

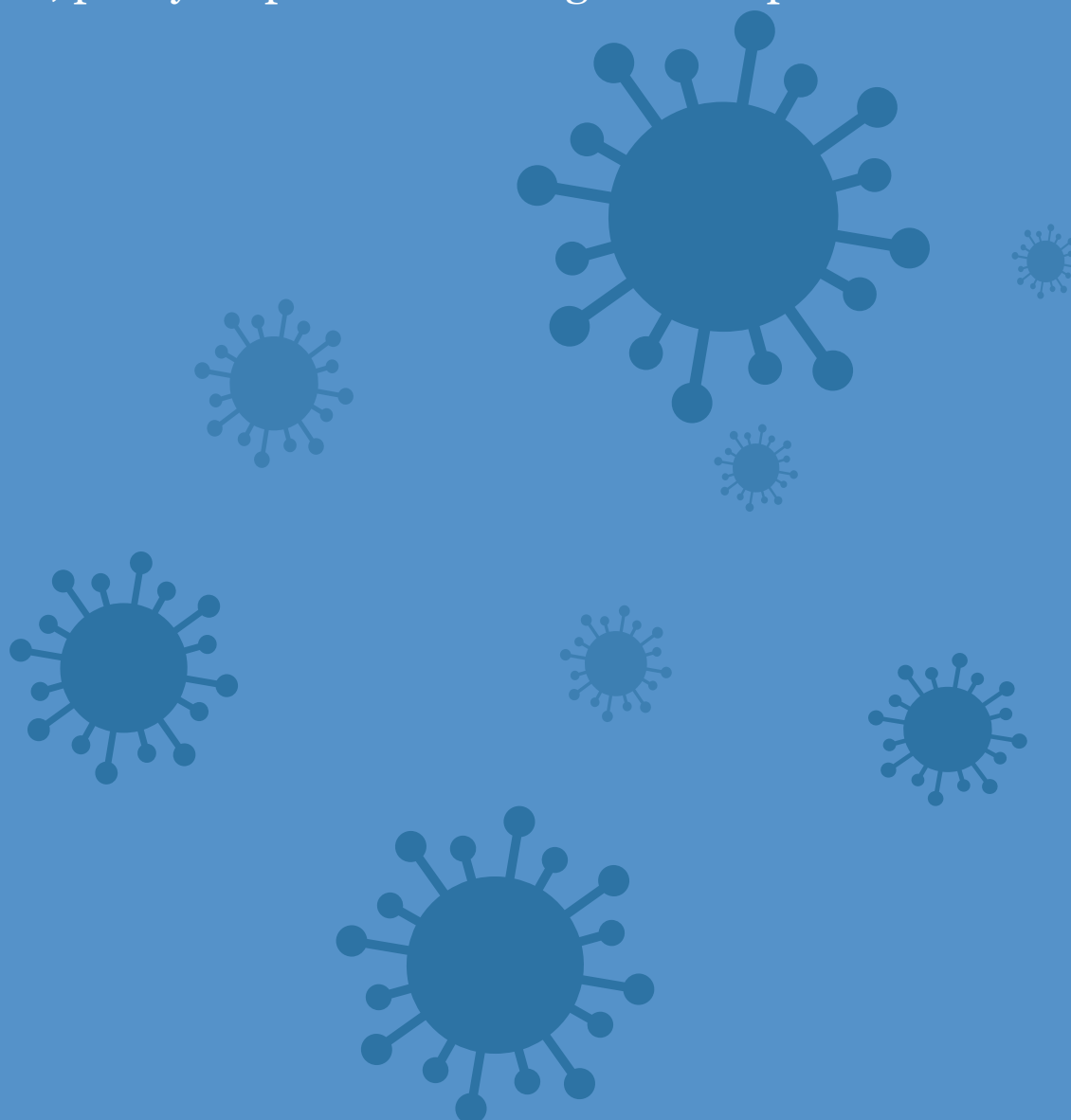


Food and Agriculture Organization
of the United Nations



National agrifood systems and COVID-19 in Myanmar

Effects, policy responses and long-term implications



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INTRODUCTION

The COVID-19 pandemic has put significant pressure on health systems all around the world. The drastic measures established to contain its spread are creating serious impediments to economic activity (including agrifood systems) and, consequently, to livelihoods and food security and nutrition.

The COVID-19 outbreak demonstrates both how health and food systems are linked to one another, and how local food systems are linked to global systems. High rates of urbanization and the globalization of trade and travel have contributed to the spread of the virus across countries. Lockdowns and movement restrictions within countries and across borders have disrupted national and local food and agricultural output and input markets and have caused sharp reductions in overall economic activity globally. In poorer countries, disruptions have further exacerbated the fragility of systems (including agrifood systems) and livelihoods.

The Global Report on Food Crises 2020 found that 135 million people in 55 countries and territories are facing acute food insecurity at “crisis” level or higher – a situation that requires urgent action. The report further concluded that over 183 million people were experiencing a “stressed” level of acute food insecurity and bore a high risk of sliding into a “crisis” level if confronted by with additional shocks (FSIN,2020). The situation is particularly worrisome in light of the evolving nature of the COVID-19 pandemic.

As the situation evolves, the question arises as to how, or whether, food, health and financial and economic systems could become better prepared to prevent similar outbreaks from escalating into a full-blown economic and social crisis.

This report is part of a series of country profiles that describe: (i) policy measures enacted by governments to contain the spread of the virus; (ii) policies and measures to stabilize the functioning of agri-food systems; (iii) potential effects of policies on agri-food systems and vulnerable groups. Finally, the profiles also assess longer-term options for agri-food system policies and investments so as to make them more resilient.

POLICY MEASURES TO CONTAIN COVID-19

Since the first cases of COVID-19 infection were confirmed in late March, Myanmar has responded with a wide range of measures, including halting all visas; suspending international flights; closing international borders; cancelling the Thingyan water festival; instituting stay-at-home orders and curfews; banning public gatherings; closing pre-schools and kindergartens, private schools, public events, entertainment venues, restaurants, and religious institutions; organizing quarantine facilities; tracing contacts of COVID-19 patients; locking down townships with a relatively high number of cases; imposing containment and prevention measures and promoting physical distancing.

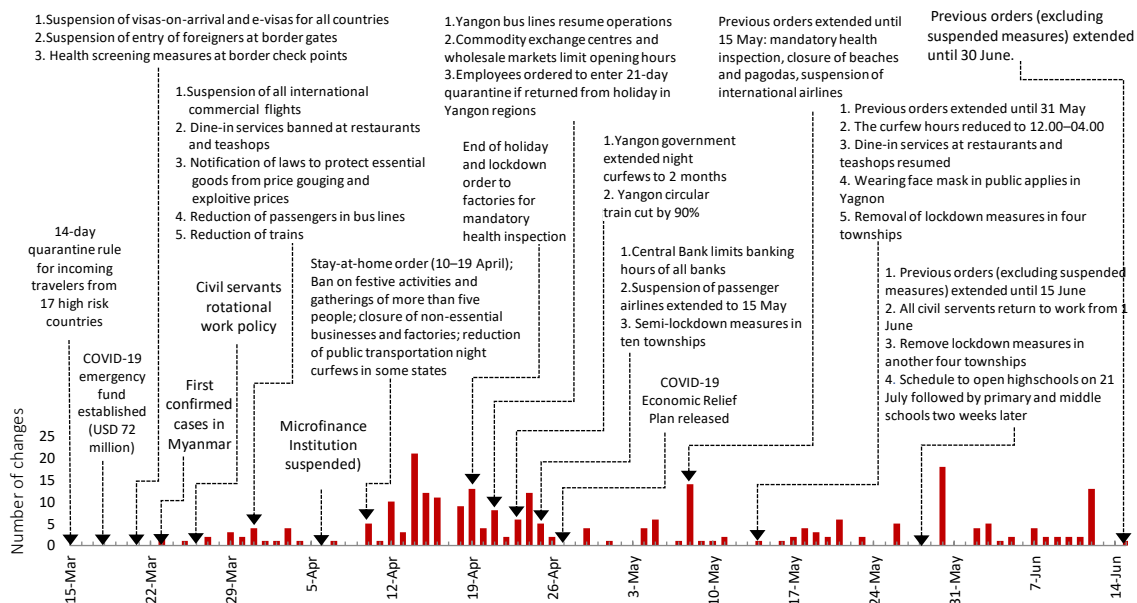
On 11 March 2020, WHO declared COVID-19 a pandemic. Two days later, Myanmar formed the Union Level Committee on Protection, Control and Treatment, chaired by the State Counsellor with Union Ministers and an interministerial committee, the coronavirus disease 2019 (COVID-19) Control and Emergency Response Committee, chaired by the Vice President. On 30 March, the Committee on Mitigating Economic Impacts caused by COVID-19 was established at the union level with the goal to support domestic businesses.

On 27 April 2020, the government released its COVID-19 Economic Relief Plan (CERP) to mitigate the economic and social impacts of the pandemic. The CERP sets out seven goals, ten strategies, 36 action plans and 76 actions, covering a broad range of extraordinary fiscal measures and policy responses. The modalities for implementation (including targeting) for Ministry of Agriculture, Livestock and Irrigation (MoALI) are still being finalized with technical support from development partners including Food and nutrition security Impact, Resilience, Sustainability and Transformation (FIRST). The Ministry of Planning, Finance and Industry (MoPFI) is preparing the recovery strategy, which will be shared with each ministry by the end of 2020. The FIRST programme is facilitating policy dialogues with MoALI and partners on prioritizing and phasing relief and recovery interventions, including targeting, and advocating to not lose sight of long-term policy objectives like diversification, resilience, nutrition, decentralization and building better food systems.

Myanmar, as of 24 June 2020, claims 293 positive COVID-19 cases, six related deaths, 68 404 tests (MoHS, 2020), 42 896 people in quarantine centres in 7 800 facilities (Angel, 2020). Most cases have been traced to other positive cases or arrival from abroad. All states and regions have been affected, except for Kayah State. The heaviest caseload is in Yangon. If a major surge in numbers occurs, the health system would be quickly overloaded, with only one hospital bed for every 1 111 people and 100 intensive care unit beds for the whole country (Kovacevic and Janic, 2020).

Although the government eased the lockdown in late April, the imposition of containment and prevention measures (excluding those measures that have been suspended and additional measures that have been imposed) have been extended until 30 June. The following offers an overview of this change.

Figure 1. Changes in measures from March to June 2020



Source: information derived from Diao *et al.*, 2020b and updated by FIRST Programme, June 2020.

