to traditional community-based structures. This should be given deeper consideration to ensure full sustainability and relevance to the community as a whole.

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<sup>28</sup> The livelihoods figure includes SRGs, livestock and agricultural credit groups, seed distribution groups, composting groups, soil conservation groups and so forth.

## RECOMMENDATIONS

R7: As part of an exit strategy, the project should consider further encouragement of CBOs to engage in wider village development, and build upon village initiatives that establish relevant meaningful groups, that villagers feel are necessary and articulate within existing local structures already in place.

## 6.2 THE MICROFINANCE PROJECT

The microfinance project has been an integral part of HDI since 1997, and currently covers 22 townships<sup>29</sup> in five States and Divisions spread over 5,121 villages with 478,404 clients under 92 branches at the end of March, 2011. The total number of active borrowers stands at 340,746, with an outstanding loan amount of US\$ 39 million<sup>30</sup> at the end of March, 2011. The UNDP/PACT microfinance is the largest retailer of financial services in Myanmar and covers around 90% of the 500,000 active clients in the market.<sup>31</sup>

The IAM 2010 made a number of recommendations on the microfinance project, amongst which the most important one related to the need to leverage microfinance for the SRGs. This has already been implemented, and from April 2010 to the end of March 2011, 71 SRGs<sup>32</sup> were assessed as 'self reliant' and obtained microfinance loans<sup>33</sup> (called wholesale loans, as the loans -- average size US\$ 1,500-2,000 -- are given out to an SRG which then decides how it wants to utilise these). Currently this wholesale loan product has been launched in Shan State (five townships) through UNDP/PACT project, and assessments are being carried out in Northern Chin State by GRET (together with Save the Children)<sup>34</sup> during 2011.

A number of issues have arisen in relation to the wholesale loans. Although initial target was to provide loans to 250 SRGs, uptake of the loan has been slow for two reasons:

- i. SRGs which were rated as 'self reliant' are generally those with a fair amount of common fund in their control, and are therefore reluctant to obtain additional loans; and
- ii. ICDP has been giving grants to SRGs based on micro-project proposals (MPP) – this has raised an expectation among many SRGs in the Shan State in particular, that even the SRGs which were identified for wholesale loans will receive MPP grants.<sup>35</sup>

Another factor in relation to the SRG- microfinance linkage is the interest charged on the wholesale loans. The project has maintained the interest charged at 3% per month<sup>36</sup> for SRGs

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<sup>29</sup> UNDP/PACT (2011). Sustainable Microfinance to Improve the Livelihoods of the Poor. Brief presentation to the IAM, 8 May 2011.

<sup>30</sup> Feisal Hussain (2011). Formative Strategic Review of Microfinance Investments: Issues and Recommendations for the Future, UNCDF, April 2011.

<sup>31</sup> Hussain (2011) ...*ibid*

<sup>32</sup> UNDP/PACT(2011). Sustainable Microfinance to Improve the Livelihoods of the Poor, First Quarter Report, January-March 2011.

<sup>33</sup> Until December 2010, only 36 SRGs had obtained this loan.

<sup>34</sup> Through LIFT grants.

<sup>35</sup> ICDP has been providing grants to SRGs based on micro-project proposals (MPPs) –the policy of ICDP states that mature SRGs are no longer eligible for MPP grant, and still has raised concerns amongst many SRGs. Efforts are underway to clarify this policy to SRGs, to diffuse expectations of SRGs for MPPs grants and see PACT wholesale loan an alternative source of funds.

<sup>36</sup> Interest charged on loans is often mistakenly considered high, but consideration must be given to the fact that micro-lending entails high operation costs. In this context it is important to appreciate that to compare micro-lending with the rates charged by commercial banks is inappropriate as larger loans incur lower transaction costs

– same as is charged for individual borrowers. This does mean that the SRGs have to charge at least 4%-5% to cover their operating costs which makes the cost of borrowing relatively high for an individual borrower. Given that in the long run, operating cost to the project is going to come down for wholesale loans (saving the loan officers' time to deal with individual borrowers), it is worth examining if the interest rate on wholesale loan can be brought down below the current rate.

As was noted in the IAM of 2010, microfinance continues to operate at high levels of efficiency in terms of lending, liquidity management and repayments, in line with some of the best of such institutions in the world. However, in the villages and townships which the project currently covers, it appears to have reached a saturation point in terms of attracting new clients, according to the project staff. The Team could not determine whether this is due to the fact that all potential clients in the areas have been already been covered, or that the products are not tailored to the needs of clients who still require credit. In two of the villages<sup>37</sup> visited by the Team in Shan State, discussions with members indicated that there still exist substantial unmet needs for credit and at least 10%-15% of the members of SRGs or microfinance group resort to borrowings from private moneylenders on a regular basis. This is also confirmed by UNDP's own impact study<sup>38</sup> in one State which found that 32.7 % of households in project villages obtained loans from moneylenders and pawnbrokers for buying food.

Overall in the country, according to one unpublished study<sup>39</sup> there is a growing number of rural poor who are resorting to multiple sources of informal credit at high interest rates, which are pushing them into vicious cycles of indebtedness. In that study, it is reported that as many as 85% of rural households still rely on loans from multiple sources to address small livelihood investments, as well as food and essential household expenses. Furthermore, there remains a significant reliance (more than 40s% of the households) on moneylenders and pawnshops, with their exorbitant interest rate charges that range from 60% to 200% per annum. The demand for unsecured loans among the poor, vulnerable and non-poor is estimated at about US\$ 500 million<sup>40</sup> and UNDP/PACT microfinance, albeit the largest single provider meets only about 8% of this demand.

The IAM has noted on-going discussions within UNDP on bringing about greater integration<sup>41</sup> between this project and the HDI programme. While providing general direction on priorities and pro-poor focus to the project is crucial, UNDP needs to ensure that it does not attempt to control or interfere with its fundamental architecture which is based on some of the time-tested best practices in microfinance. However, as was recommended by a recent study conducted by the UN Capital Development Fund (UNCDF),<sup>42</sup> there is a need to facilitate competition by exploring with donors and internationally acclaimed pro-poor microfinance institutions who may be interested in gaining an entry into the Myanmar market.

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and result in lower interest rates. The interest rates on micro-lending are best understood as service charges to cover operation costs.

<sup>37</sup> One of the villages was a microfinance project village and another was an SRG linked to wholesale loan programme.

<sup>38</sup> Myanmar Survey Research & Myanmar Egress(2009). Outcome/Impact Assessment of UNDP Support for Recovery of Cyclone Nargis Affected Communities in Ayeyarwady Delta.

<sup>39</sup> Unpublished study of on poverty, food insecurity and vulnerability, expected to be released this coming year (2011).

<sup>40</sup> Feisal Hussain (2011). Formative Strategic Review of Microfinance Investments: Issues and Recommendations for the Future, UNCDF, April 2011.

<sup>41</sup> Greater role for UNDP in overall governance and management of the project, as recommended in the IAM 2010.

<sup>42</sup> Hussian (2011)...*ibid*



A timely issue now is for UNDP to explore various options on the future of microfinance, beyond December 2011 when the current HDI cycle comes to an end. With its present accumulated net worth, UNDP should undertake dialogue with the government<sup>43</sup> on how microfinance activities are to be financially regulated by the central bank, as there remain many uncertainties in this context. Encouragingly, it is understood that the Government Central Bank has begun some limited discussions with the project in recent weeks, with the aim of further understanding microfinance project activities and structures.

## CONCLUSIONS ON MICROFINANCE

- With an efficiency that outperforms the best international standards, microfinance project continues to provide access to the poor and vulnerable to credit and micro-insurance which are crucial for their livelihoods, meeting consumption needs and enhancing their ability to absorb shocks in times of crises.
- The idea that microfinance has reached a point of saturation in the villages where the project has worked, should be tested and validated as conventional moneylenders and pawnbrokers still remain entrenched those areas.
- It is too early to comment on the performance of wholesale loan or SRG-microfinance linkage, and lessons will need to be drawn from this which hopefully will come out of the impact assessment that is scheduled to be conducted during 2011.
- With HDI-IV coming to an end of its current of cycle activities, the future of the microfinance fund and its utilisation will require some critical decisions to be made as to the UNDP may respond in the immediate and the long-term; once there is legalisation framework in place.

## RECOMMENDATIONS ON MICROFINANCE

R8: The Team recommends that the UNDP undertake a rapid assessment study to determine if the project villages have indeed attained a point of saturation in terms of microfinance potential and if the products are missing out some of the poor who still need access to credit.

### Actions:

Examine if the current rate of interest charged for wholesale loans is optimum for both SRGs and borrowers.

Conduct a rapid assessment to determine the adequacy and appropriateness of the current products to meet the unmet demand for credit by the poor and vulnerable in the project areas.

R9: The Team recommends that the UNDP initiate immediate discussions with the Government on future of the microfinance project beyond December 2011, and negotiate its moving into new areas as will be required by the new UNDP programmatic framework to follow HDI-IV.

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<sup>43</sup> The aim of this dialogue would not be for the government to initiate a controlling interest in the management of either the project or its funds, but to clarify the way forward on government policy and the government regularity framework on microfinance as well as to discuss the potential expansion of the project into new areas.

Action:

Working with the project management, UNDP CO management should work towards developing various future scenarios, in relation to how the Government might want to move in terms of regulatory framework for microfinance and possible consequences of each option on the current project, at the end of December 2011.

- R10: Working with donors and UNCDF, UNDP to explore entry of other professional microfinance institutions into the country.

Actions:

A senior manager in UNDP's policy unit, with a thorough understanding of microfinance, should be appointed as focal point to work closely with UNCDF and those donors interested in developing various strategic options for attracting other institutions into the country.

Work out options for leveraging the accumulated capital fund to expand the overall microfinance portfolio to other townships in the new programme cycle.

### 6.3 THE INTEGRATED HOUSEHOLD LIVING CONDITIONS ASSESSMENT (IHLCA)

IHLCA is one of the projects under the HDI which UNDP has been supporting for the past six years. A first round of data gathering and analysis of key poverty and social indicators was carried out in 2005 (IHLCA-I). Together with the Government of Myanmar, UNDP, UNICEF, SIDA and World Bank agreed to a follow-up survey to the original IHLCA-I. This survey (IHLCA-II) was carried out in 2009-10 covering 18,660 households<sup>44</sup> across the country and the data were collated, analysed and synthesised into three main reports<sup>45</sup> which were issued by the Government of Myanmar; approved in April 2011 and to be released in June 2011.

The poverty profile report captures several dimensions of poverty including poverty line, food poverty line, poverty incidence and intensity based on consumption and social indicators. As part of the IHLCA-II, UNDP also facilitated the process of developing purchasing power parity (PPP) estimates for Myanmar for the first time. The PPP estimates are being developed with technical assistance and support from the International Comparison Programme (ICP, 2011) coordinated by the Asian Development Bank (ADB). During the later part of 2010, ICP consultants conducted training and orientation of price collectors, supervisors and Government staff,<sup>46</sup> and data collection started in early 2011.

The ICP, together with data collected by IHLCA survey, will enable international poverty lines to be established for Myanmar. The IHLCA reports will allow Myanmar to assess the country's progress in terms of the Millennium Development Goals (MDGs) as it will be able to perform a trend analysis based on IHLCA-I and IHLCA-II.

It is noted by the Team that the first official launching of the IHLCA will take place in June 2011. From this it is observed that in comparison to IHLCA I that the government has been

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<sup>44</sup> UNDP (2010). Integrated Household Living Conditions Assessment Survey 2009-2010, Quality Report, February 15, 2010

<sup>45</sup> The three reports are: Poverty Profile, MDG Data and Poverty Dynamic Reports. In addition to these, two technical reports, Technical and Quality reports to support the credibility and technical soundness of the results were also produced.

<sup>46</sup> Sultan Ahmad (2011). End of Assignment Report, February 2011.

more responsive and supportive in the early dissemination of the data. As has been agreed with the government, following the scheduled June launch the data will then be shared with other agencies and institutions- including the 2009/10 survey reports. Even with these restrictions, the UNDP has been making limited use of the IHLCA 2009/10 data for some specific task, including the preparation of the new strategic framework for 2012-2015, and towards the drafting of the UNCT Myanmar Development Policy Options.

It was noted in the 2009 IAM that after the IHLCA-I dissemination of data and reports was weak, and that the data were not used adequately for the support and achievement of MDGs.<sup>47</sup> This is being addressed with the new dissemination strategy prepared for the IHLCA II. This includes the formal launching in June, including a workshop with donors, embassies and NGOs, government and national institutions to discussion the current poverty situation. The strategy has also prepared a ‘sensitising’ approach to government officials for adopting the IHLCA 2005- 2007 data.

