

Lessons from the Field Visits

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Places visited, meetings held and villagers met at:

Townships	Kyaikhto Hpaan
Villages	Kwat Tai Mon Pyin Sa Khan
Meetings	Kyaikhto Township Government Officials Kyaikhto Township Project Staff Hpaan Chief Minister and other Officials Hpaan Township Project Staff

Technical Assistance:

The Township Administration appears to be fully staffed with Sector Specialists from Ministries/Departments of Agriculture, Livestock, Township Development Affairs (physical infrastructure works in the fields of communication, education, drinking water, sanitation, etc.), Planning, Health, Education, Forestry, etc. coordinated by the Township Administrator. They expressed great appreciation of the work CDRT was doing and assured their full cooperation and support.

In actual practice it seems that the CDRT sector specialists have mainly worked as Liaison Officers with government specialists and made full use of their expertise to build up the capacity of the SRG/CBO members. What the officials needed or asked for was support to enable them to travel to villages to impart training. On my suggestion if they would be willing to become instructors of SRG/CBO representatives in their fields of expertise if the project facilitated it, they seemed quite willing.

The Chief Minister at Hpaan described in detail Myanmar Government's Rural Development and Poverty Reduction Programme comprising 8 steps, namely:

1. Improvement in agriculture production

2. Livestock development
3. Small and medium enterprises
4. Micro finance
5. Transportation
6. Energy and power sectors
7. Environment and
8. Social mobilisation through cooperative development

The Chief Minister lamented the peasant mentality in Myanmar of rural population and wished for change in the old ways and adoption of modern ways of agriculture and livestock development, fisheries and other sectors. He welcomed assistance and resources required for achieving the objectives of rural development from UNDP, NGOs and others but cautioned against doing things other than rural development under false façade. He fully supports projects working at grassroots and federating at Township for effective and efficient access to government services and supplies. He appreciated UNDP's efforts in this respect and assured his full support.

Institutional Structures of the Rural Poor:

At village Pyin Ma Sa Khan with 159 households, the CDRT has facilitated formation of 3 SRGs with 45 member households, 115 households in Livelihood Group and all 159 households into Community Based Organisation (CBO) with a Village Development Committee (VDC). The Livelihood Group of 115 decided on their own to form themselves into small groups of 10 households each and now 11 groups. On being asked the reason for doing so, their response was that for financial and loan management 115 was too large a group and unmanageable; therefore on their own they implemented this decision.

Looking at the data of Hpaan township (as Kyaikhto township data was not available), it seemed that SRGs with 1,116 membership had saved Kyats 102 million whereas CBOs with 12,726 members had saved only Kyats 5 million where as they have built up a total Common Fund with project funding of Kyats 586 million, of which the repayment rate is being shown as 67%. Common or Revolving Funds all over the world have only been successful with

strong ownership by members which can only be achieved if there is a strong tradition of savings by members backed by financial management and adherence to rules and regulations.

A comprehensive study of SRGs and Livelihood CBO shows whereas SRGs have a financial discipline the Livelihood CBOs leave much to be desired. Fortunately the Livelihood CBOs themselves have realised this limitation and taken steps to rectify it by forming groups of 10 for financial management of loans obtained by groups from CBO funds.

This phenomenon on the ground lends weight to the recommendation of bringing all the households desirous of availing loans from project funds either as SRG Revolving Fund or CBO Livelihood capital, into an organised fold of 10-20 households for financial discipline and management. They should have the option to form themselves as SRG or LHG (Livelihood Group) but both must strictly adhere to a savings and financial discipline regime.

In view of this discussion, the recommendation to form SRGs/LHGs as the framework of institutions of rural households seems most desirable and sound. In financial discipline book keeping is considered the most important element. The Bookkeepers, though remunerated by the SRGs/LHGs or Village CBOs, should be answerable to Project Community Development Facilitators during the project life.

Impact, Sustainability, Value for Money:

When we asked villagers what improvements or changes has the CDRT brought about since their formation of SRGs. The members of one of the SRGs at Pyin Ma Sa Khan said that of the members 7 have seen significant improvements and have savings of USD 100 to USD 400 and even casual labourer who did not have a roof over their head have a house of their own, their children are going to school and they have enough to feed themselves. This has all happened in a short period of 4 years. On a query as to why the other 7 households were not able to derive the same level of benefits from the SRG membership as the others, one of those households informed that she was under debt of USD 400 when she joined the SRG. Although she has been able to repay the loan but she could not catch up with others, now she will. Another household informed us that her husband is chronically ill and she was also

running a debt of USD 100. She has been able to repay the debt and she hopes to improve her situation even more with the support of SRG members. A third household informed that she spent her loan money on giving vocational training to her daughter and she is hoping to get enough income through her daughter's employment to catch up with others.

This is the story of one of the SRGs. Every SRG has such stories to tell. Unfortunately, the project reports do not capture these and have thus little to show as impact except inputs. If the project does so, it will be having convincing answers to the questions of impact and value for money.

As regards sustainability, SRGs, which have built up sizeable Revolving Funds, will survive with CDRT or without and the same will happen to VCBOs, providing the LHGs adopt the same financial management and financial discipline as SRGs.

Staffing Structure:

There is not much difference in the staffing pattern at the Township level in the four Townships we visited during the mission. On a query at Kyaikhto staff meeting when we asked scaling up to show impact and whether it would be doable by making use of the large cadre of Community Volunteers (CoVs) whom they have trained and whose capacity has been built by successive Human Development Initiatives (HDI) since 1994.

The 4 Community Development Facilitators informed that of the 60 villages where CDRT has a presence 32 can be classified as A category, 29 are in category B and 4 in category C. Each of the villages have a current pool of trained CoVs in various disciplines including mobilisation, management, bookkeeping, auditing, agriculture, livestock, health, sanitation, forestry, etc. When put to them if they could utilise CoVs as their extension workers to take CDRT to scale, they felt they can with focused orientation how to disseminate their expertise and experience. When asked if they would agree that 32 category A villages can they form a pool of 100-150 well trained CoVs, who can be used to scale up formation of SRGs/LHGs, and VCBOs, Community Development Facilitators replied that this was very much doable. It was quite heartening to see that all the stakeholders, including local government, community

groups, and project staff were willing to move forward to achieve the desired results in terms of scaling up for sustainability and impact.