Table 1. Restrictions on movement of goods and people

Until 4 May	From May 5 through June
<ul style="list-style-type: none"> Myanmar stopped issuing all visas to foreign nationals and suspended visa exemptions for foreign nationals under bilateral arrangements, such as for members of the Association of Southeast Asian Nations (ASEAN) from 29 March to 15 May. Myanmar suspended the arrival of all international commercial passenger flights from 30 March until 15 May. 	<ul style="list-style-type: none"> The government issued an extension of the orders suspending visas and the arrival of international commercial passenger flights until 30 June. The Central Committee decided on 27 May that foreign nationals travelling to Myanmar for professional purposes will need to show a certificate stating they are free from COVID-19 and have completed a week-long home quarantine in their country before travelling. They will also be required to complete another week of facility quarantine upon arrival in Myanmar. They will only be allowed to work after completing an additional week of quarantine at home if their nasal swab sample returns a PCR-negative result.
<ul style="list-style-type: none"> Yangon and Mandalay were locked down during the long school holidays (7 April–19 April) and the lockdown was extended until 15 May 2020. The operation of passenger buses were suspended until the end of April. Only private vehicles are allowed to operate, with only five persons on board including the driver. 	<ul style="list-style-type: none"> Restrictions were lifted on some highway bus routes and the Yangon-based highway buses resumed services to 20 townships outside Yangon on 15 May. Buses now operate nationwide in accordance with health regulations. Mandalay highway bus services resumed within the state and between states on 1 June in accordance with health regulations: passengers must adhere to physical distancing rules and pay for two tickets. People are required to wear face masks in public in Yangon, Mandalay and Nay Pyi

Until 4 May	From May 5 through June
	Taw. Anyone not wearing a face mask will not be allowed on public buses.
<ul style="list-style-type: none"> The government announced stay-at-home order to residents of the ten townships in Yangon with the highest numbers of COVID-19 cases and persons under observation (South Okkalapa, Pabedan, Bahan, Mayangone Township, Insein, Shwe Pyi Thar, Hlaingtharyar Mingalardon, Tarmwe and Botahtaung in Yangon Region) from 18 April 18 to 30 April. 	<ul style="list-style-type: none"> The Ministry of Health removed stay-at-home orders for four out of ten townships (Mingaladon, Hlaing Tharyar, Shwe Pyi Thar and Botahtaung) in Yangon on 14 May, another four townships (Bahan, Pabedan, South Okkalapa and Tarmwe) on 28 May, and Mayangone township on 15 June. Stay-at-home orders now apply only in Insein Township, which has the highest number of COVID-19 cases – a total of 49 – in Yangon.
<ul style="list-style-type: none"> State and regional governments imposed a night-time curfew (22.00–04.00 hours) in Sagaing from 13 April; in Mandalay from 17 April; in Nay Pyi Taw, Yangon, Ayarwaddy, Bago, Kachin, Kayah and Kayin from 18 April and in Shan State from 20 April. 	<ul style="list-style-type: none"> According to a notice issued by the Central Committee on Prevention, Control and Treatment of COVID-19, curfew hours were reduced to 12.00–04.00 for all townships in all regions and states. With the extension of virus containment and prevention measures of the Central Committee on Prevention, Control, and Treatment of COVID-19, curfew was extended until 30 June.

Table 2. Closure of borders to travel of individuals and/or goods

Until 4 May	From 5 May through June
<ul style="list-style-type: none"> On 18 March, Myanmar announced the closure of all border checkpoints to foreign tourists and temporarily suspended the entry of foreign nationals through any border checkpoint until further notice. 	<ul style="list-style-type: none"> With the extension of virus containment and prevention measures of the Central Committee on Prevention, Control, and Treatment of COVID-19, the closure of all border checkpoints and suspension of the entry of foreign nationals through any border checkpoints were extended until 30 June.

Table 3. Internal barriers to movement of goods (e.g. cross-district)

Until 4 May	From 5 May through June
<ul style="list-style-type: none"> The movement of trucks and passenger vehicles across townships and regions/states has been under tight restriction and night curfew in major cities. 	<ul style="list-style-type: none"> The transportation of goods and movement of trucks and passenger vehicles across townships and regions/states was eased in major cities.

Table 4. Restrictions on gatherings of individuals

Until 4 May	From 5 May through June
<ul style="list-style-type: none"> The government banned public gatherings, including ceremonies and festivals from 13 March until 15 May. Mass meetings and working events were also banned until 15 May. 	<ul style="list-style-type: none"> The government announced on 15 June that the ban on public gatherings was extended until June 30.
<ul style="list-style-type: none"> Government offices and departments reduced their staff by 50 percent (on a rotating basis) and were instructed not to travel home outside of Nay Pyi Taw from 25 March. Stay at home order for ten townships in Yangon in April during the water festival. 	<ul style="list-style-type: none"> All government staff were ordered to return to work full time from 1 June.
<ul style="list-style-type: none"> The government prohibited gatherings of five or more people from 16 April (Lwin, 2020a), except for: i) work commutes for state departments/organizations; ii) work commutes for companies, factories and workshops; iii) buying and selling at permitted markets and shopping malls; iv) transport of permitted commodities; v) court proceedings; vi) permitted measures against COVID-19; vii) emergency rescues and emergency cases viii) going to hospital and clinics for health issues; and ix) funeral affairs. 	<ul style="list-style-type: none"> The prohibition on gatherings of five or more people with exceptions was extended until 30 June (but not widely enforced).

Table 5. Closing of industries/sectors

Until 4 May	From 5 May until June
<ul style="list-style-type: none"> On 19 April, the Ministry of Labour, Immigration and Population (MoLIP) declared that factories and workplaces across the country be allowed to operate only if they followed health regulations and guidelines issued by the Ministry of Health and Sports (MoHS). Officials from the MoLIP and MoHS inspected the factories and workplaces between 20 April and 30 April. Payment of wages, salaries and benefits for the workers were discussed during the inspection. 	<ul style="list-style-type: none"> In Yangon, authorities have inspected over 2 600 factories, but only about 850 were allowed to open as of 1 May, while the rest will have to make adjustments to ensure compliance with the new regulations. The Mandalay regional government allowed more than 600 factories in the region to reopen as of 7 May after they passed inspections for compliance with COVID-19. The Magwe regional government allowed more than 1 000 factories to reopen after inspections were carried out on 22 May. Two factories in the Bago region started producing face masks after the Thingyan holidays and other factories complying with COVID-19 regulations were allowed to reopen.

Table 6. Closing or restricting the operation of food market outlets

Until 4 May	From 5 May until June
<ul style="list-style-type: none"> Businesses, hotels, motels, guesthouses, inns, construction sites, and retail shops closed after 15 March. Essential goods/services (grocery stores, malls, food production, medical facilities, pharmacies, public hospitals, petrol stations, power stations and banks remained opened). 	<ul style="list-style-type: none"> Many businesses, including factories, hotels and restaurants, have also been permitted to reopen after passing government inspections from 1 June. Hotels, motels, guesthouses, and inns were reopened upon completion of the inspection process according to the Directorate of Hotels and Tourism Department and 59 rules set up by the MoHS since early June. A total of 663 hotels, about one third of 2 053 hotels in Myanmar, reopened across regions and states to date.

Table 7. Closing of restaurants and other food distribution outlets (e.g. street markets)

Until 4 May	From 5 May until June
<ul style="list-style-type: none"> Restaurants, bars and tea shops in Yangon and Mandalay were ordered to close from the end of March. 	<ul style="list-style-type: none"> Most restaurants, bars and teashops in Yangon, Mandalay and Naypyitaw resumed operations in early June following the rules and precautions issued by the MoHS after no new transmissions of the virus were reported for two weeks prior to 31 May.

Table 8. Closing of schools

Until 4 May	From 5 May until June
<ul style="list-style-type: none"> The government ordered the closing of all preschools and nurseries starting on 16 March. All private schools in Myanmar were closed from 18 March to 15 May. 	<ul style="list-style-type: none"> The government extended the closing of all preschools, private schools and nurseries until 30 June. The Ministry of Education scheduled the reopening of high schools for 21 July, with guidelines. Students must: wear face masks while travelling to and from school; wash their hands upon arrival; sit six feet away from each other; wear face shields in the classroom. No more than 20 students should attend a class at any given time. This was followed by the opening of primary and middle schools two weeks later. Schools will be closed immediately if positive COVID-19 cases are detected.

Have measures been implemented rigorously by governments or are there widespread lapses, especially as they relate to the food system?

Myanmar declared stringent measures in April, imposing a complete two-week lockdown during the Thingyan holidays. Since then, measures have been gradually relaxed, leaving only one township in Yangon – Insein – under lockdown. A number of measures have been rigorously

maintained, however: the 00.00 to 04.00 hours curfew, wearing face masks in public and the travel ban/quarantine requirement on returning from abroad. Measures to limit the size of gatherings and physical distancing have not been enforced generally. While international travel has been halted, relief flights have been organized for thousands of returning migrants and cross-border crossings have also been made possible. Myanmar has a limited testing capacity (1 000/day) and has not recorded a high number of local transmissions. For this reason, the government has aimed to quarantine all returning migrants in facilities and to test them to the extent possible. Most of Myanmar’s cases have been found among these returnees, although the lack of sufficient testing may have resulted in an undercount of the number of infections.

Export bans and business closures initially affected the agriculture/food system but as measures are adjusted, the sector also appears to be bouncing back. Reported input supply disruptions and lost remittances and income are likely to take a toll on food production and consumption. However, the impacts are as yet unknown, as the monsoons/planting season (and lean season) is just beginning.

All measures have been extended until 30 June. It is expected that modifications will be made as needed. Foreign travel restrictions will likely remain in place but most business and domestic travel will return to normal.

2 · AGRIFOOD POLICY MEASURES TO RESPOND TO THE EFFECTS OF THE CRISIS

What are the major measures (in place or expected) to be enacted aiming at the food system directly?

Table 9. Export restrictions or bans of food products and licenses for agriculture inputs

Until 4 May	From 5 May through June
<ul style="list-style-type: none"> • Myanmar briefly stopped issuing rice export licences to ensure adequate domestic supply but will honour existing licences. The country set a rice export target of 2.2 million tonnes for the current fiscal year, but the export limit has been set at 100 000 tonnes per month to maintain domestic demand. • The Myanmar Edible Oil Dealers’ Association (MEODA) initiated an online service for cooking oil export and import licences from 19 March to prevent person-to-person contact and slow the spread of the virus. 	<ul style="list-style-type: none"> • The Myanmar Rice Federation will negotiate with the government on exports depending on the progress of the pandemic and local and foreign markets. It is the planting time for summer paddy and also approaching the annual lean season. • Myanmar exports rice to 70 countries. During the pandemic, Myanmar received export requests from the Philippines, Malaysia and China (Khant, 2020). • The Ministry of Commerce and the Myanmar Rice Federation (MRF) set a rice export quota of 150 000 tonnes in May. The export volume for each company is based on 60 percent of the average monthly export volume in the past 30 months. Exporters also must sell 10 percent to the national rice reserve system (Khant, 2020). • Exports returned to normal starting in May. Myanmar intends to export over 2 million tonnes of rice in the current fiscal year 2019–2020. Rice self-sufficiency has been achieved as have rice reserve quotas. Possible reasons could include that regional

Until 4 May	From 5 May through June
	rice prices are high. It is the harvest time of summer paddy and after selling 10 percent of national rice reserve, the rice exporter the MOC and MRF planned to get their export plan .