The IAM Team has examined the full reports, the Technical and Quality Reports, and noted that the methodology used for data collection, collation and analysis followed international quality control standards.<sup>48</sup> The IAM has no reason to doubt that the quality and integrity of the data are on par with international norms.

With these notable effort toward dissemination, the IAM Team does caution that within the UNDP teams implementing HDI projects, there is a need for an increase in effort in raising awareness and relevance of this the data and it potential utility for project planning purposes, at both the CO and townships visited by the Team.

The IHLCA team reports that on a more general front, the CO is now using the IHLCA I and II data for upcoming programme formulation; in particular on the selection and identification of future activities. The policy unit reports that it is using the IHLCA II data for Development Policy Options papers, as well as for the LIFT Fund Board requesting IHLCA data for their programme implementation and monitoring. The M&E team also states that it is using the IHLCA data for MDG data tracking.

Among several senior and middle level staff involved in implementing the HDI projects the Team interviewed, there is almost an unanimity that the data and reports produced by IHLCA appear to have little relevance for their own project planning and implementation purposes. The Team believes that this is a missed opportunity. A rich source of data which could potentially aid in improving the quality of programmes and targeting, remains unutilised as HDI-IV has not fully bridged the gap between macro-level data and analysis on the one hand, and project planning and implementation on the other. The project staff cannot be censured for failing to take note of the IHLCA data, as this would also require support from the IHLCA team to translate these data into practical information for project planning and implementation. As an example as to how that might be done, the box (Box 1) below illustrates two probable cases of what is required.

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<sup>47</sup> UNDP (2009). RCC Mission Report to Myanmar: Integrated Household Living Conditions Assessment for Myanmar, May 2009.

<sup>48</sup> Sten Backlund (2011). Accuracy in the IHLCA-II Survey.

## **BOX 2: CONNECTING THE MACRO AND MICRO DATA: FUNDAMENTALS OF GOOD PROGRAMMING**

### *Example 1:*

IHLCA – II data indicates that poor spend about 76% of their income on food alone. In many of the villages, UNDP’s PRA data show that the poor and the very poor (D & E categories) can manage to eke out a living which barely provides them 8-9 months of food, and they rely on borrowings from others (including moneylenders) for rest of 3-4 months of the year. With this information, project planners should be able to work out that in this situation, it is of greater benefit to the household economy and the local economy if, instead of providing them cash loans to help tide over the lean period, they are engaged in productive food-for-work activities where three-quarters of wages are provided in food (appropriate basket based on local diet patterns) and one quarter in cash. This has the following advantages: (i) benefiting local producers/farmers as food can be procured locally; (ii) the debt of the poor and very poor do not increase; (iii) creates local assets like land levelling, soil conservation, roads, bridges, etc.; (iv) does not add to inflationary pressures on the local economy (if, for example, a project is supporting 2,000 farmers with cash loans of US\$ 50 each in one season and all of them are wanting to buy food from the local traders, that creates a sudden increase in demand by US\$ 100,000 – a substantial sum for any local market to bear without creating an inflationary pressure); and (v) ensures that the activity (food for work) only benefits the poor and leaves out the better off (the rich and middle-income groups would be less interested in work where the wages are only 25 % in cash).

More importantly, this addresses all elements of food security as well – i.e., availability, access and utilisation.

### *Example 2:*

The 2010 IHLCA in Myanmar found transitory poverty about three times higher than that of chronic poverty (28% and 10% respectively), and that there is now increasing casualisation of labour. At the region and state level, Rakhine, Chin, Shan (North and East) and Kayah States were found comparatively more vulnerable. With this data, HDI programme staff in these States could focus on the problem of either low wages and bargaining power of the poor and design appropriate interventions (for example, food-for-work during lean months, or supplementary economic activities). However, the Team found no evidence of such thinking in any of the States (Rakhine and Shan, in particular) it visited, and programming follows the same template everywhere.

This gap in utilisation of the IHLCA data and results indicates a gap between UNDP’s current work at policy level and what it does in its own programme, particularly at the project level. In a normal UNDP-programme context, as in other countries where it is more focused on support for policy and capacity development of government institutions, this would hardly be an issue. However, given the mandate it has in terms of working at the grassroots in Myanmar, this disconnect does raise questions about effectiveness and long-term impact of the various projects intended to benefit the poor (ICDP, CDRT, Microfinance). Although this is not to negate the good work being carried out in these projects, which are providing *immediate* benefits to the poor, a disconnect between projects at grassroots on the one hand and the factors and dimensions of poverty identified through the IHLCA (or other similar processes) on the other, will make it hard to establish the long-term effectiveness and impact of the former.

## CONCLUSIONS ON IHLCA

- While the IHLCA (I and II) has now approved a baseline for the country to track its progress on MDGs, dissemination of data and results of IHLCA-II is soon to be underway.
- Within UNDP's HDI programme, the capacity to link its work at policy level with project planning and implementation at grassroots needs to be strengthened, as not doing so may undermine the effectiveness and long-term impact of its work on the ground.

## RECOMMENDATIONS ON IHLCA

R11: The Team recommends that the UNDP ensures that it effectively disseminates the data and results from IHLCA-II to various stakeholders in a user-friendly way.

### Actions:

This may include production of simplified communication materials capturing key data from the IHLCA-II and producing short papers on thematic development issues (for example, on food security, landlessness, social indicators, etc.), and sharing with the States/regions relevant data in a user-friendly format.

It should be noted that there are several other exercises<sup>49</sup> conducted regularly or periodically by various agencies in the country. UNDP needs to consider how may facilitate a joined-up approach, enabling better sharing of results of these various initiatives.

R12: IAM recommends that both UNDP CO programme management, policy unit and as HDI project management work in a team to adopt a systematic approach to understanding and utilising the opportunity offered by the IHLCA data for programming work.”

### Actions:

Set time lines and a work-plan to initiate this coordination of effort and begin supporting the projects on adoption of the IHLCA data at the CO and township levels.

R13: Within the UNDP, the Policy unit and the Programme unit need to work jointly to develop simple communication and training materials on practical use of IHLCA data by project staff in their project planning and implementation.

### Actions:

IHLCA team requires a focal point who can work closely with programme unit on a regular basis to help build the capacity of project staff in making better connections between micro-projects and macro-trends.

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<sup>49</sup> To name a few which the Team came across: Multi-indicator Cluster Survey by UNICEF, food security reports by WFP, food price data produced monthly by WFP for some States, plus a host of studies/data-gathering conducted by INGOs. Additionally the Government of Myanmar may have its own data produced by the Central Statistical Organisation.

## 6.4 ENHANCING CAPACITY FOR HIV/ AIDS PREVENTION AND CARE PROJECT

The Project Enhancing Capacity for HIV/AIDS Prevention and Care was established in 1992, and is one of the first projects to address the HIV/AIDS epidemic in the country. As of 2005 the project refocused its objectives towards strengthening the capacity of the Self Help Groups (SHGs) and raise awareness of villagers. Since 2006 the project has been aligning its activities with the HDI to mainstream HIV/AIDS awareness, prevention and care activities into CDRT and the ICDP. In line with this, the HIV/AIDS project has further evolved towards supporting a community development framework, where activities are implemented in the context of the links between poverty, development and HIV.

### Overview of the HIV/AIDS challenge in Myanmar

Estimated total population, 2010	53,414,374
Estimated number of people living with HIV/AIDS (2009)	237,684
Estimated number of women living with HIV/AIDS (2009)	82,994
Estimated adult HIV prevalence (2009)	0.61%
Estimated number of AIDS-related deaths in 2009	17,556

*HIV/AIDS Project Presentation (Bangkok, May 26, 2011)*

The Team acknowledges that the HIV/AIDS project has been a partner in promoting the engagement of civil society as well as community mobilisation. Particular achievements include the promotion of greater involvement and empowerment of PLHIV Self Help Groups (SHG), establishing Community Capacity Enhancement (CCE) raising community awareness and training in rural communities, support to the establishment of the Myanmar Positive Group (MPG), support of the MPGs the network of Men Who have Sex with Men (MSM SHGs), and a rollout of a Community-based AIDS Support Volunteer Programme in the third quarter of 2010, providing advocacy, community mobilisation and assessments of the project villages.

Within the HDI portfolio, the HIV/AIDS Project is being implemented at both ‘up-stream’ (national) and ‘down-stream’ (community-based) levels of activities, concurrently. Upstream, lessons and experiences from the project supported the process of developing the National Strategic Plan of AIDS (2011-2015) and provided guidance for its operational plan, to be launched in June 2011. Through the HIV/AIDS project the UNDP has been given the lead responsibility for support to the third pillar addressing Social and Economic Impact Mitigation.

In addition the project has been actively working together with other agencies, including IOM and WFP for “Shelter and Nutrition Project for PLHIV” in Mon State, as well as various NGOs, CBOs and the MPG including establishing partnerships and engaging with the SHGs the PLHIV and MSM networks.

Downstream, the HIV/AIDS project has focused on poverty reduction and livelihoods support specifically through its support to HIV-infected persons as well as to other members of their household. In addition, the project has raised awareness by focusing on the stigma

and reduction of discrimination using both its own Training of Trainers initiatives as well as with other project staff within the ICDP and CDRT.

At the township and community level, the project has also been active in support of positive communities by linking them with the MPG organisation, as well as with extending the MSM network at both local and national levels. This latter activity is not fully embedded with other HDI activities, but complements the overall HDI mandate of mobilising and empowering community groups.

The HIV/AIDS Project continues working with the UN-family Gender Working Group, while at the operational level the project works with women's positive network and SHGs from which it supports gender and HIV issues within the context of its own project.

Perhaps one of the most significant challenges with the HIV/AIDS project is a clear understanding of how this specific project fits within the broader HDI activities aimed at the overall goal of addressing poverty and rural livelihoods. Clearly the impact of the AIDS virus is highly threatening in respect to food security for the individual household, but the majority of rural communities are not directly affected. Nevertheless the project is appreciated as having made critical and important gains within the country, and given that there is no other 'vehicle' that can house this project, it remains within the HDI portfolio; be it as somewhat of an anomaly within the programmes structure. This issue will remain in the discourse in the formulation of the new programme and will need to be given full consideration. The division of the UN family's approach to working with HIV/AIDS and its support to the new national strategy gives relevance to UNDP efforts at linking HIV/AIDS with livelihoods and development.

Regardless of the efforts to integrate within the overall HDI portfolio of activities, particularly with the CDRT and ICDP, the overall potential of this has been limited. A number of factors have determined this: The HIV/AIDS operational budget; limited capacity and staff to reach out to work and train the other projects; and perhaps more notable, a reluctance expressed in the donor community to fully appreciate the value of this project; perhaps partially as a bias to an unfamiliarity with the project.

The HIV/AIDS Project remains beneficial, if under appreciated in terms of its achievements within the HDI portfolio. Cost effective and of nation-wide relevance, the Project will need to focus its remaining time on refining its strategies and approaches to strengthen the integration of the project into the mainstream portfolio of the HDI projects. In addition to the continued commendable effort of the project team, there is a need of senior UNDP CO management to appreciate the achievement (especially in respect to the promotion of civil society) and exploit the comparative advantage that this smaller project brings to the UNDP country profile, which includes, establishing an effective working relations and coordination with the national counterparts, and gained ground over the years in supporting both the establishment, acceptance and expansion of the various networks of organisations into a legitimate and effective body proactively addressing the broader challenges of HIV/AIDS.

## CONCLUSIONS THE HIV/AIDS PROJECT

- The HIV/AIDS has been working at both upstream (through various national level initiatives) and downstream (with community based support and awareness training and livelihoods to the most vulnerable) levels. The national efforts have been significant and lead to various sustainable activities including support to civil society

organisations and establishing strong working relationships with national counterparts to support the formulation of policy and strategy.

- These national initiative of the project have been able to take place in full conformity of the current interpretation of the mandate.
- The project has been also made a number of gains through the SHG model working to support the livelihoods of PLHIV. The project has been less successful in its effort to integrate with the ICDP and CDRT projects.

#### RECOMMENDATION:

R14: The Project should continue to work at both the national level supporting the national strategy and action plan of the UN Joint Team as well as with its assistance to various associations of PLHIV as these groups expand their national coverage. As per the UN Joint Team operational work-plan and UN division of labour, the project should continue to participate in the development of the AIDS Impact and Mitigation Strategy (AIMS) and MSM initiative (upstream).