Table 10. Support to local (domestic) food production

Until 4 May	From 5 May through June												
<ul style="list-style-type: none"> According to the Myanmar CERP, the Ministry of Agriculture, Livestock and Irrigation (MoALI) provides quality seeds and technical assistance to support cultivation and production. It also provides technical assistance and home-gardening support. MoALI is assisting with the mechanization of farm operations to make up for the scarcity of agricultural labourers due to COVID-19 (Khant, 2020). 	<ul style="list-style-type: none"> The government has made an MMK 92.61 billion (USD 68 million) fund available for MoALI to boost the socio-economic development of rural people as per the CERP (State Counsellor Office, 2020). This will be followed by a recovery strategy. In addition to loans, the CERP is including steps to reallocate 10 percent of the 2019/20 budget for all government entities to the COVID-19 response fund (Lwin, 2020a). To support farmers, small agroprocessors, seed farmers and agribusiness for planting and income retention, the CERP prioritizes four major areas of work (targeting and activities are being finalized) (Htwe, 2020a): <table border="1" data-bbox="724 1021 1353 1751"> <thead> <tr> <th>Category</th> <th>Budget</th> </tr> </thead> <tbody> <tr> <td>2.1.7 (a) Support COVID-19 communication campaigns</td> <td>Mobilize development partner support</td> </tr> <tr> <td>2.1.7 (b) Cash or lending support to smallholder farmers who have lost sales revenue or remittance income to support input purchases in time for monsoon planting</td> <td>MMK 64 billion (USD 48.5 million).</td> </tr> <tr> <td>2.1.7 (c) Complement support with advice on productivity enhancement and market connectivity</td> <td>Mobilize development partner support</td> </tr> <tr> <td>2.1.7 (d) Following the lifting of movement restrictions, establish cash for work programmes focused on irrigation rehabilitation</td> <td>MMK 28 444 billion (USD 21.5 million).</td> </tr> <tr> <td>Total</td> <td>MMK 92 662 billion (USD 70 million)</td> </tr> </tbody> </table>	Category	Budget	2.1.7 (a) Support COVID-19 communication campaigns	Mobilize development partner support	2.1.7 (b) Cash or lending support to smallholder farmers who have lost sales revenue or remittance income to support input purchases in time for monsoon planting	MMK 64 billion (USD 48.5 million).	2.1.7 (c) Complement support with advice on productivity enhancement and market connectivity	Mobilize development partner support	2.1.7 (d) Following the lifting of movement restrictions, establish cash for work programmes focused on irrigation rehabilitation	MMK 28 444 billion (USD 21.5 million).	Total	MMK 92 662 billion (USD 70 million)
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Table 11. Food reserves

Until 4 May	From 5 May through June
<ul style="list-style-type: none"> The government has allotted MMK 38 billion (USD 28 721 141) to the reserve scheme for basic foodstuffs. In a 22 April statement, the Ministry of Commerce announced the plan to buy and stockpile 50 000 tonnes of rice and 12 000 tonnes of oil (Htwe, 2020b). Over 26 million tonnes of paddy have been produced in Myanmar during 2019/20 and domestic consumption demand is just over 15 million tonnes per year. In addition, the production of kitchen crops consumed daily such as chili, onion, garlic and potatoes is sufficient for domestic consumption. (MoALI announcement on 31 Mar 2020). 	<ul style="list-style-type: none"> Rice exporting companies have been selling 10 percent of total export volume to the country rice reserve programme and, until 5 June 2020, 32 000 tonnes of rice had been purchased from 110 companies (Khant, 2020). The domestic consumption of palm oil is about 1 million tonnes but production for the domestic market is about 400 000 tonnes and the country imports palm, soybean and sunflower oils, including around 700 000 tonnes of palm oil from Indonesia and Malaysia. However, COVID-19 has promoted discussions on growing local edible oil crops in sufficient quantities for food security purposes. To ensure sufficient oil reserves during the COVID-19 crisis, traders have agreed to keep 12 000 tonnes of palm oil in reserve, according to the Myanmar Edible Oil Dealers' Association (Htwe, 2020b). The Ministry of Commerce is working on a national reserve food plan with the private sector as well as with the Union of Myanmar Federation of Chambers of Commerce and Industry, the Myanmar Rice Federation and the Myanmar Edible Oil Dealers' Association.

Table 12. Price controls

Until 4 May	From 5 May through June
<ul style="list-style-type: none"> The Ministry of Commerce has designated i) health aid equipment for the prevention, control and treatment of COVID-19; ii) medicines; and iii) consumer goods as important items and has banned speculation in the market through the sale, distribution or storage of these products. 	<ul style="list-style-type: none"> Taxes on critical medical supplies and products related to the prevention, control and treatment of COVID-19 have been waived.

Table 13. Credit or financial packages for smallholder farmers

Until 4 May	From 5 May through June
<p>The Ministry of Planning, Finance, and Industry (MoPFI) announced the amendment and reduction of the annual interest rate of Myanmar Agriculture Development Bank (MADB) on agricultural loans for farmers (interest on annual seasonal agriculture loan reduced from 8 percent to 7 percent; JICA Two Step Loan¹ from 8 percent to 6.5 percent; and Myanmar Economic Bank (MEB) Two Step Loan 9 percent to 8 percent) on 6 April. Livestock Breeding and Veterinary Department LBVD requested livestock small and medium enterprises (SME) to propose a microfinance scheme to the National-the Central Committee for Prevention, Control and Treatment of COVID-19.</p>	<ul style="list-style-type: none"> • MADB has already provided MMK 362 billion (USD 273 606 659) in winter loans and MMK 18 billion (USD 13 604 751) in monsoon loans, is currently granting MMK 1 471 billion (USD 1 111 810 485) in monsoon loans and will provide MMK 600 million (USD 453 492) in one-year COVID-19 relief loans (Naing, 2020). This is a planned increase of MMK 63 billion (USD 47 616 629) over 2019, according to the MoPFI (Thai Biz Myanmar, 2020). • The MoALI will allocate MMK 600 million (USD 453 492) for distribution of fish eggs and fingerlings and MMK 60 million (USD 45 349) to conduct safety training courses in the coastal regions for fishing workers. • The ministry has submitted proposals for SME loans MMK 200 million (USD 151 164) for each of ten fishing ports, MMK 10 million (USD 7 558) for each of 3 190 fishing vessels in collecting food and fuel, and MMK 100 million (USD 75 582) for all fish and prawn processing factories (Myanmar Digital News, 2020).

What policy measures are in place or expected that aim to mitigate the effect of the crisis on vulnerable groups and their livelihoods?

Table 14. Social protection measures

Until 4 May	From 5 May through June
<ul style="list-style-type: none"> • The government distributed essential food items to working class households lacking daily income during the long Thingyan period. Each family got 16 kg rice, 0.83 kg of cooking oil, 0.83 kg of salt, 1.6 kg of pulses and 1.6 kg of onions on 11 April. • All government departments provided food (e.g. rice, oil, onions, potatoes, etc.) to employees during Thingyan festival. 	<ul style="list-style-type: none"> • In a collaborative effort between the Livelihoods and Food Security Fund (LIFT)² and the Department of Social Welfare-Myanmar, and with funds provided by donors (World Bank and others), more than 420 000 women and the elderly will receive additional cash support to help them and their families during the COVID-19 crisis. A one-off cash payment of MMK 30 000 (USD 22.67) will be distributed to pregnant women, mothers with children under the age of two in states and regions not covered by the Maternal Child Cash Transfer Scheme, representing an additional

¹ “A two-step loan is when funds pass through two or more financial institutions before the end-beneficiaries”
https://www.jica.go.jp/english/our_work/types_of_assistance/oda_loans/overseas/types.html

² Lift is a multi-donor fund that improves the lives and prospects of the most vulnerable people in Myanmar. LIFT is funded by nine donors: Australia, Canada, the European Union, Ireland, New Zealand, Norway, Switzerland, the United Kingdom and the United States of America. To date, LIFT has received funding from 16 different donors, a total of USD 509 million.

Until 4 May	From 5 May through June
	<p>457 000 women. Furthermore, eligibility for the social pension scheme was reduced from 85 to 80 years making 278 000 people eligible for a one-off MMK 30 000 (USD 22.67) transfer starting in May (LIFT, 2020a). Given the population pyramid, which is rapidly ageing and with low life expectancy, the eligibility age still needs to be reduced (Population Pyramid, 2019). This is a one-off blanket payment to selected population groups (on top of existing cash transfer schemes), not differentiating urban/rural settings. It is to help cover basic necessities. A balanced food basket is estimated to cost MMK 1 227 (USD 0.93) per day in urban settings and MMK 1 173 (USD 0.89) in rural areas (Mahrt <i>et al.</i>, 2019), making the payment insufficient to cover an entire household's needs (lasting about five days for a five-person household for food only).</p>
<ul style="list-style-type: none"> The government exempted citizens, religious organizations, and civil groups (excluding embassies, UN agencies, and international organizations) in the country from paying up to 150 units of their electricity until the end of April. 	<ul style="list-style-type: none"> The government extended the exemption of utilization up to 150 units of electricity until the end of June.
<ul style="list-style-type: none"> Public work programmes for the vulnerable were identified in the CERP under the Department of Rural Development 	<ul style="list-style-type: none"> Myanmar launched a cash-for-work programme to provide jobs for the unemployed in some 2 500 villages. A fund totalling MMK 25 billion (USD 18 895 488) was set aside for the programme, which is one of two projects to be carried out by the Department of Rural Development according to CERP. A sum of MMK 10 million (USD 7 558) will be distributed to each village and about 120 000 households are expected to benefit. The project ran 3.5 months from the second week of June to September. The selected townships had the highest multidimensional poverty index and a large population of workers returning from overseas. Villages were chosen based on the severity of road conditions, safety for trade, high degree of damage from COVID-19 and potential for agriculture, livestock and aquaculture businesses (Htwe, 2020c). The Department of Rural Development also launched an MMK 41 billion (USD 30 988 600) fund, which will be distributed as loans across 1 700 villages in Myanmar as part of a cash-for-lending-support programme under the CERP. The conditions are similar to the cash-for-work programme. Some 1 000 villages, comprising over 101

Until 4 May	From 5 May through June
	households per village, will receive MMK 30 million (USD 22 675) each; 450 villages with between 51 and 100 households will receive MMK 20 million (USD 15 116 each); 250 villages with 50 or fewer households will receive MMK 10 million (USD 7 558) (Htwe, 2020c).
<ul style="list-style-type: none"> The Ministry of Social Welfare, Relief and Resettlement delivered some 600 bars of soap and 1 200 masks to 597 displaced families hosted in a dozen monasteries in Sittwe Township, Rakhine State on 17 and 18 April (Global New Light of Myanmar, 2020). 	<ul style="list-style-type: none"> The Ministry of Social Welfare, Relief and Resettlement delivered hygiene items and has implemented the COVID-19 prevention plans in all camps for internally displaced persons and conflict shelters in Kachin, Shan, Rakhine, Kayin and Chin states and other areas since 28 March.

Table 15. Support for employers/businesses

Until 4 May	From 5 May through June
<ul style="list-style-type: none"> A COVID-19 Fund of MMK 100 billion was established by the government to distribute loans to priority enterprises at a one percent interest rate for a one-year period. Cut-Make-PackCMP enterprises, hotels and tourism services and SMEs are designated as priority sectors that require attention. The Ministry of Hotels and Tourism will defer collecting rents on leased hotels, joint venture hotels and land for six months, from 1 April to 30 September. 	<ul style="list-style-type: none"> More than 2 000 SMEs have already received low interest loans from a preliminary MMK 100 billion (USD 75 581 950) fund and up to MMK 500 billion (USD 377 909 750) in additional funds have been set aside to help SMEs and other tourism and manufacturing businesses weather the pandemic. MoPFI and Japan International Cooperation Agency (JICA) announced on 1 June that MMK 64 billion (USD 48 372 448) will be provided to SMEs to support the continuation of business activities under a JICA Emergency Programme. According to JICA's loan terms, businesses are required to have collateral. The interest rates range from 5.5 percent to 10 percent and the loan term is from three to five years. SMEs can apply for up to MMK 300 million (USD 226 746) (JICA, 2020). To enable more liquidity for businesses, the Central Bank of Myanmar (CBM) cut interest rates to 3 percent within two months (during March and May). Starting from 1 May, bank deposit rates in Myanmar will be reduced to a minimum of 5 percent and lending rates will not exceed 10 percent for collateralized loans to provide some relief for borrowers and help support the economy.

Table 16. Nutrition support

Until 4 May	From 5 May through June
<ul style="list-style-type: none"> The Adapted Emergency Nutrition Programming Guidance during COVID-19 Pandemic in Myanmar was released by the Strategic Advisory Group (SAG)¹ of the Myanmar Nutrition in Emergencies (NIE) Working Group under the Myanmar Nutrition Technical Network on 17 April 2020 (FAO provided inputs). 	<ul style="list-style-type: none"> In a collaborative effort involving LIFT and the Department of Social Welfare-Myanmar, and with funds provided by donors, more than 420 000 women and the elderly will receive additional cash support during the COVID-19 crisis and a one-off cash payment of MMK 30 000 (USD 23) will be distributed to pregnant women, mothers with children under the age of two years and people over the age of 85, with cash distributions starting in May. The Adapted Emergency Nutrition Programming Guidance during COVID-19 Pandemic in Myanmar was published at the end of June. Partners are supporting school meals, cash+ nutrition messages, asset and livelihoods creation, micronutrient supplementation, food relief schemes including fortified rice, quarantine center catering and health services (further elaborated below under development partner support).

Table 17. Subsidies (mortgage payments, rental subsidies, etc.) or reduction/suspension of tax payments

Until 4 May	From 5 May through June
<ul style="list-style-type: none"> The government announced that income and commercial tax payments falling due in the second and third quarters of the fiscal year have been extended to the end of the fiscal year, and an exemption for the 2 percent advance income tax on exports has been granted until the end of the fiscal year to aid businesses impacted by COVID-19. The Ministry of Hotels and Tourism announced that the fee for renewal of licences for of hotels and tourism businesses will be waived until the end of March 2020. 	<ul style="list-style-type: none"> The government extended credit guarantees to selected firms in high-growth sectors of the economy whose progress has been affected by COVID-19. The government will guarantee 50 percent of any new loans made by banks to businesses for working capital. Affected firms that have leased state-owned factories for manufacturing and made regular lease leader payments for the past three months are exempt from lease fees for three to six months. Defer social security contributions for three months (for both employer and employee contributions) The 2 percent withholding tax on exports has been waived until 30 September 2020: <ul style="list-style-type: none"> for private sector firms; provide 10 percent non-refundable tax credits on the incremental wage bill; allow for tax credits equal to 125 percent of wages paid; provide 10 percent non-refundable tax credits for incremental investments on capital equipment; and allow for a one-time increase in depreciation equal to 125 percent of depreciation for the current year (KPMG, 2020).

Table 18. Support to financial institutions

Until 4 May	After 4 May to June
<ul style="list-style-type: none"> The CBM cut the interest rate by 0.5 percentage points on 12 March and by 1 percentage point on 24 March. Deposit auctions were suspended to maintain adequate liquidity in the interbank market. On 9 April, the CBM announced a temporary reduction in the required reserve requirement ratio for banks from 5.0 percent to 3.5 percent of deposits until 30 September. It also announced a temporary revision to the formula for calculating the liquidity ratio, increasing the weight of government treasury bonds with a remaining maturity of more than one year from 50 percent to 90 percent, until September 2020. 	<ul style="list-style-type: none"> Measures have been continued

Table 19. Other measures or support from partners

Until 4 May	After 5 May through June
<ul style="list-style-type: none"> LIFT announced USD 1.5 million in funding to strategic partners such as Karuna Mission Social Solidarity (KMSS), Metta, Land Core Group (LCG), Network Activities Group (NAG), and Gender Equality Network (GEN) to support communities across Myanmar. The support will focus on providing access to information on prevention and response to COVID-19; mobilizing local resources and support to civil society organization (CSOs) and building relationships with frontline leaders and service providers; the work will benefit more than 1.5 million people (LIFT, 2020b). The Land Core Group³ is providing emergency assistance in four states and regions through seven CSOs. The response programme will take nine months. The European Union contributed EUR 5 million (USD 5 917 900) in rapid financial assistance to garment sector workers laid off during the pandemic. 	<ul style="list-style-type: none"> The SMART Textile and Garments project team will work with Wave Money on a United Nations Office for Project Services (UNOPS)-managed project to distribute emergency mobile money transfers to tens of thousands of affected garment workers across Myanmar until 31 July (SMART Myanmar, 2020). The funds come from the European Union's EUR 5 million (USD 5 917 900) grant. The United States Embassy in Rangoon announced on 17 June that the United States of America will provide an additional USD 4 million to fight COVID-19 in Myanmar through the Access to Health Fund. The United States Agency for International Development (USAID) is also supporting the International Food Policy Research Institute (IFPRI) to undertake a number of rapid assessments on economic and agrifood market impacts of COVID-19. The United Nations has supplied over 75 000 test kits to aid the government's efforts to fight COVID-19. The World Food Programme (WFP) is providing food and nutrition assistance to 55 000 returning migrants in or in transit to quarantine sites in Bago, Kachin, Kayin, Magway, Mon, Shan, Tanintharyi and Yangon, as requested by the authorities. WFP is also doubling the monthly ration size of fortified blended food

³ The Land Core Group is a Myanmar NGO based in Yangon that works to raise awareness of land issues and promote policy reform to support small scale farmers and forest dependent peoples throughout Myanmar.

Until 4 May	After 5 May through June
	<p>for pregnant and lactating women in stunting and wasting prevention programmes (WFP, 2020a).</p> <ul style="list-style-type: none"> • The International Labour Organization (ILO) is setting up an Emergency Employment and Reskilling Centre for garment workers who were laid off, installing COVID-19 awareness billboards and delivering hand sanitizer, masks and pamphlets to factories. In addition, ILO is conducting a survey of impacts and needs of SMEs in target sectors (food processing, hotels and restaurants). ILO is researching SME training needs and is developing online versions of existing SME training products while designing new training products based on identified needs. • ILO, together with labour and civil society organizations, the Department of Labour and the MoHS, has supplied personal protective equipment (PPE) to frontline service providers as well as care packages to the returning migrants at the Thai-Myanmar border as well as in communities of origin (over 63 000 people have already benefitted from this support). • The UK has allocated about USD 36 million to help Myanmar fight COVID-19, with almost half the aid earmarked for supporting remote communities. • In a collaborative effort by LIFT and the Department of Social Welfare-Myanmar, and with funds provided by donors, more than 420 000 women and elderly people will receive additional cash support during the pandemic. • The UN Population Fund and partners are supplying surgical masks and other equipment to maternal health facilities in the capital, as well as to other states, are providing supplies to midwives and helping to train health workers on how to treat pregnant women during the pandemic. • UN Women and partners are helping women to transition their livelihood activities towards mask production. • An European Union-funded and FAO-implemented ProAct project in Rakhine is supporting 6 000 households with cash and inputs and is providing cash to 2 000 pregnant and lactating women. • UNHCR and Unilever donated some 608 000 bars of soap for improving sanitation and hygiene for families in need, including those living in displacement camps in Kachin, northern Shan, Rakhine, Kayah and Kayin.

How is the government funding the mentioned measures?

Table 20. Reallocation of internal resources

Until 4 May	After 5 May through June
<ul style="list-style-type: none"> The government allocated MMK 300 million (USD 200 000) to the MoHS for additional health-related expenditures. 	<ul style="list-style-type: none"> A total of 22 government ministries have submitted their proposals for 10 percent of their 2019/20 budgets to help fund Myanmar's COVID-19 Economic Response Plan for cabinet approval (Htwe, 2020a). The union-level agencies requested a supplementary budget for 2019–2020 of MMK 2 100 476 000 (USD 1 587 580 000) for ordinary expenditures, MMK 421 478 billion (USD 318 561 291) for capital expenditure, MMK 88 858 billion (USD 67 160 609) for debt expenditure, and MMK 50 175 billion (USD 37 923 243) for the state agencies conducting works outside of the union budget, totalling MMK 2 660 987 000 (USD 2 011 225 000). The government has allocated MMK 59 518 billion (USD 44 984 865) under the account of supplementary budget for socio-economic development projects that can directly benefit states/regions in 2019–2020, and MMK 2 660 987 billion (USD 2 011 225 864) for the state agencies out of their requested MMK 2 997 656 billion (USD 2 265 686 859). Financing for the long-term growth and development of the Myanmar economy was also approved. This includes USD 60 million from the Asian Development Bank to establish Myanmar's first Credit Guarantee Corporation and EUR 33 million (USD 39 million) from Austria's Unicredit Bank to create e-IDs for the country's population registry. The government will also borrow MMK 1.3 trillion (USD 983 million) from the CBM to fill the budget deficit for the fiscal year 2019/20. This is expected to fund around 20 percent of the deficit (Lwin, 2020b).

Table 21. Loans from international financial institutions/international markets

Until 4 May	After 5 May through June
<ul style="list-style-type: none"> The World Bank approved a USD 50 million credit for the Myanmar COVID-19 Emergency Response Project to fill a critical gap in its plan to increase hospital preparedness and expand capacity in order to reduce the spread of COVID-19, protect health workers, minimize the severity of illnesses and reduce the number of associated deaths. 	<ul style="list-style-type: none"> In the past three months, Myanmar has received USD 1.25 billion in low-interest loans from international development partners and lenders. The funds include USD 700 million from the International Monetary Fund, USD 270 million from Japan, USD 250 million from the World Bank and USD 30 million from the Asian Development Bank. In total, international organizations have offered Myanmar around USD 2 billion in the form of loans and grants.