Action:

Continue maintain a supportive presence in the National Strategy Plan and its Operational Plan, the UN Joint Team action plan as well as providing further support to the various civil groups forcing around PLHIV.

R15: The HIV/AIDS project requires more effective linkage with the other HDI Projects components, in particular to the context of adequate and focused training of trainers, community awareness and education campaigns, livelihoods support and linkages to the communities (downstream).

Action:

The project has become more integrated into the HDI management structure but this has not lead to greater coordination expected. The project will require a 'champion' within senior management to drive and advocate the necessity to fully integrated the HIV/AIDS project into the ICDP/CDRT projects and the HDI as a whole.

R16: The project is under-appreciated within the HDI framework and its success has been overlook. The CO needs to identify the overall results of the HIV/AIDS project and its relevance to the UNDP strategy with Myanmar.

Action:

An assessment is required to examine the overall results of the HIV/AIDS project and its relevance to the UNDP strategy with Myanmar.

## 7 CROSS-CUTTING ISSUES

### 7.1 GENDER

The CDRT, ICDP and the Micro Finance Project integrate gender issues specifically with their focus on supporting women through SRGs and micro-credit lending mechanisms. At his



level, integrating gender is a core aspect of HDI with its focus on women's empowerment and promoting gender equality in rural communities. This is evident in modalities of the SRG and microfinance loan groups, that specifically target women and consequently has had an impact on women's empowerment through increased participation on decision-making, voice, knowledge, social mobility and social status.<sup>50</sup>

Limitations in these efforts are seen in the following:

- A stagnate gender strategy has led to inconsistencies within the projects;
- Limited ability of staff to use the sex disaggregation of data at hand for planning and monitoring;
- Limited comprehensive gender analysis available to support planning, to support rural women in the HDI Projects (currently restricted to initiatives focusing on the post-Nargis context); and
- Basic training and awareness of gender analysis and tools by programme staff in 2009, at the field level.

The efforts towards gender mainstreaming have identified a need to ensure that women's and men's concerns are integral to the design, implementation, monitoring and evaluation of each of the HDI programmes in food security and microfinance activities, health, education and HIV/AIDS projects. Across the HDI a pivotal modality of the gender mainstreaming strategy has been the SRG. These women's based mobilise groups of women, including poor and marginalised women, to address their needs and priorities, accessing credit and engaging in local initiatives to improve their livelihood.

Certain project activities have specifically addressed women's practical gender needs such as community-based water supply and sanitation, early childcare, reproductive and health education amongst others.

## CONCLUSIONS ON GENDER

- The HDI is at a critical junction as it begins the inception of a new phase and new design of a framework for future programmes. While the gender analysis is now underway, as a result of various delays there is a risk that the outcome of this analyse may not be able to support the current preparation for new programmatic framework, unless there the option of extension to the HDI is granted; in which case it is expected that the analysis will be able to contribute to the new design process.
- Within the HDI the SRGs and microfinance groups have a sound impact in addressing women's inequality and vulnerability through supporting mechanism where in the members and clients are almost exclusively women. In spite of these achievements the HDI has shown relative weakness in its consistency in applying a gender strategy and action plan.

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<sup>50</sup> As documented in: a) The SRG case studies, and U Thein Myint and U Kyaw Thu. Impact Study of Microfinance Project. UNOPS/UNDP (Myanmar), August-September 2007: b) Smith, Reid, "A Hen is Crowing: A Gender Impact study of Two UNDP Community Development Programs". July 4, 2006: c) U Thein Myint & U Kyaw Thu, "Impact Study of Microfinance Project", UNDP/UNOPS, Aug-Sept 2007.

## RECOMMENDATIONS

R17: Priority need to be given to the undertake the gender recruitment process as soon as possible.

R18: Identify a senior staff '*champion*' to promote gender issues within the country team. It is critical that the management responsibility for ensuring implementation of the strategy. Management should also ensure that staff time – particularly for the focal points – be allocated for learning, supporting others, and carrying out analyses.

R19: Provide further support to the gender awareness training.

## 7.2 ENVIRONMENTAL SUSTAINABILITY

The environmental sector review undertaken by HDI in 2009<sup>51</sup> found that shortage of safe drinking water, land degradation, deforestation and loss of biodiversity as both major developmental and environmental issues in the HDI project areas. Over the 14 years of HDI operations, earlier significant involvement in re-afforestation activities,<sup>52</sup> which included establishment of village level nurseries, transfer of leasehold to communities for community forestry (CF) and introduction of more efficient stoves, had less inclusion in later projects (ibid). A significant factor in this change of emphasis was constraints faced by HDI-IV in necessary collaboration with line agencies; particularly the forestry department, for technical and legal support, including leasing of land for community forestry establishment.

A series of technical assessment and sector review reports have been developed since 2009.<sup>53</sup> These reports focus on the forest plantation establishment, agroforestry, nursery establishment, soil conservation and water harvesting techniques. However, these studies are limited on improve stove distribution, manufacturing and access to markets.

Currently an overall review of CF initiatives since 1995 (plantation of some 100,000 acres) is being conducted by the NGO, Ecosystem Conservation and Development Initiative (ECCDI). As it is estimated that UNDP supported projects were involved in establishment of at least half of this area, this is an opportunity to obtain further information on sustainability of approach and activities.

The environmental components of the CDRT and ICDP projects have been limited, both in originally planned scope and implementation. Investment per household per year has averaged US\$ 0.66 in CDRT and US\$ 1.69 in ICDP, with the majority spent on environmental activities (72% - 88%), a small proportion on energy efficiency (6% - 9%) and variable amounts on awareness raising and capacity development (22% - 3%). The review found only limited implementation of planned activities and variable success, linked to weak community based natural resource management (CBNRM) planning, insufficient technical support and weak linkages with line departments.

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<sup>51</sup> Environment sector review and formulation of reforestation strategy for the Ayeyarwadi Delta. Maung Maung Than, February 2009.

<sup>52</sup> Under HDI I some 2,850 acres of community forestry established and under HDI II some 9,850 acres (Environmental Sector Review, PowerPoint presentation, Maung Maung Than, February 2009).

<sup>53</sup> These include 1) Environment sector review and formulation of reforestation strategy for the Ayeyawady Delta, 2009; 2) Technical manual for environment rehabilitation and climate change mitigation, 2010; 3) Review on environmental management and natural resources activities, 2010; 4) Technical manual for agroforestry systems and 5) Environment sector review for the HDI programme

Following the sector review and analysis of causal factors in the extreme devastation wrought in the Delta region by Cyclone Nargis,<sup>54</sup> additional environmental activities have been included in all projects. While there has been a thorough review of past and potential activities and their likely sustainability,<sup>55</sup> implementation is still constrained by the aforementioned weaknesses in essential links with line departments and technical support. Significant re-forestation has been undertaken over the last year under the ER project and planned within LIFT1 in the Delta region, including mangrove re-establishment as well as farm boundary and private agroforestry initiatives. Survival rates need to be monitored to provide feedback on the efficacy of the technical and community based approaches being used.

HDI staff should be congratulated for their vision and persistence in exploring further opportunities for environmental initiatives which has led to development of three project proposals to global environment funds and bilateral donors. One proposal is to the bilateral donor fund for rehabilitation activities around Inle Lake and the proposal will expand with the GEF funding in future. A second is for REDD+ funding, supported by the UNDP Asia Pacific Regional Centre in Bangkok, and the third is for the Adaptation Fund, scheduled to be launched in 2010; but is still at a proposal development stage with the Environmental Thematic Working Group members that plan to submit the proposal on July 2011. These initiatives highlight the importance of linkages with Environmental Staff in the UNDP Regional office who are aware of eligibility requirements and with whom alternative approaches can be explored, within the UNDP mandate for Myanmar.

## CONCLUSIONS ENVIRONMENTAL SUSTAINABILITY

- Significant efforts have been made by earlier HDI programmes as well as current ones to introduce environmental improvement activities. Further analysis of the impact of these initiatives is required: Particularly the comparative study on forest plantation establishment, natural forest conservation and agroforestry activities. In addition, impact study on improve stove initiatives are needed.

## RECOMMENDATIONS

R20: A more in depth assessment of uptake, design suitability and constraints to improved stove adoption is required, as this intervention is still considered relevant after promotion for 14 years, yet manufacture and uptake is still limited.

R21: Survival rates in afforestation activities need to be monitored after six months and then yearly, to help assess impact and provide feedback on implementation practices. This is required not only for CF activities (where the monitoring is mandatory) but in private planting and agroforestry activities.

## 7.3 DISASTER RISK REDUCTION

Immediately after cyclone Nargis in 2008, Disaster Risk Reduction (DRR) was integrated into the Early Recovery Programme, focusing community capacity building in DRR while integrating DRR into the on-going Early Recovery Programme. A DRR Strategic Policy

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<sup>54</sup> Government of Myanmar, ASEAN, UN 2008. Post Nargis joint Assessment Report.

<sup>55</sup> Review of Environmental and NRM activities, Maung Maung Than, Undated.

Framework for HDI was developed in 2010,<sup>56</sup> which highlighted key approaches to focus on: The most vulnerable; women, children and disadvantaged groups; multi-hazard and multi-sectoral approach; strengthening governance; and building partnerships. Specific areas for intervention were identified including disaster research; policy and governance within the sector; promoting community-based DRR; knowledge, education and awareness; and disaster preparedness and response. From 2010, DRR has been added into on-going HDI Projects to support for preventing and reducing the effects of natural disasters in the country. UNDP is aiming to upscale its DRR efforts beyond the Delta to other HDI villages in hazard prone areas of the country.

UNDP was a member of the national task force, comprising both government ministries and UN organizations and NGOs in development of the Myanmar Action Plan on DRR (MAPDRR).<sup>57</sup> On-going environmental activities and DRR activities within the ER and LIFT1 projects fit well with the last two components identified by the plan; community based disaster preparedness and risk reduction and public awareness, education and training. A multi-hazard risk assessment in Nargis affected areas has just been completed by UNDP as a priority activity identified by MAPDRR.<sup>58</sup> This will provide a valuable planning tool for government in terms of helping assess vulnerability of communities to various natural hazards and likely losses following disasters. A second study is planned to cover cyclone prone areas in the Giri area of Rakhine State; a coastal area prone to cyclone, storm surge, landslide, earthquake and tsunami, etc.

HDI has supported over 500 communities to establish Village Disaster Management Committees (VDMCs), which has resulted in 6,701 people (3,723 women) being educated in DRR.<sup>59</sup> VDMCs visited within the ER and LIFT projects were found to be active, holding regular practice drills and with several members trained in first aid and search and rescue techniques. Seven cyclone shelters have been built over the last year (2010) in five villages where alternative safe meeting locations were not available and strengthening of community meeting areas as safe havens has continued under the ER project (eight in 2010).

The DRR projects see the challenges now to include linking village disaster management plans and activities with the township level, to ensure good connection with early warning systems and sustainability of the community level activities promoted. Working with other organisations, such as UN-Habitat, Asian Disaster Preparedness Centre (ADPC) who are able to work with government institutions (such as the General Administration Department responsible for DRR at township level) will be important in this endeavour.

Another important area requiring development is the legal framework for DRR within the country, for which the government is requesting support.

## CONCLUSIONS ON DRR

- Disaster risk reduction is an important new area of work for HDI which has relevance beyond the immediate response to the Nargis and Giri cyclone emergencies. Some areas are closely linked to environmental initiatives, but there are distinct areas of

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<sup>56</sup> Disaster Management: Strategic Policy Framework. A strategic framework for DRR in UNDP's HDI. 2010.

<sup>57</sup> Myanmar Action Plan on DRR (MAPDRR) 2009-2015. Ministry of Social Welfare, Relief and Resettlement, Union of Myanmar and sponsored by Asian Disaster Preparedness Council, August 2009.

<sup>58</sup> Multi-hazard risk assessment in Nargis-affected areas (Ayeyarwady, Bago, Yangon). Hazard risk and vulnerability assessment report, UNDP, Myanmar, January 2011.

<sup>59</sup> Disaster Risk Reduction, prevailing over disasters through community action, UNDP, Myanmar, Undated.

work in disaster preparedness and a further requirement for linking village groups to township support systems and ultimately with district level DRR support.

#### RECOMMENDATIONS:

R22: Continue liaison with other organisations to enable and maximise impact to link village disaster management plans with the townships.