IMMEDIATE EFFECTS OF THE CRISIS ON MOST VULNERABLE PEOPLE AND THE AGRIFOOD SYSTEM

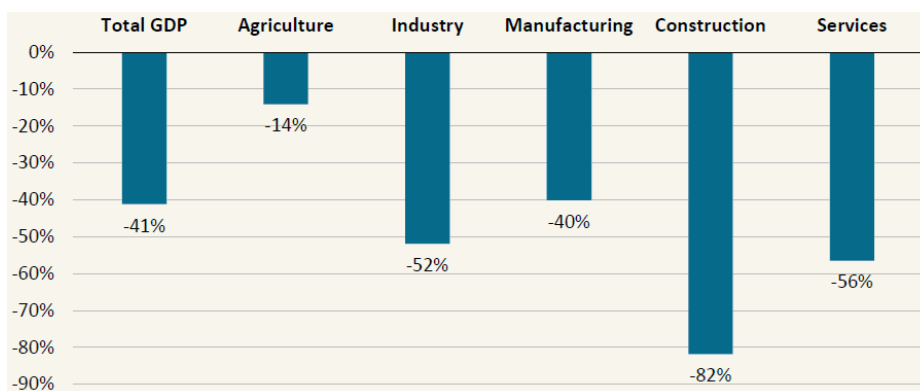
What are the immediate effects of the crisis and the different sets of measures on agrifood systems?

Myanmar's construction, services, industry, manufacturing and agriculture sectors have all been profoundly affected by COVID-19. Tens of thousands of people have lost their jobs and the agriculture subsectors have been disrupted due to decreasing exports and consumer demand.

Economic growth in Myanmar is expected to slow in 2020: in its April World Economic Outlook, the International Monetary Fund slashed Myanmar's 2020 growth forecast from 6.4 percent to 1.8 percent (Chau, 2020). According to a recent International Food Policy Research Institute (IFPRI) study (Diao *et al.*, 2020), the economy was impacted by the lockdown in many ways. The following estimates are based on a Social Accounting Matrix (SAM) multiplier approach.

National GDP declined by 41 percent during the two-week lockdown period compared with a normal situation without COVID-19 during the same period. The COVID-19 pandemic will likely push Myanmar's economy into a recession or lead to stagnation of growth in 2020.

Figure 2. Change in total and sectoral GDP during lockdown (%)*

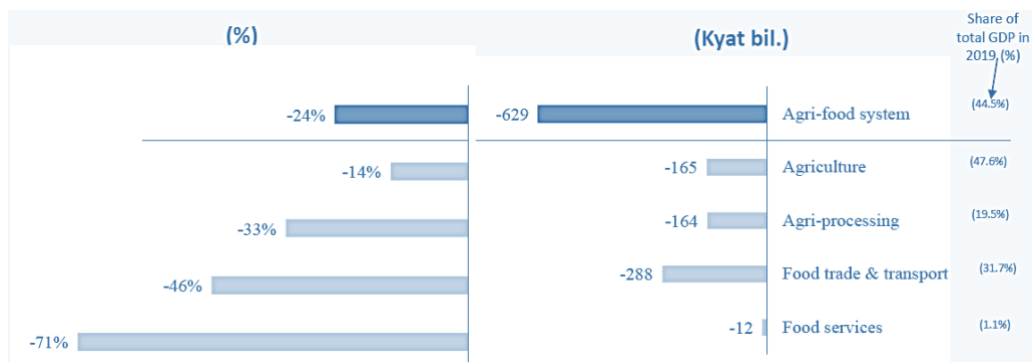


* Compared to a situation with no COVID-19. (Adapted from Diao *et al.*, 2020)

The agrifood system (AFS) is adversely affected by falling consumer and export demand. Although the lockdown policies provide exemptions for most agricultural activities, linkages to other sectors indirectly affect the AFS sector significantly. Economic recovery in AFS will be slow. In the case of a slow recovery for the overall economy, the annual growth rate in the sector for 2020 will be negative. With faster recovery, stagnation of growth is the best that can be expected.

(Diao *et al.*, 2020)

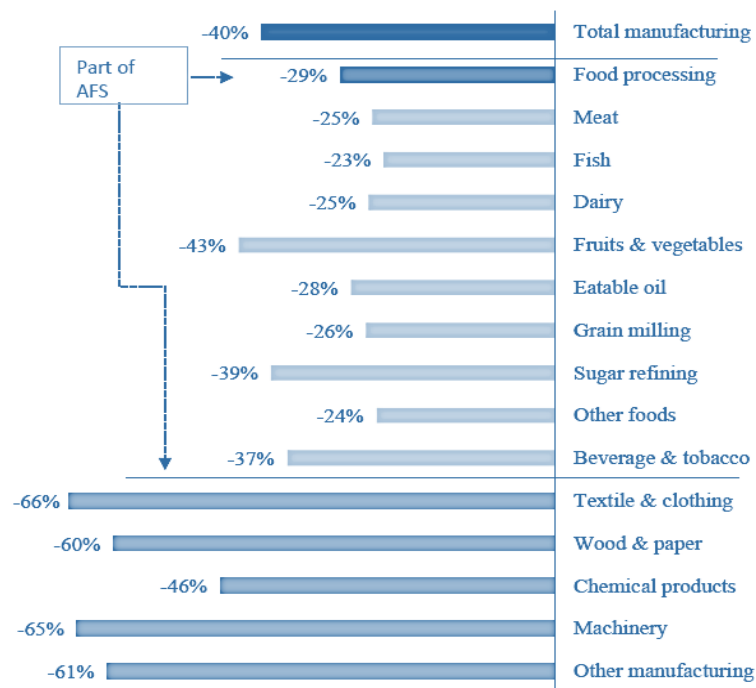
Figure 3. Change in agrifood GDP during lockdown*



* Compared to a situation with no COVID-19. (Adapted from Diao *et al.*, 2020)

The closure of manufacturing factories will have a major negative impact on both the AFS and the overall economy due to the strong linkage effects between manufacturing, upstream primary agriculture and downstream marketing services.

Figure 4. Change in manufacturing sector value-added during lockdown (%)*

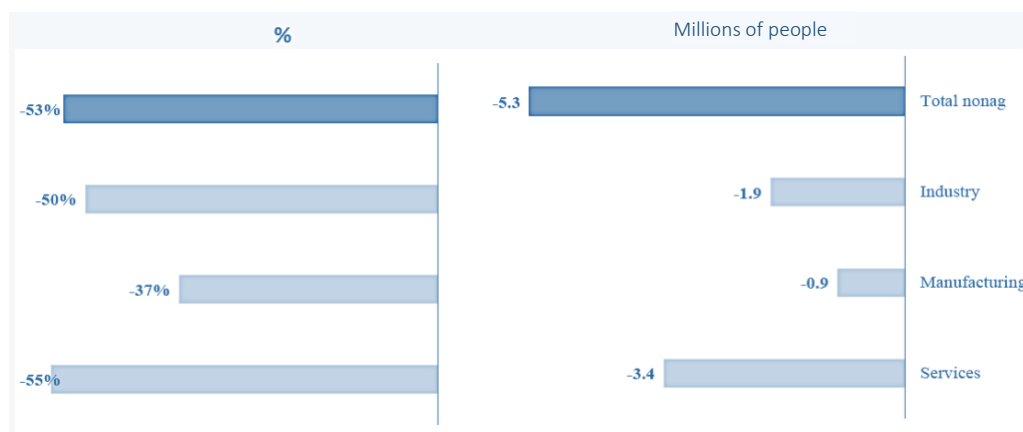


* Compared to a situation with no COVID-19. (Adapted from Diao *et al.*, 2020)

Non-farm employment is predicted to have declined by more than five million jobs during the lockdown period. A fast economic recovery would allow 1.1 million people to return to their jobs or businesses by the end of 2020. However, even with fast recovery, 500 000 non-farm jobs will be lost in 2020.

(Diao *et al.*, 2020).

Figure 5. Change in non-farm employment during lockdown*



* Compared to a situation with no COVID-19. (Adapted from Diao *et al.*, 2020)

Rural communities make up to 70 percent of the population in Myanmar and most livelihoods are made through agriculture. While food production does not appear to have been impacted, rural households are facing the burden of increasing indebtedness as the planting season begins (to buy inputs) in the face of decreasing income and remittances. A recent study from Mercy Corps (Mercy Corps, 2020), a global non-governmental humanitarian organization, shed light on the situation of input providers. A major focus of MoALI and development partners has been to avoid any disruptions to input supplies (initial reports were indicating a substantial impact) given that this would heavily impact production levels and the livelihoods of farmers, compromising food security, incomes, and the ability of farmers to repay loans. Major areas of support envisaged by MoALI include voucher schemes for inputs, seed provision, cash-for-work and support for seed producers. More effort may be required to increase the flexibility of loans beyond rice and other crops to other agriculture activities, while increasing coverage and relaxing/extending repayment timelines.

In its survey of 26 townships in Delta Region, Mercy Corps found that about 40 percent of seed companies believe their sales will be impacted by COVID-19. In addition, the lack of adequate agricultural inputs, including fertilizers and other agrochemicals and labour, will cause 66 percent of seed producers to experience decreased yields in seed production this season. Ninety percent of seed producers anticipate a reduction in their income due to the increasing cost of inputs stemming from inadequate supplies, higher labour rates and transportation costs.

The planting season in Myanmar corresponds with the monsoon and the annual 'lean season.' Seasonal food insecurity is widespread, particularly in border upland areas, and is at risk of being exacerbated by COVID-19 measures. Food security figures from a number of assessments are expected in August/September, 2020.⁴

A significant number of factory workers who lost their urban employment during the lockdown – including women employed in the garment industry – returned to their rural areas of origin. Most migrant labourers (returning from Malaysia and Thailand) return to rural areas. Households that lose employment opportunities (including returning migrants and seasonal labourers) may resort to harmful coping measures, such as taking out high interest loans (which in turn may perpetuate a cycle of poverty/indebtedness), limiting food portions and limiting the diversity of food plates.

⁴ FAO-WFP household survey includes Food Consumption Score and Food Insecurity Experience Scale to measure impacts.

Overall, it appears that exports are stabilizing. Initially, farmers that relied on foreign markets to export high value commodities were left without market access due to restrictions on cross-border movement. There were initial reports that farmers were dumping cabbage and watermelon as a result of export restrictions to China. According to the Myanmar Fruit, Flower and Vegetable Producer and Exporter Association (Hein, June 24, 2020), revenues from Myanmar's fruit exports have reached USD 370 million in the current fiscal year, which is on a par with revenues generated during the same period in the previous fiscal year. This was due to higher demand from China for good quality Myanmar bananas produced through local tissue culture, which offset a decline in the export of other fruits like watermelons and cucumbers (Hein, 2020).

Initial projections estimated that fishery exports would be significantly affected due to a decrease in demand from Europe, the United States of America (together accounting for 40 percent of export share) and China (60 percent of share). However, recent reports suggest that the sector increased export income by USD 100 million over the same time last year (Aung, 2020). The government has allowed poultry growers to import over 19 million chicks to ease a poultry shortage caused by the COVID-19 pandemic. Chicken production had dropped by as much as 40 percent over a month, doubling prices (Wai, 2020). The illegal livestock trade in Myanmar has thrived amid COVID-19 restrictions. Up to 3 000 live cattle were sent to China through the Htee Chaint-Shwegu-Bhamaw route in Bhamaw district, Kachin State.

The Mercy Corps assessment shows that extension work in the Ayeyarwaddy Delta has been affected by the pandemic. All interviewed extension officers (26) stated that the pandemic had affected their ability to fulfil their duties and responsibilities since they were not allowed to enter villages. They reported that they had not provided farmers with extension support since the pandemic began (Mercy Corps, 2020).

What are the immediate effects of the health and economic crises and the different sets of measures on people's livelihoods, (acute) food insecurity and malnutrition status and future prospects?

With 293 confirmed COVID-19 cases in Myanmar and six deaths (Soe, A. P. K., 2020), Myanmar's caseload remains relatively low. Most reported cases have been among migrant returnees, hence the obligatory 21–28 days facility-quarantine upon return to Myanmar. Nearly 43 000 people are in quarantine centres in 7 800 facilities.

A quarter of the population of Myanmar is stunted and more than half is unable to access a balanced food basket, making it vital to continue implementing preventive approaches to malnutrition, particularly among vulnerable population groups. A strong immune system, supported by a healthy diet and clean environment, is imperative to fight off COVID-19. Guidelines for nutrition during the pandemic have been drafted for nutrition-specific sectors (SAG-NIE, 2020) and are now being finalized for nutrition sensitive sectors including agriculture, education, social protection, gender and psychosocial support.

An estimated 100 000 migrants have returned from abroad due to COVID-19. According to the International Organization for Migration's Situation Report (2020):

A total of 99 058 migrants returned through border checkpoints from 22 March to 10 June, including 62 647 returnees from Thailand (22 March—10 June), 36 280 returnees from China (16

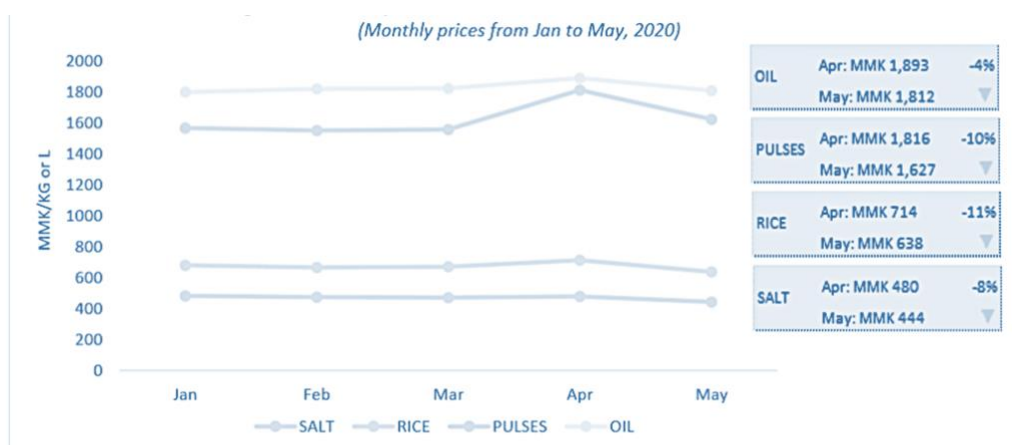
April–10 June), and 131 returnees from Lao PDR (8 May). An additional 4 105 Myanmar nationals returned via government-assisted relief flights from various countries in the region and beyond.

A third of Myanmar’s rural population relies on remittances from an estimated 3.8 million migrant workers. The value of remittances to rural households are expected to decrease suddenly, abruptly and for a prolonged period because of the pandemic (Boughten *et al.*, 2020). According to a recent IFPRI study (2020b), international remittance income in Myanmar has dropped by 50 percent, and domestic remittances by 30 percent. Poverty is expected to increase by 7.5 percent among remittance-receiving households (affecting a total of 700 000 rural households).

This drop in income is likely to cause a decrease in expenditures. It has been suggested that remittance loss should be a criterion used for targeting support during the COVID-19 pandemic. Reductions in food availability have not yet been reported although it is likely that food access will be constricted due to falling incomes and remittances. Myanmar is self-sufficient in food, so the main concern is around distribution and access to production inputs.

It appears that food prices have not fluctuated significantly. According to the World Food Programme’s (WFP) market monitoring report (WFP, 2020a), average retail prices for rice, after some regional fluctuations, decreased by 11 percent (although they seem to have stabilized in June according to MOALI’s Information System). Pulse prices decreased by 10 percent, oil by 4 percent, and salt by 8 percent. These are the only four commodities currently tracked in WFP implementation areas, but discussions are ongoing to expand price monitoring to more food items and changes in the monthly price of a nutritious food basket (WFP, 2020b).

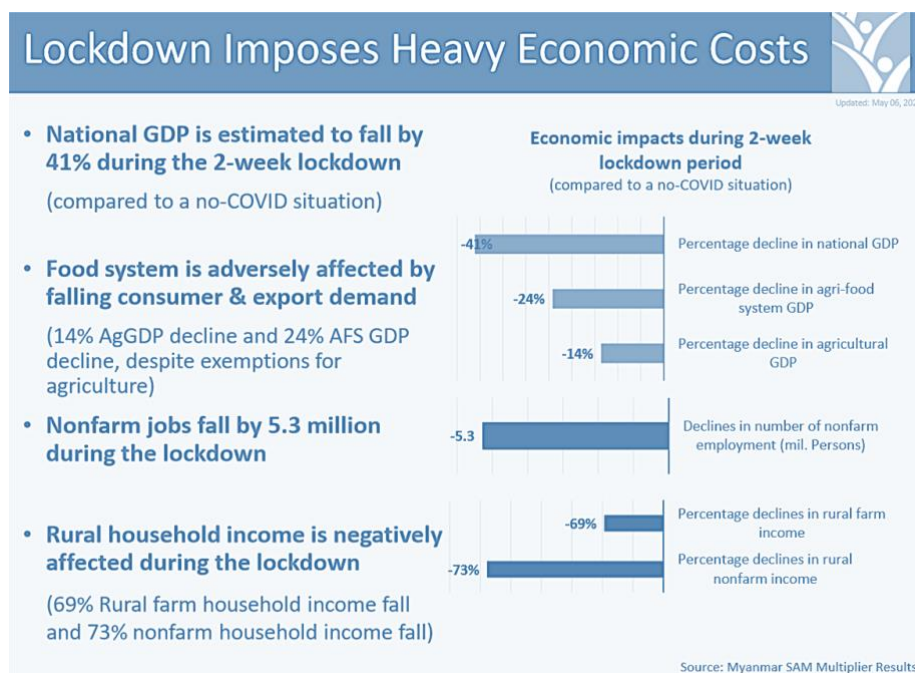
Figure 6. Retail price trends for four main food commodities



The rice price in May decreased by 14% in Chin state, except for conflict-affected Paletwa township, while increases in prices of other food commodities were recorded for most of the townships monitored – palm oil (12%), pulses (19%) and salt (37%). The price of pulses declined in Kachin (20%), Southeast (16%), Shan (14%) and Magway (12%), whereas significant increases in prices of pulses were found for Chin (19%), particularly in Paletwa, Hakha and Matupi townships. In Paletwa, transportation difficulties associated with the security situation continue to affect commodity prices. (Figure1, Table2).

Source: WFP, 2020a.

Figure 7. Costs of the lockdown



Source: IFPRI, 2020b

The FAO/WFP Myanmar Household Survey on COVID-19 impacts, which includes indicators on food consumption scores (FCS)⁵ and coping, will shed light on changes in consumption patterns. Mercy Corps and Welthungerhilfe – a German non-governmental aid agency – conducted a survey in the Ayeyarwaddy Delta in May and found that COVID-19 has given rise to negative coping strategies among farmers: 28 percent of the farmers surveyed planned to consume less food and reduce the frequency of meals to make up the availability of food during the pandemic (Mercy Corps and Welthungerhilfe, 2020).

According to the IFPRI study, 5.3 million people are expected to lose their jobs during the lockdown (including self-employed non-farm labour) (Diao *et al.*, 2020c). If the economy is able to recover quickly, 1.1 million may return to their jobs. However, even with a quick recovery, rural farm and non-farm annual household income will be 4.5 percent and 5.6 percent lower, respectively, than under normal circumstances.

UN-Habitat recently carried out a survey in the informal settlements of Yangon (UN Habitat, 2020).⁶ It found the following:

- 81 percent of the households had at least one member who lost their job in the past 30 days.
- 94 percent of households reported a fall in income over the past 30 days.
- 90 percent of households reported having no alternative sources of income.
- 69 percent of households took a loan in the past 30 days.

⁵ The FCS aggregates household-level data on the diversity and frequency of food groups consumed over the previous seven days, which is then weighted according to the relative nutritional value of the consumed food groups.

⁶ In 2016, UN-Habitat identified a total of 423 informal settlements in the city of Yangon. These settlements house an estimated 400 000 people in 72 900 households, approximately 8 percent of the city's total population

- Households were already highly indebted before the outbreak of COVID-19. Average household indebtedness was MMK 555 000 (USD 419).
- 61 percent of households that applied for a new loan in the past 30 days applied for more than MMK 100 000 (USD 76).
- 88 percent of households used the new loan to buy food.
- All households in the sample reported that they were worried that their stock of food would run out before having money to buy more.

According to a survey by the Asia Foundation, at the time of interviews (28 April to 10 May), about 29 percent of businesses were completely closed. About half of businesses had reduced their operations in some way, for example through working from home or adapting their services, i.e. restaurants serving take-away customers only. Only about a quarter were operating as usual. The businesses that had closed down had done so for 28 days on average, while those that had reduced their operations had done so for 26 days on average. The surveyed businesses were not limited to the agriculture and food sectors (Asia Foundation, 2020).

“Travel restrictions, government orders to defer repayments and lending at lower interest rates have reduced the ability of microfinance institutions (MFI) in Myanmar to operate at a time when there is a pressing need for capital among the rural population due to COVID-19” (Liu, 2020). Instead, many MFI are beginning to charge higher interest rates. Social protection schemes are likely to increase as a result of COVID-19. The scale of coverage achieved during the pandemic will probably not be feasible to maintain, but Myanmar is rapidly expanding its maternal and child cash transfer programme, cash-for-work programmes, and lowering the eligibility age for pension schemes.

Regarding the effects of the crisis on women, a recent IFPRI report noted the following:

The Myanmar Labor Force Survey shows that 78 percent of men of working age were in the labour force in 2017, whereas only 48 percent of women were. The services, manufacturing, and construction sectors of Myanmar's economy were among the first hit by the crisis, later followed by agriculture. Men are less likely to work in services and manufacturing (respectively 29 and 9 percent of working men) than are women (respectively 39 and 14 percent of working women). However, men are more likely to work in construction and transport (8 percent of men compared to less than one percent of women). Overall, a similar share of working men and women are employed in what can be considered to be 'COVID-19 sensitive' economic sectors (Diao *et al.*, 2020). [Furthermore] The garment industry is the manufacturing sector which employs the largest share of women (Lambrecht *et al.*, 2020).

Agriculture is sometimes considered a male-dominated sector, with more than half of working men (52 percent) working in agriculture. Yet, 45 percent of working women also work in agriculture. Hence, successful action under CERP Goal 2.1.7, which is to support farmers, agroprocessors, and other agribusinesses, will need to target both male and female workers, farmers, and agroentrepreneurs (Lambrecht *et al.*, 2020).

While only one-fifth of working men are under a formal employment arrangement, less than one out of ten working women are (MoLIP, 2017). This puts women at greater risk of being laid off during periods of economic uncertainty (Lambrecht *et al.*, 2020).