R23: Reforestation and DRR activities linked with local schools are very important for awareness raising and long-term attitudinal changes necessary for successful introduction of DRR activities. If the situation permits in the new government system, UNDP may have the opportunities to work with local schools for DRR awareness raising programmes.

### 7.4 A RIGHTS-BASED APPROACH

UNDP's original mandate (UNDP GC/EB 1993/21) underpinning its work in Myanmar was articulated within a basic-needs framework to programming.<sup>60</sup> However, using a human rights-based approach, globally UNDP supports efforts in three key areas,<sup>61</sup> namely:

- Building capacity of the systems and institutions put in place by nations to protect human rights;
- Promoting the use of a human-rights based approach to development programming; and
- Engaging with international human rights machinery led by the UN, forging partnership with expert institutions.

Given the constraints imposed on the CO by its mandate, UNDP in Myanmar does not attempt to work on the first of the above three areas. As most of its work in the country is concentrated on development programming at grassroots, this is where a rights-based approach becomes highly relevant. Although the CO has not clearly articulated a rights-based approach (RBA) in its programming, elements of the RBA were seen in some of its work. The best example is that of its support to HIV positive solidarity groups at the level of townships which has enabled socially discriminated and stigmatised people to come together and assert their identity and reclaim their space in mainstream society. Several members met in one of the townships visited by the Team narrated how families and communities ostracised them when they were diagnosed as HIV positive, which forced them to go into social isolation, leading to loss of employment and livelihoods. It was through the work of these groups that many of them were able to regain confidence and social acceptability.

Other examples like obtaining limited land rights for community forestry activities in previous and current projects point to some of the rights-based work that can be done in the country at the local and township levels. Poverty being predominantly rural in the country, access to land which is linked to land tenure and land rights remains a big issue in the country, and the Team's discussions with other UN agencies and INGOs indicate that there is a great

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<sup>60</sup> It needs to be noted here that the UN (and all its agencies) adopted the human rights-based approach only in 1998 – i.e., several years after the original mandate authorising UNDP's work in Myanmar was approved by its Executive Board.

<sup>61</sup> [http://www.undp.org/governance/topics\\_human\\_rights\\_strengthening.shtml](http://www.undp.org/governance/topics_human_rights_strengthening.shtml) (accessed on 14/05/2011 at 0919 GMT)

deal that can be done on this issue, even without directly engaging with national institutions as restricted by the UNDP's mandate.

UNDP's work with women in particular, through SRGs and CBOs, is giving a sense of voice and power to them. Although these organisations have not yet reached a point where they can make demands on duty-bearers, at least within the communities themselves, a sense of self- and group- identity has emerged. Additionally, the new initiative towards community feedback mechanism (see Section 11), below begun earlier this year is underpinned by UNDP's commitment to accountability to beneficiaries, an universally acknowledged principle of beneficiary-rights.

## CONCLUSION ON RBA

- Given the initial "needs-based" focus UNDP's programme has so far not been comprehensive in the use of a rights-based approach. There is scope to develop work in this area, and UNDP is taking steps to move in this direction

## RECOMMENDATION

No recommendation is made in this area.

## 8 MONITORING & EVALUATION AND REPORTING

Previous IAMs commented on weak Monitoring and Evaluation (M&E) within UNDP Myanmar. A Monitoring, Evaluation and Learning group (MEL) was functional in 2008 with the objective of developing and upgrading M&E approaches and methodologies,<sup>62</sup> Although the group was functional in 2008 it was weakened in the re-profiling of 2009. The new Monitoring, Evaluation and Reporting Unit was subsequently established through a CO initiative. Following this, an international M&E expert was brought into review this new setup.<sup>63</sup> The unit has been designed the intention of having five core staff (currently only three positions are filled).

The country team has had a results-based management systems in place for several years, to produce an integrated work-plan for the HDI. However during the 2010 implementation cycle, reporting (and monitoring) stayed predominantly activity-oriented,<sup>64</sup> while it should be noted that UNDP appears to have developed a good system for tracking its inputs and activities at the field level.

In late 2010, the HDI country team in close consultation with a core donor, prepared a results-based log-frame for the 2011 planning and implementation cycle.<sup>65</sup> Detailed outcome targets at the CO level, have been used as a format and guidance for the bottom-up planning process, by the Area and Township managers drawing up Area and Township based log-

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<sup>62</sup> IAM 2010 Report

<sup>63</sup> Thomas Winderl (2010). Mission Report – Monitoring, Evaluation and reporting in UNDP Myanmar, 12.03.2010

<sup>64</sup> Project reports for ICDP and CDRT for the year 2010 seen by the Team focus heavily on activities and outputs delivered.

<sup>65</sup> It should be noted that the revised results-based long-frame for 2011 has been developed for the ICDP and CDRT only, and this did not include the microfinance project, the HIV/AIDS project and the IHLCA project.

frames and corresponding outputs and detailed work-plans. This was the first time that the CO had used a comprehensive and consistent result- based framework for its planning, beyond the cooperate results-based management systems in place in the CO for several years

Accordingly adjustments have been made to better reflect the logic of activities, outputs and joint outcomes of the HDI projects in the process of drawing up the MPPs as well as in the reporting formats, and in the overall approach to results monitoring. However, getting staff to think beyond activities and outputs remains a challenge.

The M&E framework put in place now is as follows:<sup>66</sup>

<i>Component</i>	<i>Items</i>	<i>Responsibility</i>
Implementation Monitoring	Input tracking Output monitoring	Project
Outcome/Impact monitoring	Household survey Participatory assessments	CO
Purposive studies	Case studies Thematic assessments	CO
Feedback	Stories from the field Community feedback and response mechanism	Project CO

Based on the above framework, new reporting formats (from townships, area programme managers and project managers) for monthly and quarterly reports have been simplified and introduced from April this year. Following recommendations made by the IAM 2010, the number of reports have been reduced from an unmanageable 21<sup>67</sup> to five. At the time of this IAM review, the first series of progress reports based on the new formats came in and the Team saw a few reports from Area Programme Managers and townships. The reports are brief and clearly capture the progress made on implementation of activities and outputs delivered.

However, the Team considers that the above M&E framework requires fuller, continued attention to the results-based approach and notes that related system changes are now being implemented this year (2011). Given a certain complexity of such a change process in a program of the scale of the HDI, there is a risk that the previous activity-focus at all levels of project implementation (townships area levels) might not be overcome. This runs the risk that project planning and implementation on the ground will carry on as usual, while outcome/impact monitoring will only be done at the CO level (i.e., by staff who are at a

<sup>66</sup> Reproduced from an internal note 'HDI Monitoring and Evaluation', UNDP (11/05/2011)

<sup>67</sup> IAM 2010 Report

distance from project planning and implementation) and will end up being disconnected from the former.

A result-based culture will require shifts in thinking at all levels, especially at the level of Project Township Managers and Area Programme Managers who need to be able to provide guidance and programme support to staff in the frontline (townships). Towards this end, at least the required progress and annual reports from Area Programme Managers and PMs need to focus on outcomes as well, in addition to reporting on outputs.

## CONCLUSIONS ON M&E AND REPORTING

- The CO has been making serious attempts to move to result-based management framework and the log-frame developed for the 2011 implementation cycle would go a long way towards moving staff from activity-focus to output and outcome monitoring and reporting.

## RECOMMENDATIONS

R24: Review the current M&E framework to reinforce the outcome focus in the actual planning and implementation at the level of Project Township Managers and Area Programme Managers.

### Actions:

- 1) Working closely with the M&E unit, the Programme unit needs to further train and support its Project Township Managers and Area Programme Managers in use of outcome indicators in planning, management and reporting.

Review the progress and annual reporting formats for Project Township Managers and Area Programme Managers and ensure that elements of outcome are incorporated in these.

## 9 COMMUNITY FEEDBACK AND RESPONSE SYSTEM

A community feedback and response mechanism was introduced in January 2011 on a pilot basis in four townships (two within the ICDP project and two within CDRT) in recognition of the right of beneficiaries and community members to give feedback and seek response from UNDP. The pilot was seen to be well advertised at field level and community members met were fully aware of the system and how it worked. Posters explaining the process are present in villages adjacent to locked mail boxes, which are checked regularly by a designated community member in the presence of field staff. Feedback responses are logged in ledgers held at the community level and e-mail, postal address and telephone contacts are provided as alternative avenues to convey feedback. Kyaiklatt Township has received some 82 feedback from 31 of 50 villages in the first four months. A third of these were expressions of thanks for the project, a fifth requests for support from the project and some 10% requests for support outside of the project remit. A further third were suggestions for future of current activities. HDI Project Township Managers express interest and satisfaction in the pilot, saying that they are keen to know what beneficiaries have to say, both to diffuse potential problems before they become a major issue and to feed into planning activities.



The system has resource implications, both in field staff and Project Township Manager's time and additional visits to communities to deal with requests and sensitive issues.

Funding for the feedback mechanism is now secure and the roll out is planned after a review and improvements. It is to be noted that if this mechanism is to work, UNDP will also need to commit adequate staff resources to it. A good feedback/complaints mechanism will work only if it is based on two pillars:

- a) The feedback-giver knows that the feedback goes to someone who will deal with it impartially and without any bias; and
- b) A response to each feedback – no matter how trivial – is received by the feedback-giver.

## CONCLUSION ON COMMUNITY FEEDBACK & RESPONSE SYSTEM

- While the community feedback mechanism introduced this year is a step in the right direction, it needs to be based on a clear policy statement from senior management which needs to keep an oversight of this as otherwise interest seem to fade away for such 'good, but not mandatory' practices.

## RECOMMENDATION:

R25: The feedback mechanism needs to be backed by an oversight and commitment from the CO management, including deployment of necessary staff resources.

R26: With suitable funding made available, roll out the initiative to all programme villages.

## 10 FIELD COORDINATION, OVERSIGHT AND QUALITY ASSURANCE:

UNDP's township staff constitute the frontline in delivery of UNDP's activities under the ICDP and CDRT projects. They are supported by Area Project Managers. Each community development facilitator (CDF) covers anywhere between 10 (Delta) to 35 villages (Shan), with 20-25 being the norm, and provides direct interface with the communities.

Given the scope and scale of UNDP's work, a great deal of responsibility is placed on the township staff as that is where activities are planned and most of the HDI programme delivered. The staff are highly skilled in what they do, and some of them have accumulated solid grassroots experience, having worked for UNDP for several (some as high as 10-14) years. However, being heavily embedded into an activity-mode of delivery, staff often require greater support in being able to think strategically, or connect the activities or outputs they deliver to a wider programmatic approach.

Technical support for livelihood activities, particularly those relating to crop, livestock and fish culture, were observed to be of mixed quality. The programme is supporting a very wide range of activities, in response to client demand, and resources are stretched. Specialised expertise is available in other organisations, both within the UN<sup>68</sup> and externally.<sup>69</sup> Linkages

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<sup>68</sup> FAO is working on certified paddy seed production.

would bring additional expertise and better contacts with support services, which in turn should lead to better long-term sustainability of the interventions.

Current concern is for the process for the approval of micro-project plans (MPPs) which currently all come to Yangon for checking. The present system takes between 4 to 6 weeks and requires numerous signatures. The concern is that the Yangon level checking adds little added value, yet delays the process significantly. There is a strong feeling among project staff that decentralisation of the approval process is required to Area level.

In section 6.3 (Box 1), some examples of where programme opportunities were being missed out were cited.

While all of these would have been done with good intentions for the community, failure to coordinate and/or have dialogue with others means that staff often very inward looking and parochial in their approach to project planning and implementation. The IAM Team heard from UNDP staff that UNDP had the largest and most extensive programmatic presence in the country; a view that did not match the Team's findings from discussions with other agencies – at least a couple of which have far larger budget, as well as more extensive coverage of their programme than UNDP's. The point is not that size of budget or area covered is the issue – the vital fact is that UNDP staff may be missing-out on what is happening in the country's development scenario by not engaging with other organisations and institutions. UNDP's project documents and plans identify food security as a priority issue, but on the ground UNDP's activities are predominantly focused on food production alone.

All of these point to the need for greater support and oversight from senior management in the CO. The Team spent too little time in the field to comment on, for example, how the SRGs select the beneficiaries for credit or microfinance programme. While the Team did receive evidence that the selections were based on economic and financial criteria, whether or not intangible factors like communal/sectarian identity, etc., played their part in beneficiary selection could only be looked into by local staff who understand the local socio-political dynamics. In a country where political or ethnic polarisations do exist, but are kept in check through tight control over the population, there is a risk that unless carefully monitored, UNDP's beneficiary selection or even staff selection may get vitiated by these hidden factors, undermining the Organisation's values of impartiality and neutrality. In one State in recent weeks, there were local concerns raised that the UNDP had not been impartial in its selection of staff and beneficiaries. Immediately following this allegation, the UNDP CO initiated an onsite investigation to review the credibility of this claim and came to the conclusion that there is no evidence to substantiate the allegation of bias in recruitment or selection of beneficiaries to the projects.

What is important to recognise in this alleged incident is how it is not being currently captured in the existing feedback mechanism, and this may indicate the current weakness in that mechanism. This can be expected as the current feedback mechanism is still being tested and developed in pilot initiatives.

Had the feedback mechanism been established and matured over the last few years, it would be well situated to respond to such rumours and allows the township staff and country team to address these claims before they roll into the large context. An adequate feedback mechanism should be able to capture these incidents and mitigate against the danger of the HDI being drawn into a broader political discourse.

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<sup>69</sup> GRET has experience of farmer field schools and farmer networks for introduction of new technologies.

## CONCLUSIONS ON FIELD COORDINATION, OVERSIGHT AND QUALITY ASSURANCE

- The pressure of delivering extensive range of activities often tends to make the field staff miss out on opportunities to engage of wider programmatic opportunities in the absence of strong support and oversight of strategic programming from the CO.
- The process of approval of MPPs needs to be simplified and speeded up in order to effectively deal with the volume of proposals in time for effective implementation of seasonal activities.

## RECOMMENDATIONS

R27: Going beyond providing administrative support, UNDP CO needs to review the oversight and quality assurance support it is able to provide to township and area staff.

### Actions:

The Programme unit needs to be positioned and capacitated strategically, to provide further provision of higher level programming support in build field staff's capacity and programming skills on a continuous basis.

The CO needs to continually, closely monitor the major risks associated with implementing an extensive programme like the HDI, and ensure that this is being tracked to fully ensure values of impartiality and neutrality through the risk management mechanism in place.

R28: Approval for MPPs should be delegated to Area level, with no requirement for regular MPPs to come to Yangon level.

## 11 OVERALL CONCLUSIONS

HDI is in compliance with the mandate required by the UNDP GC/EB, be it through a conservative interpretation.

Overall the IAM Team is impressed with the efforts of the HDI over the last twelve months in an attempt to bring the project activities into alignment and prepare for the closure of the current cycle.

The HDI has been keenly following the concerns raised in the IAM mission for 2010. In this, the HDI projects have careful and constructively adjusted their effort to introduce some new activities; be it cautiously in the context of either supporting the exit efforts, wrapping up loose ends, or preparing toward the next programme.

In this respect, the HDI has made gains over the last year towards addressing the needs for consolidating in the projects.

Although the Team commends the success in recruiting the new project managers with the CDRT and ICDP – as this now gives improved leadership, in each of the three individual activities (the third being microfinance)- there is still a serious need for an overarching programme supervisor and this position should be given full consideration in the new

programme design, thereby ensuring each of the projects the necessary complementary direction and programme coherence. The Team recognise this position is still lacking, but also caution in this late hour of HDI cycle to try to fill this position. Rather, a lesson should be drawn from this, to appreciate the necessity for this position within the new programme. That is not to suggest that the new programme should carry on with the ICDP and CDRT structures, but for the HDI to appreciate that any complex programmatic framework with a concurrent of principal activities will need oversight, strategic coordination and complementarity, that can best be served by such a position.

To the context at hand, the IAM Team acknowledges that the two new project managers are in place and have made considerable strides forward in linking the two projects: not least of their efforts towards drafting a joint CDRT/ICDP log-frame and budget, providing a sound instrument to provide planning direction and coordination of effort. This log-frame has been a process and product that has contributed and guided the two projects significantly and the Team acknowledged the significant effort placed there.

The log-frame has also provided a tool appreciated by the donors and allows them to understand how they can best fit and articulate with the current efforts. This goes a long way to constructive channel donors 'demands' for the HDI to implement one-off activities that may not necessarily articulate well with the overall intention of the HDI.

The CDRT and ICDP have also worked towards harmonising their mutual efforts of poverty reduction and community mobilisation as interlinked and interdependent variables and has focused their efforts on strengthening the SRGs to augment social capital at the community level.

This is especially important as in contrast to the efforts of the microfinance project, both the CDRT and ICDP have been criticised in past IAM reports in terms of their relatively weaker SRG financial achievements (lower loan recover rates), which when using this sole financial measure underappreciates the social value of these community mobilisation projects. Although strictly from an economic perspective, the SRGs can be seen as underperforming in comparison to their Micro Finance counterpart activities, the HDI correctly appreciates that the SRGs are more than a means to inject capital into household and communities.

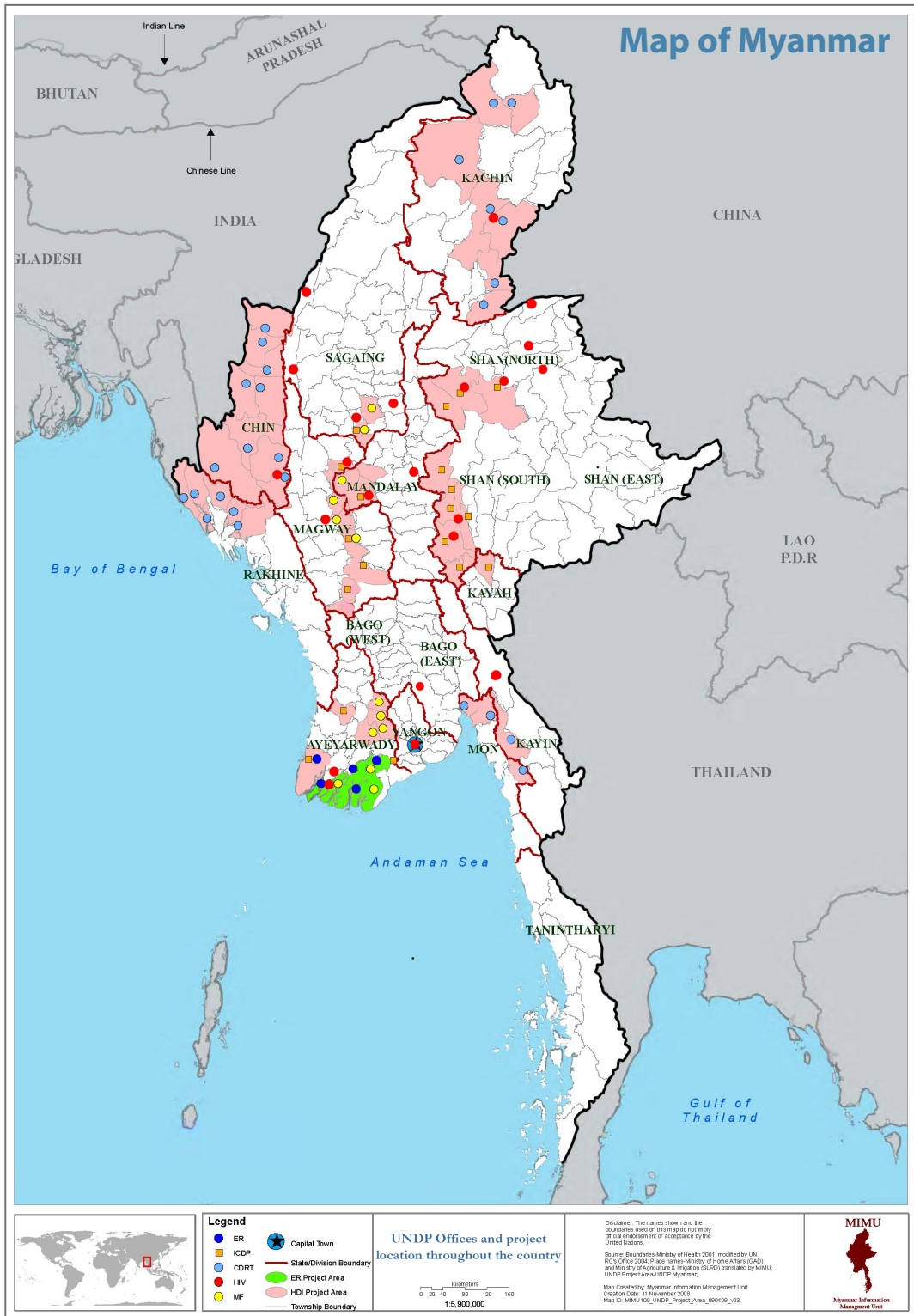
The Team makes this comment in acknowledgment that earlier IAM missions have put considerable weight upon the need for a programme approach that focus on poverty at a household level and cautioned again a focus on community mobilisation. This mission recognises the need to address livelihoods development and food security at both the community and household level, in that amongst many of these rural communities, households are not isolated entities but a dynamic element in a network or social relations that extend through the community. There is an argument of community mobilisation (increasing social capital) to provide the social framework to address household needs, as well as to sustain food security and livelihoods initiatives. But as with previous mission, the Team also cautions against the risk of these activities attempting to substitute for weak and ineffective government services.

Although the HDI-IV is now scheduled to come to the end of its current cycle at the end of 2011, the UNDP CO is giving consideration to an option to request permission for a final bridging extension to carry activities into 2012. Justification for such an extension is rooted in the current time constraints and the on-going consultations with key partners to present new activities within the context of a new legislation, and considerations of a possible broader interpretation of the mandate.

There are grounds for the argument of an extension to reformulate the programme proposal for submission early next year, and thus allowing for a more responsive formulation to the emerging changes that are being hinted at through recent development in the country, as well as taking the opportunity to settle the outstanding issue of the interpretation of the Executive Board's decisions for programmatic engagement in Myanmar.

# 12 ANNEXES

## Annex 1: Project map



(source: Human Development Initiative 2010. UNDP. Yangon. Page 3)

## Annex 2: Terms of Reference

### **Independent Assessment Mission Human Development Initiative: Phase IV April-May 2011 in Myanmar**

#### COUNTRY SITUATION

Myanmar is situated in Southeast Asia. The country covers an area of 676,577 square kilometres with extensive borders with China on the north-eastern side, India and Bangladesh on the north-western and western, Lao PDR on the eastern side, and Thailand on the south-eastern to southern borders of the country. Myanmar's estimated population of 59 million is settled in 14 states and divisions of the Union's administrative structure. Seventy-five per cent of the country's population live in rural areas. Myanmar is endowed with natural resources including agricultural land, forestry, natural gas, various metals and gems, and water resources. With abundant agricultural land, the country's economic structure is primarily dependent on agriculture and farm related activities that currently provide livelihoods to more than 65 per cent of the population. Agriculture accounts for 55 per cent of the country's gross domestic product (GDP), followed by services and industry accounting for 32 per cent and 13 per cent of the GDP respectively. The IMF estimates that the GDP will grow by 4.8% in 2009/10, derived primarily from natural gas, pulses and beans, rice and rice products, fisheries and hard wood. The inflation rate has been brought under control to 6.5% per annum (from over 20% last year) and government deficit has been reduced to 3.5% of GDP. However, the GDP per capita is still low compared to neighbouring countries. In 2009/10 prices IMF estimates the GDP per capita to be US\$446 compared to US\$650 for Bangladesh and US\$730 for Cambodia. Myanmar continues to receive the lowest ODA globally among LDCs.

Myanmar is a highly fertile agricultural country fed by four major river systems, and the economy is basically agrarian. The largest share of the agricultural production is rice, with other important crops being beans and pulses, cotton, sugarcane, edible oil crops, maize and tobacco. Myanmar still has considerable forest coverage and is among the world's largest exporters of teak and other hardwood. Mineral resources of the country include natural gas, lead, petroleum, silver, tin, zinc, and precious and semi-precious gems, such as jade, rubies and sapphires. Artisanal products include gold and silver work, lacquer-ware, silk, and wood carvings. The Integrated Household Living Conditions Assessment (IHLCA) project of UNDP has carried out sample survey of over 18,000 households in 2005. It found that approximately 10 per cent of the population are in food poverty and some 32 per cent live below the overall poverty line, i.e. deprived of inadequate food, nutrition and essential non-food items.

The poverty situation, particularly in the rural areas, has drawn the attention of UN agencies and international non-governmental agencies (INGOs) which are presently focused on providing basic needs and humanitarian support to people living in extreme poverty conditions in the rural areas. A few INGOs have limited support programme in the peri-urban areas of Yangon.