While childcare under COVID-19 restrictions has been mentioned as a major issue in other countries due to school closures, so far it has been of lesser concern in Myanmar. The lockdown measures, including closure of schools and daycare centers, were implemented at the start of Myanmar's three-month annual school holiday. Nevertheless, the usual vacation time alternatives for children of working parents may not be feasible either due to self- or government-imposed precautionary measures (Lambrecht *et al.*, 2020).

Despite their role in household decision-making, women are unlikely to be considered the head of the household. Women have a lesser voice than men in their communities and when dealing with local and national authorities (Lambrecht *et al.*, 2020).

Male migrants returning home due to the COVID-19 crisis might expect to resume the customary status of household heads, with the respective decision-making power thereof. To the contrary, many returning women might see their decision-making power significantly reduced if they are no longer able to provide financial support to the household (IFPRI, 2020).

The Maternal and Child Cash Transfer (MCCT) program has demonstrated that transferring money to women is a successful approach to increase the share of the household budget under women's control (Maffioli *et al.*, 2019) (Lambrecht *et al.*, 2020).

Distress due to the COVID-19 related economic downturn and the restrictive measures on mobility and quarantine coupled with increased food insecurity and reduced incomes are likely to aggravate tensions within the home. Prior to COVID-19, Myanmar already had high rates of domestic violence. According to the 2015/16 Myanmar Demographic and Health Survey, 9 percent of women aged 15 to 49 years had experienced physical violence in the past 12 months. With the support of international organizations, social workers in the Department of Social Welfare have been trained on the gender dimensions of COVID-19 and on psycho-social counselling (UNCT-Myanmar, 2020), while relief agencies are organizing telephone helplines (Actionaid, 2020). (Lambrecht *et al.*, 2020).

Which groups are most likely to be severely impacted by the COVID-19 situation and associated measures?

The *UN framework for the immediate socio-economic response to COVID-19 in Myanmar* (UNDP, 2020) identified the following vulnerable groups:

Women. The vulnerability of women to the COVID-19 crisis comes first of all from their over-exposure to infection risks due to their frontline role in public services: 96 percent of nurses and 77 percent of paramedics in the Myanmar health care system are women, putting them at higher risk of infection. Women dominate the teaching corps and will therefore be at higher risk of infection when schooling resumes while the virus is still circulating. Pregnant and lactating women are considered more vulnerable to the disease, but their regular access to sexual and reproductive health care during the crisis is complicated due to lockdown, physical distancing, higher risks of infection at health facilities and spending restrictions due to reduced household income. Women and girls may face reduced access to birth control advice and supplies during the crisis, which would result in an increase of unwanted pregnancies and adolescent births (36 per 1 000 girls aged 15–19 in 2015) (UNSDG, 2020).

Older persons. Senior citizens are not only more at risk of catching the COVID-19 virus and suffering from reduced access to health care (due to their higher risk level) but they also face the prospect of becoming poorer as a result of the economic fallout of the crisis. Welfare systems for seniors are limited in Myanmar (only 19.3 percent of people above retirement age receive a pension) and about 14 percent of seniors above 65, mostly in poor households, are still part of the labour force, often in vulnerable employment. The elderly are likely to be among the first to lose jobs from the crisis impact (UNSDG, 2020).

Adolescents, children and youth. With schools closed, children and youth lose educational opportunities and forgo human interaction, which is essential to their social and behavioural development. When schools close, children lose access to school meals that may be provided and this has an impact not only on children's nutritional status but also on family income. Access to broadband Internet is still underdeveloped in Myanmar (0.2 people per 100), and almost non-existent in poor households and rural areas, hindering effective participation in remote schooling arrangements – which are likely to be made available in Myanmar only by private schools in highly urbanized settings. Sustained disruption of education could lead to a rise in child labour (currently at 9.9 percent, but two to three times higher in poor households than in wealthier ones) (UNSDG, 2020).

Persons with disabilities and/or mental health conditions. In Myanmar, as elsewhere, people with disabilities, physical and mental, have a higher risk of living in poverty and have more precarious jobs (often in self-employment). Disabled persons are 25.2 percentage points less likely to work than other people and households with a disabled head are 11.7 percentage points more likely to be poor. A disabled person losing a job due to this crisis will have a much harder time (re)joining the labour force during recovery than an able-bodied person. People with special needs hosted in specialized care institutions (only a small minority in Myanmar) may be sent back home to avoid contamination risks and suffer from lack of needed care or even domestic abuse. Physical distancing and self-isolation are not options for many people with disabilities and mental health conditions (UNSDG, 2020).

People in extreme poverty or facing insecure and informal work and incomes. In 2017, Myanmar counted 2 percent of its population living in extreme poverty (earning less than USD 1.90/day using the 2001 USD exchange rate) and 24.8 percent living below its national poverty line. Poverty and informal work are closely associated. In addition, 32.9 percent of the non-poor population remains vulnerable to falling into poverty, particularly in the face of an unanticipated negative shock. The poor and non-poor insecure, especially in urban or conflict-affected areas where they have fewer coping strategies, are the most exposed groups to household income falling to levels

affecting their subsistence as a result of the COVID-19 crisis. Early simulations forecast a 24.8 percent increase in extreme poverty in Myanmar in 2020, hence rising to 2.5 percent of the total population, with a higher impact in urban areas (UNSDG, 2020).

Returning migrant workers. Border states and regions have the highest share of households that use remittances as part of their income strategy. Kayin and Mon States surpass all other areas (with over 40 percent of households receiving remittances) while around 23–28 percent of households in Chin, Kayah and Rakhine states and Thanintaryi Region receive remittances. For poor households in these areas, remittances can represent up to 33 percent of their total income (UN, 2020). When migrant workers return across the border to rejoin their hometowns and villages, they often find themselves with limited financial resources and few transportation options due to lockdown measures. They may be exposed to extortion when entering the country. While returning workers are obliged to stay in quarantine facilities for 21 days upon return, these facilities are usually not well serviced and may lack food and basic hygiene facilities (UNSDG, 2020).

Ethnic minority groups. Progress has been made to extend prevention and control measures, risk messaging and testing and treatment to ethnic minority populations in the non-government controlled areas (NGCAs) of Kachin, Kayah, Kayin, Mon and Shan States, however serious challenges remain regarding the prevention of COVID-19 transmission in the NGCAs of Chin and Rakhine States. The lack of access to many remote areas where ethnic minorities live means that testing and timely treatment of potential cases is anyway nearly impossible. Prevention messages and infection prevention and control guidance for ethnic health staff training, to be fully effective, would need to be available in the country's 51 official ethnic languages. More broadly, multidimensional vulnerability is structurally higher in most ethnic minority areas (UNSDG, 2020).

Stateless people, internally displaced persons and conflict-affected populations. According to the humanitarian response plan (HRP), 900 000 people are conflict and crisis-affected (including stateless people) at the moment. More than a third are IDPs staying in camps with minimal hygiene conditions, facilities and health care, which makes them particularly vulnerable to a spread of the virus and the socioeconomic consequences it would have on an already marginalized population. Conflict-affected communities must brace for this epidemic (ten out of the 118 conflict-affected townships have had positive cases as of 9 May 2020) in a context of exacerbated multi-dimensional vulnerability compared to the rest of the country. Despite domestic and international calls for a ceasefire, fighting is reported to be intensifying between some ethnic armed organizations (EAOs) and the Myanmar military in various parts of the country (particularly in Chin and Rakhine States), causing the displacement of more than 3 000 people who have become more vulnerable to the COVID-19 pandemic (UNSDG, 2020).

Slum dwellers, people in informal settlements. According to a recent study, 8 percent of Yangon's population, or 400 000 people, live in informal settlements. Urban poverty in the capital reaches 34 percent (above the country's average of 25 percent) and 34 percent of informal residents live in areas with severe risks of flooding. These settlements face deficient access to water, absence of safe sanitation systems, high density, insufficient health services, insecurity of tenure and higher criminality. Public health outcomes are lower in these areas than the rest of the city, meaning that residents present higher morbidity factors that make them more vulnerable to the disease. Slum dwellers often derive their main income from informal daily work found in and around industrial zones or wholesale and retail food markets; lower activity levels in both sectors due to the epidemic have a direct impact on the livelihoods and poverty level of this population (UNSDG, 2020).

People living with HIV/AIDS and other people with pre-existing medical conditions. An estimated 240 000 adults and children live with HIV in Myanmar, with 11 000 new infection cases in 2018 alone. HIV prevalence is highest among drug users in urban areas and in border towns in opium production areas. In addition, an estimated 23 percent of the population suffers from one or more chronic pre-existing medical conditions. These populations face the risk of reduced access to treatment and medical control and higher mortality due to health system failures, movement

restriction and income loss. In addition, people living with HIV/AIDS (PLHIV) may face increased stigma and suspicion in their communities due to unfounded suspicions of links between their conditions and the COVID-19 pandemic (UNSDG, 2020).

Smallholder farmers, fisherfolk and livestock owners: With a forecast contraction by one to two percent of agrifood system GDP during the fiscal year 2019/2020, small farmers, fishers and pastoralists will be affected directly by the crisis, with a potential loss of income for rural farm households by around 5 percent over the same period. The income and food security of rural workers in formal and informal markets, whose day labour opportunities depend in large part on the amount of agricultural trading, as well as urban informal sector workers and the self-employed who depend on markets for food, will be affected by a contracted national agricultural market (UNSDG, 2020).

FOOD FOR REFLECTION: LONG-TERM POLICY IMPLICATIONS

This section serves to initiate thinking and dialogue on the longer-term implications of COVID-19 in terms of management of the food system to prevent a health crisis and that a health crisis turns into a food security and nutrition emergency.

Myanmar is accustomed to stresses and shocks, however, annual flooding due to monsoon rains, droughts in the dry zone, and conflicts, particularly in border areas, are likely to compound the impacts of the pandemic. Furthermore, May was the beginning of the major agricultural production season. It also corresponds to the annual lean season.

COVID-19 lays bare underlying vulnerabilities that are likely to exacerbate the effects of the crisis. There is a risk of focusing on immediate humanitarian support while losing sight of long-term policy objectives, such as agricultural diversification, inclusion, conflict-sensitivity, resilience and decentralization.

Twenty-five percent of Myanmar's population falls below the poverty line (UNDP, 2019). Underlying socio-economic vulnerabilities are likely to hinder household access to health services if and when they are required as well as to thwart efforts to bounce back from shocks, given a limited asset base and absence of a social safety net system.

From 1998 to 2017 Puerto Rico, Honduras and Myanmar were the countries most affected by climate change, according to the Global Climate Risk Index 2019 (Eckstein, 2018). The need to build an agriculture and food system that is climate resilient (particularly in the wake of heavy monsoon rains), is a key government concern. The compounding effects of COVID-19 and climate change are already being noted. According to the Mercy Corps and Welthungerhilfe survey conducted in the Delta, 83 percent of millers expected major storm impacts during the monsoon season (Mercy Corps and Welthungerhilfe, 2020).