In May 2008, the most devastating natural disaster in the history of Myanmar, Cyclone Nargis, hit the country. 120-mile per hour winds and resulting storm surge carved a path of destruction that left more than 138,000 people dead or missing. In total, 2.5 million people have been affected by the crisis, of which 1.4 million are in the Ayeyarwady delta. The Post Nargis Joint Assessment (PONJA) estimated that the storm destroyed and damaged nearly a million houses, 50% of schools and 75% of the health facilities in the affected areas.

The presence of over 500 UNDP staff and project personnel in the Delta region played a key role in the response to the urgent emergency relief needs and also made it possible to

undertake initial assessments of damage and loss that contributed to the preparation of common Appeals by the UN System in May and July 2008. The operational capacity in place to implement the Human Development Initiative (HDI) has enabled UNDP to make a rapid start on an Integrated Community-based Early Recovery effort in the Delta, implemented as part of on-going community development projects within the UNDP Executive Board-approved HDI strategy for 2008-2010.

In February 2009, the Post Nargis Recovery and Preparedness Plan (PONREPP) were launched, setting out a three-year framework to guide recovery efforts following Cyclone Nargis. Covering the period from January 2009 through December 2011, the PONREPP provided a strategic framework for the transition from emergency relief and early recovery towards medium-term recovery.

In late 2010, Cyclone Giri hit Rakhine causing major damage and destruction. Some 50 people were killed and approximately 260,000 people affected by the disaster. Nearly four months later, key challenges facing the affected communities include inadequate shelter, damaged crop and embankments, food insecurity and indebtedness due to loss of income opportunities. Recent assessments carried out by agencies and organizations working on the ground show that an estimated 104,000 people are still living with host families in the worst affected townships – Myebon, Pauktaw, Minbya and Kyaukpyu. Around 60% of the rice production from 2010 has been lost, and over 90% of all rice fields have been damaged in Myebon alone. People are struggling to make ends meet and rebuild their livelihoods. A Consolidated Action Plan shows, as of February 2011, additional assistance of approximately USD 51.2 million will be needed for the early and medium term recovery activities planned by UN agencies and INGOs in Myanmar.

In 2008, the government adopted the latest Myanmar constitution. Following the provisions of the constitution, the elections were held for national and regional legislatures in November 2010 that were won by the government-supported Union Solidarity and Development Party, but which also resulted in a small number of seats won by several ethnically based parties, including those representing Chin, Rakhine and Shan groups. The newly elected legislatures convened for their first meeting in the national and regional capitals for the first time on 31 January 2011, and are still in their first session. Among its first acts, the national ‘Hluttaw’ or parliament, elected the speakers of the two national houses of parliament, as well as the President and two vice presidents of the country. Continuing its first session, the national parliament also approved the list of national ministries and of ministers. Regional Chief Ministers and ministries have also been announced as of the third week of February.

## UNDP ASSISTANCE

Project activities are largely focused on humanitarian assistance. In 1992, the UNDP Governing Council (currently known as the Executive Board) directed that the UNDP country programme be held in abeyance, pending a review of UNDP assistance to Myanmar by the UNDP Administrator.

Following the results of the review, the Governing Council (GC) subsequently adopted the Governing Council decision 93/21 of June 1993. In this decision, the Governing Council, recognizing the critical basic human needs of the people of Myanmar, decided that until such time that a new Country Programme could be approved, all future assistance “should be clearly targeted towards projects having grass-roots level impact in a sustainable manner, particularly in the areas of primary health care, the environment, HIV/AIDS, training and education and food security.” In addition, the GC/EB decisions also called upon the Administrator to report annually to the Executive Board on the extent to which UNDP activities meet the provisions of the relevant GC/EB decisions and the progress and challenges faced by the projects in their implementation. On this basis annual Independent



Assessment Missions are undertaken, and their reports are presented to the UNDP Executive Board.

In line with the above mandate, UNDP projects and activities have been formulated and implemented since 1993 in strict compliance with the guidelines set out in the relevant decisions. Individual projects are coordinated within a programmatic framework entitled the “Human Development Initiative (HDI)”. Until 2009, projects have been implemented by specialized United Nations Executing Agencies with the exception of one major project under the current HDI Phase IV, which is being implemented under the Direct Execution modality by UNDP. In late 2007, the CO began a transition process resulting in a change of the execution modality for three HDI projects from UN Agency Execution to Direct Execution modality, and one to NGO Execution Modality. This transition to the new execution modality was completed in early 2009.

The following table provides information on the various phases of the HDI, as reflected by the relevant Board decisions:

<b>Programme Resources: Human Development Initiative (HDI)</b>			
<b>Mandate</b>	<b>Programme Period</b>	<b>No. of Projects</b>	<b>Total resources (approved by EB)</b>
<b>Governing Council decision 93/21</b>	<b>1994-1996 (HDI Phase I)</b>	<b>15</b>	<b>\$25.5 m</b>
<b>Executive Board decision 96/1</b>	<b>1996-1998 (HDI Phase II)</b>	<b>10</b>	<b>\$52.076 m</b>
<b>Executive Board decision 98/14</b>	<b>1999-2001 (HDI Phase III)</b>	<b>11</b>	<b>\$50.0 m</b>
<b>Executive Board decision 2001/15</b>	<b>2003-2005 HDI-Phase IV</b>	<b>6</b>	<b>\$22.0 m</b>
<b>Executive Board decision 2005/42</b>	<b>2006-2007 Extension of HDI- Phase IV</b>	<b>6</b>	<b>\$22.0 m</b>
<b>Executive Board decision 2006/31</b>	<b>Initial approval for 2008-2010 Extension of HDI- IV</b>	<b>5</b>	<b>-</b>
<b>Executive Board decision 2007/36</b>	<b>2008-2010 Extension of HDI- IV</b>	<b>5</b>	<b>\$49.0m</b>
<b>Executive Board decision 2009/24</b>	<b>One year extension of HDI-IV until 2011</b>	<b>5</b>	<b>\$103.9 m</b>

In March 2005, the Myanmar Government agreed to the proposal to expand the HDI programme to 40 additional townships, which was then endorsed by the Executive Board. Geographical expansion commenced in March while continuing assistance in the 24 on-going townships under HDI Phase IV.

In September 2006, the Executive Board requested UNDP to continue with the HDI-IV programme taking into account the findings of the most recent independent assessment mission. Decision 2006/31 also approved, in principle, the extension of the current phase of the Human Development Initiative for the period 2008-2010. Executive Board decision 2007/36 endorsed the proposed programme focus during the three-year extension (2008-2010) of HDI Phase IV, which consists of five projects:

- Community Development in Remote Townships project (CDRT),
- Integrated Community Development project (ICDP)
- HIV/AIDS Prevention and Care project
- Integrated Household Living Conditions Assessment (IHLCA)
- Microfinance project

The UN Country Team in Myanmar has developed a new draft UN Strategic Framework to cover the period 2012-2015 as a means to harmonize programming cycles for UN agencies in the country in lieu of a formal UN Development Assistance Framework (UNDAF). In this regard, Executive Board decision 2009/24 extended the HDI-IV for an additional year until the end of 2011. The UNDP Executive Board during its Second Regular Session in September 2010 passed decision 2010/30 which, among other things, recommended that “UNDP initiate, as soon as possible, within the full potential of the existing mandate, the design of programming activities from 2012 onwards, taking into account the recommendations of the independent assessment mission.” In this regard, a draft successor programme of activities (or another extension of the existing programme) for 2012-2015 is being finalized by UNDP for submission to the Executive Board for consideration at its Second Regular Session in September 2011. In preparation for this work to develop these programme activities, UNDP has undertaken a number of internal analyses and developed a draft paper for programming in the near and medium-term which take into account previous years’ Independent Assessment Mission (IAM) recommendations.

#### COMPLIANCE WITH MANDATE

As required by the GC/EB mandate, annual independent assessments and reviews of HDI projects have been carried out since 1994, and findings summarized in the Administrator’s annual report to the Executive Board. These assessments and reviews focus on (a) the extent to which UNDP assistance to Myanmar continues to meet the provisions of the relevant decisions, including GC decision 93/21; and (b) the progress and challenges in the implementation of project activities of the Human Development Initiative. The 2010 independent assessment covered the period June 2009 to March 2010.

#### OBJECTIVES AND SCOPE

In line with the Executive Board’s directive, the 2011 independent assessment will assess compliance with UNDP’s mandate as expressed in GC decision 93/21, and comment on the progress and challenges in the implementation of HDI Phase IV projects during the period April 2010 – March 2011.

#### MAJOR ISSUES TO BE ADDRESSED

The assessment mission will be expected to examine the following major issues:

#### Review of Compliance:

- Are the directives of the Governing Council and Executive Board decisions being closely followed?
- Are the projects addressing the basic human needs of the target beneficiaries in a sustainable manner in the areas mandated in GC decision 93/21, namely, primary health care, the environment, HIV/AIDS, training and education and food security? Differentiate the analysis for men and women as much as possible.
- What actions have been taken by the CO to consider the recommendations made by the HDI 2010 Assessment Mission as well as additional assessments, **including Outcome/impact surveys, case studies and annual partner/donor review missions?**

#### Review of the programme and challenges in the implementation of the project activities of HDI:

- How has the focus of targeting the most vulnerable in HDI programme areas been enhanced and how has assistance thus far been organized to assist the most vulnerable, including the poorest of the poor?
- Are current monitoring and evaluation mechanisms and procedures adequate to measure results in a gender disaggregated manner and ensure transparency and accountability of project activities? Is there an adequate flow of information to the beneficiaries to empower them to hold projects accountable to deliver timely, effective and efficient (cost-effective) assistance?
- Are there mechanisms in place within the projects to provide remedies for individuals/groups (both beneficiaries and non-beneficiaries) who have concerns with project inputs/outputs, processes or staff? How can these mechanisms, such as the Feedback system, be made more effective and guarantee confidentiality?
- What specific progress has been made to strengthen capacities to evaluate the impact of the programme and share HDI findings with various stakeholders?
- What are the challenges and constraints being faced by HDI in its implementation in light of the current operating environment? How are these being addressed?
- Examine whether the programme adequately integrates gender, HIV/AIDS, environmental sustainability, disaster risk management and risk reduction and the rights-based approach in the relevant interventions. Review the lessons learned in working with local NGOs.
- What contribution has the programme made to social capital formation in communities? What plans and exit strategies have been developed to ensure HDI initiatives leave behind sustainable benefits for the targeted communities?

#### OUTPUTS FROM THE MISSION

The mission team will present its initial findings to the CO team no later than three (3) days prior to departure from the country, which will allow the CO to provide initial feedback. The mission will provide a draft report (minus annexes) in the prescribed UNDP format to the Country Office for discussion and comments one (1) day prior to departure from the country. The draft report will outline the main findings, mission activities, major findings and conclusions of the mission and challenges and lessons for the future. Alternatively, the mission members may wish to remain in-country to finalize report drafting.

The Team Leader, in consultation with the Country Office and UNDP's Regional Bureau for Asia and the Pacific (RBAP), will be responsible for finalizing the Mission's report after receipt of comments from the UNDP Country Office and RBAP on the draft report – and no later than 30 May 2011 conditions permitting<sup>70</sup>. The final report will be submitted to the CO and RBAP. RBAP will ensure that the final document meets the requirement of the Executive Board without compromising the substantive aspects of the report.

## METHODOLOGY AND APPROACH

The review process will be carried out through a combination of desk study of materials and documentation (to be made available prior to, and during the review exercise), and consultations with primary beneficiaries, project staff, NGOs, UN agencies, donors and line departments of the various government ministries where possible. Visits will be organized to project sites in prior consultation with the mission to allow for interaction with communities in HDI townships. The mission team is expected to take up the following tasks:

- review of the five projects operational in 2010/11, including project documents, project work-
- plans and progress/results reports and other materials (including documents relevant to UNDP's Draft Country Programme, UN's Strategic Framework, Integrated Household Living Conditions Assessment, etc.);
- travel to project sites and villages to meet with beneficiaries and implementing partners; review of gender equality considerations in HDI;
- preparation of draft report and presentation to key stakeholders; and
- finalization of the report, based on feedback from stakeholders, especially the CO senior management and UNDP's Regional Bureau for Asia and the Pacific.

A list of reference documents and a work-plan of the mission, including draft field mission itinerary will be prepared in due course and shared with the Team members.

## COMPOSITION AND RESPONSIBILITIES OF THE MISSION

The mission will be comprised of a Team Leader and two Team Members who will be independent international consultants. The Team Leader should have significant experience in programme/project evaluation (preferably in the Asia and Pacific region) and demonstrate good knowledge about the country. Prior experience and exposure to the special circumstances governing UNDP assistance to Myanmar would also be beneficial.

The Team will have overall responsibility for undertaking the assessment, drafting the report and coordinating the various inputs and thus be responsible for formulating the findings of the assessment. Under the guidance of the Team Leader, the other member of the mission will be responsible for providing the Team Leader with written inputs to the assessment report.

## IMPLEMENTATION ARRANGEMENTS

The Team members will be briefed by the UNDP Country Office upon their arrival in Yangon<sup>71</sup>.

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<sup>70</sup> Recent changes to visa issuance procedures in Myanmar may cause unforeseen delays in securing visas for the consultants. Should such delays materialize, UNDP and the Team Leader will consult and agree on a revised submission date for the final report.

<sup>71</sup> If visa issuance is delayed, the IAM Team may begin receiving briefings in Bangkok or some other suitable location outside the country while awaiting visas.

The Team members will receive overall guidance and direction from the Country Office senior management to enable the mission to meet the objectives and scope and the issues to be addressed in the ToR, as stated above.

The UNDP Country Office will provide logistical and administrative support to the mission as needed. Appropriate staff, including project staff, will be designated to work with the mission as needed. The CO will also ensure that all relevant data, material and documentation are made available to mission members.

The Team Leader and the CO senior management will agree at the beginning of the mission on a schedule of briefings on the progress of the assessment exercise, consultations on preliminary findings and a mechanism for validation of these preliminary findings with key stakeholders.

The Team Leader, as previously mentioned, will provide a draft report to the Resident Representative at least three days prior to the team's departure to allow for substantive feedback and consultations by both parties to be reflected, as appropriate in the final draft document.

#### TIMING AND DURATION

The full duration of the above assignment will be for a period of up to 30 working days (including up to 2/3 days of home-based work prior to in-country mission for document review), with the possibility of an additional four working days for the Team Leader, if required. The Team should plan to arrive in Yangon no later than 17 April, to begin work on 18 April. The Team will finalize the report for submission to UNDP by the Team Leader no later than 30 May 2011, conditions permitting.

#### DUTIES AND RESPONSIBILITIES OF TEAM LEADER

The overall responsibility for the delivering the Independent Assessment Mission's report lies with the Team Leader. His/her responsibilities shall include (but are not necessarily limited to) the following:

- Lead and manage the independent assessment mission;
- Conduct the assessment to ensure the issues noted above are addressed, and the methodology set forth in these Terms of Reference is followed.
- Conduct consultations and interviews with key counterparts within and external to UNDP and project management;
- Determine internal deadlines for individual team members to submit their relevant inputs for consolidation into the comprehensive draft and final assessment reports;
- Document and consolidate findings;
- Present the initial assessment findings to UNDP Myanmar and UNDP Regional Bureau for Asia and Pacific for comments;
- Finalize the evaluation report in English and submit it to UNDP by 22 May 2010, conditions permitting.

#### QUALIFICATIONS FOR TEAM LEADER

- At least Masters level university degree, preferably in economic development, social work, public policy analysis, or public administration;

- Minimum 15 years of international work experience in the field of economic or social development, preferably in areas related to community development, poverty alleviation, micro-finance, and/or vulnerable groups;
- Substantive experience in conducting evaluations and assessments; experience with UN-mandated evaluations and Results Based Management will be given preference;
- Familiarity with and previous experience in the Asia Pacific region will be an asset, but is not a requirement;
- Strong analytical, writing, presentation and interpersonal skills;
- Strong command of written and spoken English; and
- Computer literacy;

#### DUTIES AND RESPONSIBILITIES OF TEAM MEMBERS

- Conduct the assessment to help ensure the issues noted above are addressed, and the methodology set forth in these Terms of Reference is followed.
- Conduct consultations and interviews with key counterparts within and external to UNDP and project management;
- Document and consolidate findings;
- Submit inputs for draft assessment report to the Team Leader in accordance with agreed timetable;
- Present the initial assessment findings to UNDP Myanmar and UNDP Regional Bureau for Asia and Pacific for comments;
- Submit revised inputs to Team Leader for inclusion in final draft assessment report.

#### QUALIFICATIONS FOR TEAM MEMBERS

- At least Masters level university degree, preferably in economic development, social work, public policy analysis, or public administration;
- Minimum 10 years of international work experience in the field of economic or social development, preferably in areas related to community development, poverty alleviation, micro-finance, and/or vulnerable groups;
- Substantive experience in conducting evaluations and assessments; experience with UN-mandated evaluations and Results Based Management will be given preference;
- Familiarity with and previous experience in the Asia Pacific region will be an asset, but is not a requirement;
- Strong analytical, writing, presentation and interpersonal skills;
- Strong command of written and spoken English; and
- Computer literacy.

## Annex 3: List of Documents Consulted

### Documents consulted during the Independent Assessment Mission 2011.

No.	Name of document	Author	Date of publication
1	Gender: ATLAS Jan 2008, Sept 2010 BPAP Brx.		September 2010
2	<a href="http://www.devex.com/en/blogs/the-development-newswire/aid-to-myanmar-drops-to-pre-nagris-levels">http://www.devex.com/en/blogs/the-development-newswire/aid-to-myanmar-drops-to-pre-nagris-levels</a>		Accessed 18 <sup>th</sup> May 2011
3	<a href="http://www.mm.undp.org/Executive_board.html#2001">http://www.mm.undp.org/Executive_board.html#2001</a> that included: EB Decision 1996/1; EB Decision 2001/15; EB Decision 2003/2; EB Decision 2004/2; EB Decision 2005/3; EB Decision 2006/2; EB Decision 2006/31; EB Decision 2007/36; EB Decision 2009/24.		Accessed 15 <sup>th</sup> May 2011
4	<a href="http://www.undp.org/governance/topics_human_rights_strengthenin_g.shtml">http://www.undp.org/governance/topics_human_rights_strengthenin_g.shtml</a>		Accessed on 14 <sup>th</sup> May 2011
6	Technical review of UNDP's HIV/ AIDS prevention and care programme.	Bill O'Loughlin	April 2009
7	Poverty, food insecurity and vulnerability: Issues and strategies, Myanmar.	Bishwa Nath Tiwari Shafique Rahman Khine Tun	April 2011
8	Concluding comments of the CEDAW Committee on the latest CEDAW update report from Myanmar. <a href="http://sim.law.uu.nl/SIM/Caselaw/uncom.nsf/F005fcb50d8277cc12569d5003e4aaa/0cdfb34172b8c12575530037a5f6?">Http://sim.law.uu.nl/SIM/Caselaw/uncom.nsf/F005fcb50d8277cc12569d5003e4aaa/0cdfb34172b8c12575530037a5f6?</a>	CEDAW committee	2008
9	Comparison table of cost between UNOPS and DEX, Yangon and townships	DSC, DEX office, Yangon, Myanmar	2011
10	Formative strategic review of micro-finance investments: Issues and recommendations for the future.	Feisal Hussain, UNCDF, Bangkok	April 2011
11	Enhancing capacity for HIV/ AIDs prevention and care	Government of the Union of Myanmar, UNDP, UNOPS.	March 2002
12	Action plan for SRG. Sustainability and exit plan	ICDP Naung Cho township	9 <sup>th</sup> June 2010
13	IHLC survey 1: MDG relevant information	IDEA International Institute, Quebec City, Canada; IHLCA Project Technical Unit, Yangon, Union of Myanmar.	2006

14	IHLC survey 1: Poverty profile.	IDEA International Institute, Quebec City, Canada; IHLCA Project Technical Unit, Yangon, Union of Myanmar.	2006
15	IHLC Survey 2: MDG relevant data	IHLCA Project Technical Unit With support from: Planning Department and Central statistical organization of ministry of national planning and economic development. UNDP Yangon, Union of Myanmar	March 2011
16	IHLC Survey 2: Poverty Dynamics Report	IHLCA Project Technical Unit With support from: Planning Department and Central statistical organization of ministry of national planning and economic development. UNDP Yangon, Union of Myanmar	March 2011
17	IHLC Survey 2: Poverty profile report	IHLCA Project Technical Unit With support from: Planning Department and Central statistical organization of ministry of national planning and economic development. UNDP Yangon, Union of Myanmar	March 2011
18	IHLC Survey 2: Quality Report	IHLCA Project Technical Unit With support from: Planning Department and Central statistical	March 2011



		organization of Ministry of National Planning and Economic Development.	
		UNDP.	
		Yangon, Union of Myanmar	
19	IHLC Survey 2: Technical report	IHLCA Project Technical Unit	March 2011
		With support from:	
		Planning Department and Central statistical organization of MoNPED.	
		UNDP.	
		Yangon, Union of Myanmar	
20	Technical manual for agroforestry	Khin Hnin Myint, national consultant	June 2010
21	Comments of the UNDP-Myanmar concept note on HDI, programme strategy 2010-2011. <i>and</i> Ideas for programme formulation beyond 2011	Lars Birgegaard, Glen Swanson, Dulan de Silva	June 2010
22	Report of the Independent Assessment Mission Covering the period May 2009 to April 2010	Lars Birgegaard, Glen Swanson, Dulan de Silva	June 2010
23	Report of the Independent Assessment Mission Covering the period May 2007 to April 2008	Lars-Erik Birgegård, Gabriela Byron, Glen Swanson	December 2008
24	Report of the Independent Assessment Mission Covering the period May 2008 to April 2009	Lars-Erik Birgegård, Gabriela Byron, Jens Grue Sjørsløv	June 2009
25	End of assignment database report	Lars-Johan Soderberg.	Undated
26	Environment sector review and formulation of re-afforestation strategy for the Ayeyarwadi Delta.	Maung Maung Than National Consultant	February 2009
27	Environment Sector review, powerpoint presentation	Maung Maung Than National Consultant	14 <sup>th</sup> September 2010
28	Review on environmental and Natural Resources Management (NRM) activities:	Maung Maung Than National Consultant	Undated

29	Report of the Independent Assessment Mission Covering the period May 2006 to April 2007	Michael Adair, Dinesh Awasthi, Lars-Erik Birgegård, and Jan Reynders.	June 2007
30	Myanmar action plan on disaster risk reduction (2009-2015)	Ministry of social welfare, relief and resettlement, Government of Myanmar	August 2009
31	Myanmar action plan on disaster risk reduction (MAPDRR) volume II Outline of priority projects	Ministry of social welfare, relief and resettlement, Government of Myanmar	Undated
32	Myanmar Action Plan on DRR (MAPDRR) 2009-2015.	Ministry of Social Welfare, Relief and Resettlement, Union of Myanmar and sponsored by Asian Disaster Preparedness Council,	August 2009
33	Final National progress report on the implementation of the Hyogo Framework for Action (2009-2011)	Mr Soe Aung, Director General, Relief and Resettlement department	6 <sup>th</sup> April 2011
34	Outcome/Impact Assessment of UNDP Support for Recovery of Cyclone Nargis Affected Communities in Ayeyuarwady Delta.	Myanmar Survey Research & Myanmar Egress.	2009
35	Technical manual for environment rehabilitation and climate change mitigation (for HDI areas of Myanmar)	Nay Wun Paw, Environment rehabilitation consultant	March 2010
36	Final report of Gender Tracking Study in Bogalay and Labutta townships	NGO gender group	December 2009
37	Progress on SRG- MF linkages on wholesale loans.	PACT Myanmar MF project	March 2011
38	Micro-finance workplan for 2011	PACT, Yangon, Myanmar	Undated
39	Sustainable Microfinance to Improve the Livelihoods of the Poor project. Executed and Implemented by Pact, first quarter report 2011.	PACT, Yangon, Myanmar	March 2011
40	Progress on environment activities	Policy Planning and Strategy Unit, UNDP, Yangon, Myanmar	30 <sup>th</sup> April 2011
41	ADB International Comparison Programme for Asia and the Pacific, Regional ICP workplan 2010-2012	Regional ICP	Undated
42	A hen is crowing: A gender impact study of two UNDP Myanmar Community development programmes.	Reid Smith	July 2006
43	Accuracy in the IHLCA survey	Sten Backlund	Undated