A third of Myanmar, approximately 20.2 million hectares, is categorized as vacant, fallow, virgin land. Three-quarters of this land is located in the seven ethnic states (Chau, 2020b). The existing legal framework restricts customary ownership of land by indigenous groups in remote ethnic states, where most of the vulnerable populations live. The growing interest of the private sector in applying for vacant, fallow and virgin (VfV) land for non-agricultural businesses competes with farmers' informal customary land tenure. The majority of ethnic farmers rely on subsistence farming through shifting cultivation practices. It is important that the land law is suspended during this period when registration may be inaccessible to farmers. There are laws to allow conversion of land from paddy to crops, fishery products and livestock. However, a lack of effective

implementation has hampered this transition with possible negative effects on the resilience of farmers and food systems.

The COVID-19 pandemic has delayed peace talks in Myanmar. Reports of ongoing conflicts in Rakhine State and other areas of the country, as well as continued displacement make it difficult for government and humanitarian assistance to provide adequate food supplies and health services, further exposing underlying and compounding socio-economic vulnerabilities.

Limited livelihood, agriculture and market diversification may further exacerbate the impacts of the crisis on rural populations due to limited coping strategies. In the case of markets, for example, over-reliance on one or two export markets (as is the case with pulse exports to India), is likely to aggravate any changes in markets.

How might the food system evolve or change following the crisis?

As observed in many countries, protectionist policies focusing on staple crops have been a major response to the COVID-19 pandemic in Myanmar. A shift to rice-centric policies to ensure domestic rice security would risk a setback to advances made in recent years. The progress evident in policies, such as the Agriculture Development Strategy (ADS) and Multi-sectoral National Action Plan on Nutrition (MS-NPAN), on diversifying the agriculture system could be obstructed, jeopardizing the resilience of the food system and limiting dietary diversity. However, it appears that some recognition at higher levels may help to rectify this risk (State Counsellor Office, 2020).






If exports are further limited to ensure national self-sufficiency during COVID-19, some value chains may shorten, increasing the importance of domestic and local food demand and marketing. Shorter value chains have the potential to profit small, informal SMEs.






Are there discussions about building better food systems?






The Government of Myanmar is already taking steps to 'build back better', to improve the resilience of the food system to future shocks and stresses. Examples include establishing food reserves and improving access to inputs, particularly good varieties of seeds; this will be carried out through direct support to contract farming. The government has recognized the need to leave the rice-focused agenda behind as was recently acknowledged in a teleconference held by the State Counsellor (State Counsellor Office, 2020). The State Chancellor also emphasised the need for agricultural diversification. Nevertheless, the legacy of rice bowl politics in Myanmar is difficult to shake in a crisis when self-sufficiency of staples quickly became a major concern.





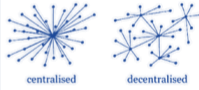
FIRST recently facilitated a policy dialogue with MoALI (across five departments) to discuss how to prioritise and phase MOALI's interventions for immediate relief, recovery and 'building back better'. Many of these are already reflected in the CERP but require further attention and improved targeting when designing the recovery strategy.

Figure 8. Recommended interventions

RECOMMENDATIONS: Now and across all phases				
 <p>ASSESS WHO/WHERE/HOW/WHY</p>	 <p>TARGET SUPPORT</p>	 <p>COMMUNICATION</p>	 <p>MONITOR and ANALYZE</p>	 <p>PRIORITIZE but DON'T LOSE SIGHT</p>
<p>Assess COVID-19 impacts on livelihoods, food security and nutrition, identify vulnerable groups- where they are, who they are, and why they are affected. Use same indicators across assessments.</p>	<p>People are disproportionately affected by COVID-19. Use socio-economic vulnerability criteria to target services. Given limited fiscal space and likelihood of compounding shocks (e.g. monsoon), ensure graduation from humanitarian assistance*.</p>	<p>Disseminate key COVID-19+ messages on nutrition, food safety, and WASH. Use existing platforms, ensure coherence of messaging (recognizable), and repeat, repeat, repeat. Collect feedback.</p>	<p>Research, monitor, analyze, report and explore set up of Info Systems (Price Monitoring, FSN). Expand price info from staples to veg, fruits, fish, meat, eggs etc. Task force to use for decision-making on livelihoods, agriculture, and FSN support.**</p>	<p>Important to prioritize actions given urgency and limited fiscal space. But important not to lose sight of existing priorities or compromising progress: food security and nutrition, poverty reduction, resilience, inclusion, diversification, decentralization***.</p>

RECOMMENDATIONS: Short term- avert food crisis				
 <p>KEEP MARKETS FUNCTIONING</p>	 <p>ACCESS INPUTS and FINANCIAL SERVICES</p>	 <p>SOCIAL PROTECTION</p>	 <p>PROMOTE LOCAL PRODUCTION</p>	 <p>MAINTAIN SAFE SERVICE DELIVERY</p>
<p>Ensure distribution channels are kept open domestically and for import/ export, including for staples, horticulture products, fruits, animal-sourced foods, and agriculture inputs. Ensure that all workers in the agri-food sector are considered 'essential'.*</p>	<p>Access to low-interest loans, repayment timeline relaxation, targeted input provision, smart subsidies to avoid any disruptions to upcoming planting season. Measures should be well targeted.</p>	<p>Support most vulnerable from falling into poverty and compromising diets. May include cash transfers, food, and input provision. Cash for Work may offer options for HH who have lost remittances etc. Process fish for food assistance schemes. Expand for other shocks/stresses.**</p>	<p>Promote local/regional diversification including home gardens (vegetables, fruits). Encourage backyard poultry, small livestock raising (for meat and eggs and to secure asset base). Stock fish ponds and improve storage/ processing to retain rich micro/macro nutrients).</p>	<p>Continue targeted essential services, including in remote areas. Equip all frontline staff with Personal Protective Equipment and knowledge on key COVID-19 prevention.</p>

RECOMMENDATIONS: NEXUS recovery starting now				
 SEED STORAGE AND FOOD RESERVES	 RELAX LAND REGISTRATION	 FINANCIAL INCLUSION	 NUTRITION and DIETARY DIVERSITY	 REVIEW IMPLEMENTATION PLANS
<p>Increase support for local seed storage systems/food reserves with an aim to improve seasonal/local food security, reduce price volatility, and reduce post-harvest losses. Expand coverage from rice to vegetables, fish etc. (drying, cold storage)*.</p>	<p>Issue administrative notification to suspend the implementation of those parts of the VFL land law and Farmland law that may negatively impact on individuals and households in case of land services temporarily unavailable.</p>	<p>Increase coverage of loans and credit schemes for those who have lost livelihoods/remittances. Improve flexibility of credit/loans for non-crop agriculture activities. Declare aquaculture and livestock to be in par with crops for the purpose of priority sector lending.</p>	<p>Instead of focusing on securing self-sufficiency or staple adequacy in diets, it is important to ensure that all recovery efforts consider FSN and strengthen the enabling environment accordingly through local production, processing and edu/campaigns. **</p>	<p>Engage in participatory assessments of implementation of programs/assistance during COVID-19. Who benefited how and where and who may still require assistance? Plan and revise recovery strategy accordingly.</p>

RECOMMENDATIONS: Long-term- building back better				
<p>KEEP DEVELOPMENT OBJECTIVES IN SIGHT & LESSON LEARNING:</p> 	 INCLUSIVE SERVICE DELIVERY	 RESILIENT AND SHOCK-RESPONSIVE	 DIVERSE FOOD SYSTEM	 BALANCED DECENTRALIZATION
<p>Can't afford to regress on nutrition, food security, inclusion and poverty rates. So much progress made in last 20-20 years!</p>	<p>Ensure outreach of service to those who need it most, who cannot access public services and who live in marginalized areas... Support coordination, convergence, and alignment of outreach approaches.</p>	<p>COVID-19 is just one of many risks to Myanmar's agri system: climate change, extreme weather events, conflict. Need to build resilient, shock-responsive food system (including info system), adopting One-Health Approach.*</p>	<p>Avoid regressing into rice bowl politics (protectionism of staple crops). Maintain focus on diversification (within crops, livestock and fish) for income, climate, and nutrition.*</p>	<p>Extract lessons learned from participation, planning and implementation of COVID-19 response- for implementation of ADS and MS-NPAN.</p>

European Union-FAO FIRST Myanmar Policy Facility, MoALI Policy Dialogue Presentation, 17 June 2020)

What changes may be needed in governance systems to face future crises?

The government has issued clear COVID-19 directives at the union level, although implementation has largely been by state and regional/township administrations. National plans were made for food distribution and stimulus packages, such as electricity tax exemption and cash transfers and these have already been carried out by regional governments. However, it remains unclear whether the budget for COVID-19 mitigation and recovery efforts will be released to states and regions, and what the role of decentralized government bodies should be in rolling-out, enforcing, and taking punitive action if measures are not followed. According to a report of the Asia Foundation, stemming the pandemic will require a major adjustment in the

country's budget and funding should be transferred between government ministries and departments and from the union to subnational governments to reflect new priorities and needs (Beveridge, 2020).

Are the measures employed during the epidemic, such as deliveries of food/electronic transactions, likely to remain? What will be the implications for markets and small-scale distribution on employment?

In 2000, a SIM card in Myanmar cost around USD 5 000. Now prices are just 1 percent of this price. There are now more SIM cards than people in Myanmar (DW Akademie, 2020), reaching 80 percent mobile penetration, higher levels than in Europe. Companies like Wave Money are using their mobile applications for cash transfers. While few people have bank accounts, as of June 2019, more than 11 million people in Myanmar have used the Wave Money platform to send and receive money, buy phone credit, pay utility bills and process digital payments (Wave Money, 2019). As cash transfers are increasing rapidly, the use of these applications in social pension schemes is likely to increase as well. Given physical distancing measures, there is likely to be a growing use of electronic transactions and mobile applications for agricultural extension services as well.

Are there discussions about e-agriculture, the use of drones or robotics, vertical agriculture etc.?

CERP (See Table 10, 2.1.7 (A)) promotes the use of information technology and social media to address the limitations of agricultural extension services due to physical distancing. This includes the establishment of call centres, knowledge centres and online technical assistance services. In order to address seasonal labour shortages in farming, MoALI's Small Scale Industries Department (SSID) will assist farmers to access agricultural machinery, such as harvesters, tractors and seeders. However, one challenge is that restrictions on movement during the pandemic have caused labour shortages during the beginning of rainy season. FAO has provided support in the use of drones in the past for rapid flood assessments etc. Overall, MoALI's Agriculture Disaster Risk Reduction Strategy does include a strong e-agriculture component which could be further leveraged in discussions to 'build back better'.

How will the crisis change the debate about key issues such as climate change, biodiversity and environmental degradation and their relative prioritization? Will they go on the back burner?

The pandemic highlights the urgent need to improve the resilience of the agricultural food sector, address underlying vulnerabilities, and establish a stronger welfare state. Paradoxically, policy discussions may regress, returning to the comfort zone of rice-centric policies in areas well served by the government. Continued advocacy will be required to contextualize and prioritize critical pillars/interventions of the Agriculture Development Strategy (ADS) and Multi Sectoral National Plan of Action on Nutrition (MS-NPAN) during and after COVID-19.

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