44	The progress of GDP activities for PPP calculations. Internal paper.	Sten Backlund	18 <sup>th</sup> February 2011
45	The progress of ICL activities. Internal paper.	Sten Backlund	18 <sup>th</sup> February 2011
46	End of assignment report for Price statistics specialist	Sultan Ahmed	February 2011
47	Report on Economic and Social Development Outcome of SRG Households Receiving HDI Support	Thet Lwin and Zaw Win (WIN□WIN Research)	February 2010
48	Mission Report – Monitoring, Evaluation and reporting in UNDP Myanmar.	Thomas Winderl	2010
49	Agricultural development issues and strategies, Myanmar; background paper to develop agricultural strategies.	Tin Maung, Yangon, Myanmar	January 2011
50	Impact Study of Microfinance Project. UNOPS/UNDP (Myanmar).	U Thein Myint and U Kyaw Thu.	September 2007
51	Development policy options, Myanmar: for short and medium term growth and poverty reduction	UN country Team, Yangon, Myanmar	October 2010
52	Outline of UN programme structure, Myanmar	UN, Yangon, Myanmar	2011
53	UNDP Gender Parity in UNDP.	UNDP	March 2008
54	Draft ToR review of DEX service centre	UNDP, country office, Myanmar	March 2011
55	Multi-hazard risk assessment in Nargis-affected areas (Ayeyarwady, Bago, Yangon). Hazard risk and vulnerability assessment report.	UNDP, Myanmar	January 2011.
56	Outcome/Impact Assessment of UNDP Support for Recovery of Cyclone Nargis Affected Rural Communities in the Ayeyarwady Delta, Myanmar	UNDP, Myanmar Survey Research and Myanmar Egress	November 2009
57	Disaster Risk Reduction, prevailing over disasters through community action.	UNDP, Myanmar.	Undated
58	A Brief Report on the Impact/Outcome of the HDI Programme on SRG Members.	UNDP, Yangon, Myanmar	Undated
59	Achievements of Post Nargis recovery (ER) component of ICDP in 2010.	UNDP, Yangon, Myanmar	December 2010
60	Capacity assessment of SRGs.	UNDP, Yangon, Myanmar	Undated
61	CDRT Annual report for period January to December 2010	UNDP, Yangon, Myanmar	Undated
62	CDRT Monthly Project Monitoring Report, February 2011	UNDP, Yangon, Myanmar	Undated
63	CDRT Monthly Project Monitoring Report, January 2011	UNDP, Yangon, Myanmar	Undated

64	CDRT Monthly Project Monitoring Report, March 2011	UNDP, Myanmar	Yangon,	Undated
65	CDRT presentation to IAM 2011.	UNDP, Myanmar	Yangon,	April 2011
66	CDRT Project achievements and results during 2010	UNDP, Myanmar	Yangon,	Undated
67	CDRT Project document and annexes	UNDP, Myanmar	Yangon,	Undated
68	Community Development Project monthly monitoring report, January 2011 (CDRT, ICPT and ER townships)	UNDP, Myanmar	Yangon,	January 2011
69	Cost benefit analysis for various livelihood interventions	UNDP, Myanmar	Yangon,	Undated
70	Disaster Management: Strategic Policy Framework. A strategic framework for DRR in UNDP's HDI. 2010.	UNDP, Myanmar	Yangon,	2010
71	Early recovery (ER) work plan 2010	UNDP, Myanmar	Yangon,	Undated
72	Final ICDP and ER annual report for 2010	UNDP, Myanmar	Yangon,	
73	Final report cost sharing activities in CDRT for Ausaid for period June 2009 to June 2010	UNDP, Myanmar	Yangon,	Undated
74	Final report cost sharing activities in CDRT for Sida for period January to December 2010	UNDP, Myanmar	Yangon,	Undated
75	First quarter CDRT report 2011	UNDP, Myanmar	Yangon,	Undated
76	First quarter report on Enhancing Food Security in Myanmar Uplands to Dannida, Nov 2009-October 2010	UNDP, Myanmar	Yangon,	Undated
77	Further Analysis on Inputs to Project villages	UNDP, Myanmar	Yangon,	Undated
78	Gender Livelihoods and vulnerability Issues (linked to gender tracking study)	UNDP, Myanmar	Yangon,	Undated
79	Gender mainstreaming, collective work of UNDP and stakeholders, Myanmar	UNDP, Myanmar	Yangon,	2011
80	GIRI master plan	UNDP, Myanmar	Yangon,	2010
81	GIRI project proposal	UNDP, Myanmar	Yangon,	2010
82	Guidance notes for townships on SRG sustainability and exit planning.	UNDP, Myanmar	Yangon,	Undated
83	Guidelines for Developing 2011 CDRT Work Plan	UNDP, Myanmar	Yangon,	Undated
84	Guidelines for environmental rehabilitation activities	UNDP, Myanmar	Yangon,	Undated
85	HDI in Myanmar, fastfacts	UNDP, Myanmar	Yangon,	Undated

86	HDI- IV ICDP programme document	UNDP, Myanmar	Yangon,	Undated
87	HDI logframe for CDRT/ ICPT 2011	UNDP, Myanmar	Yangon,	January 2011
88	HDI workplan 2011	UNDP, Myanmar	Yangon,	January 2011
89	HIV/ AIDS workplan 2010	UNDP, Myanmar	Yangon,	January 2010
90	HIV/ AIDS workplan 2011	UNDP, Myanmar	Yangon,	January 2011
91	Human Development Initiative Report 2010. UNDP. Myanmar. 2010.	UNDP, Myanmar	Yangon,	
92	Human Development Initiative, Myanmar, 2010	UNDP, Myanmar	Yangon,	2010
93	Human Resource planning for ICDP for non-Nargis affected households for 2011	UNDP, Myanmar	Yangon,	November 2010
94	ICDP 23 township workplans	UNDP, Myanmar	Yangon,	April 2011
95	ICDP mid-term workplan for 2010	UNDP, Myanmar	Yangon,	Undated
96	ICDP sector wise achievements for 2010	UNDP, Myanmar	Yangon,	Undated
97	ICDP workplan guidelines	UNDP, Myanmar	Yangon,	Undated
98	IHLC project document	UNDP, Myanmar	Yangon,	December 2002
99	IHLC survey 2: Summary of activities and achievements	UNDP, Myanmar	Yangon,	Undated
100	IHLC workplan for 2010	UNDP, Myanmar	Yangon,	January 2010
101	IHLC workplan for 2011	UNDP, Myanmar	Yangon,	April 2011
102	IHLCA Organogram 2010-2011	UNDP, Myanmar	Yangon,	January 2010
103	IHLCA work plan for 2011	UNDP, Myanmar	Yangon,	January 2011
104	Indicative activities of UNDP assistance to Myanmar 2012-2015 at the community, township and regional/ National level	UNDP, Myanmar	Yangon,	Draft 29 <sup>th</sup> March 2011
105	Integrated Community Early Recovery project document	UNDP, Myanmar	Yangon,	December 2008
106	LIFT1, Semi-annual report, March 2011.	UNDP, Myanmar	Yangon,	
107	Livelihood Implementation Strategy for Cyclone Giri	UNDP, Myanmar	Yangon,	Undated
108	Livelihoods and food clusters joint assessment. Livelihood section, Giri.	UNDP, Myanmar	Yangon,	February 2011
109	Microfinance annual report 2010	UNDP,	Yangon,	January 2011

		Myanmar		
110	Microfinance project document	UNDP, Myanmar	Yangon,	Undated
111	Mid-term ICDP report	UNDP, Myanmar	Yangon,	Undated
112	MSE micro business plan for fish paste/ dry fish and traditional food selling, Thee Phyu, Bogale	UNDP, Myanmar	Yangon,	August 2010
113	Post Nargis recovery component of ICDP, achievements 2010	UNDP, Myanmar	Yangon,	December 2010
114	ri UNDP Community-Base Emergency and Early Recovery Initiative, January monthly report 2011.	UNDP, Myanmar	Yangon,	January 2011
115	ri UNDP Community-Base Emergency and Early Recovery Initiative, February monthly report 2011.	UNDP, Myanmar	Yangon,	February 2011
116	ri UNDP Community-Base Emergency and Early Recovery Initiative, March monthly report 2011.	UNDP, Myanmar	Yangon,	March 2011
117	ri UNDP Community-Base Emergency and Early Recovery Initiative, December monthly report 2010.	UNDP, Myanmar	Yangon,	December 2010
118	RCC Mission Report to Myanmar: Integrated Household Living Conditions Assessment for Myanmar,	UNDP, Myanmar	Yangon,	May 2009
119	Regional Centre in Colombo mission report to IHLC, Myanmar	UNDP, Myanmar	Yangon,	May 2009
120	Report on experiences of SRG-MF linkages in S Shan state for March 2011	UNDP, Myanmar	Yangon,	April 2011
121	Review of Dex implementation structures, Myanmar country office	UNDP, Myanmar	Yangon,	March 2011
122	Simple micro-business plan outline for MSEs	UNDP, Myanmar	Yangon,	Undated
123	SRG audit reports	UNDP, Myanmar	Yangon,	Undated
124	SRG audit reports for SHGs	UNDP, Myanmar	Yangon,	Undated
125	SRG formation and operation in ICDP	UNDP, Myanmar	Yangon,	Undated
126	SRG progress report March 2011	UNDP, Myanmar	Yangon,	Undated
127	SRG wholesale loan disbursement, interest and capital collection.	UNDP, Myanmar	Yangon,	March 2011
128	Terms of partnership for Environmental Activities	UNDP, Myanmar	Yangon,	Undated
129	The poorest of the poor strategy, ICDP.	UNDP, Myanmar	Yangon,	March 2007

130	The strategy for Vulnerable Group, or Poorest of the Poor, CDRT.	UNDP, Myanmar	Yangon,	October 2007
131	UNDP, Myanmar Gender action plan	UNDP, Myanmar	Yangon,	October 2006
132	Work plan budget summary for CDRT 2010 (excel)	UNDP, Myanmar	Yangon,	Undated
133	Work plan summary for CDRT 2011 (excel)	UNDP, Myanmar	Yangon,	Undated
134	ICDP Progress and Achievements 2010 (presentation to IAM 2011).	UNDP, Myanmar.	Yangon,	April 2011
135	ICDP Self reliance group grading, undated.	UNDP, Myanmar.	Yangon,	Undated
136	SRG_Assess_maturity.xls	UNDP, Myanmar.	Yangon,	Undated
137	Sustainable Microfinance to Improve the Livelihoods of the Poor	UNDP/ PACT		Presentation to IAM, 8 <sup>th</sup> May 2011
138	Sustainable Microfinance to Improve the Livelihoods of the Poor, First Quarter Report, January-March 2011.	UNDP/PACT		March 2011.

Annex 4: HDI Programme Budget in USD

As of 18 May 2011

<b>UNDP Myanmar</b>							
<b>2008 to 2011 HDI Projects Programme Funding Breakdown</b>							
Project ID	2008	2009	2010	2011			2008-2011
	Actual Delivery			Approved	Pipeline	Total Available	Total
	a	b	c	d	e	f=d+e	g=a+b+c+f
Integrated Community Development Project (ICDP)	4,952,827	4,977,064	4,337,020	4,276,657	3,507,852	7,784,509	22,051,420
Nargis Early Recovery	6,327,557	17,534,303	4,643,434	119,256	445,000	564,256	29,069,550
Community Development for Remote Townships (CDRT)	7,565,576	6,111,320	5,883,541	5,247,737	1,990,780	7,238,517	26,798,954
HIV/AIDS	733,350	322,109	348,910	57,960	47,840	105,800	1,510,169
Micro Finance Project (MF)	4,623,027	3,974,922	1,004,838	2,899,412	4,875,699	7,775,111	17,377,898
Integrated Household Living Conditions Assessment (IHLCA)	161,823	438,696	1,063,916	1,216,222	104,279	1,320,501	2,984,936
<b>GRAND TOTAL</b>	<b>24,364,160</b>	<b>33,358,414</b>	<b>17,281,659</b>	<b>13,817,244</b>	<b>10,971,450</b>	<b>24,788,694</b>	<b>99,792,927</b>

Source UNDP country office, Yangon. May, 2011.



## Annex 5: HDI Programme Budget in US

<b>Non-Core Funding Overview 2008-2011</b>	
<b>Donor</b>	<b>Contribution in US\$</b>
AusAID	6,653,129
Denmark	3,695,528
DFID	13,952,323
ECHO	4,071,857
France	6,293
Germany	147,178
Japan	4,491,662
LIFT	1,998,690
New Zealand	1,556,487
Norway	9,435,315
SIDA	8,283,574
UNDP*	2,459,040
USAID	3,819,000
<b>Total</b>	<b>60,570,076</b>

UNDP has also contributed USD \$38.9 million as Core Funding from 2008-2011. Source UNDP country office, Yangon. May, 2011.