

FOOD INSECURITY SNAPSHOT: MRAUK U TOWNSHIP – DISPLACED PERSONS (MAY 2021)

Mercy Corps - Market Analysis Unit

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This snapshot is based on a phone survey of 293 households in Mrauk U Township of Rakhine State carried out during May 5 - 11. All households were displaced since 2018 as a result of conflict in Central Rakhine State and Southern Chin State, and nearly all remain displaced as of May 2021. The survey focused on household food insecurity and livelihood activities, and the contact rate was 55%. Data from a June 2020 survey of the same households is included in Section III for comparison.

I. Key Highlights

- **Eighty-two percent (82%) of households had a member who did not eat healthily** in the past thirty days, and 71% had someone who consumed only a limited variety of food;
- **One in five households ran out of food at some point in the past thirty days**, and half said someone ate less than they thought they should;
- **Very few households reported skipping meals in the past thirty days**, and none reported going whole days without eating;
- **Fifty percent (50%) borrowed food in the past week**, and 77% bought food on credit;
- **Since June 2020, the portion of households who reduced meal portions or limited adult meals over seven days more than doubled**, rising to 44% and 26%, respectively;
- **Two-thirds expect May-August to be the most difficult months for food access** in their household, although concerns reduce steeply afterward;
- **Roughly three-quarters of households expect less work, reduced income, and difficulty purchasing livelihood inputs** in the next thirty days;
- **Eighty-seven percent (87%) expect to spend from savings in the next 30 days**, and 72% expect to seek new borrowing.

II. Background

At the opening of 2021, UNHCR estimated there to be 800,000 displaced persons currently residing in Myanmar, the great majority of whom are located in Rakhine State.¹ These staggering figures are the product of years of armed conflict in the state, resulting in waves of displacement and countless households separated from the land that once sustained their livelihoods. The many challenges all too familiar to Myanmar's poorest households are often compounded within these displaced communities. This is true not only for the health and safety of individuals but also the day-to-day economics of earning a livelihood or securing emergency assistance. Over the past year the Covid-19 pandemic exacerbated many of these difficulties, and the challenges households face have only been further amplified as recent political events place tremendous strain on the Myanmar economy. As these events unfold, Myanmar's displaced communities may need assistance now more than ever. Assessing livelihood and food security of displaced communities will therefore be critical to reducing the human toll of Myanmar's current challenges and to eventually helping displaced households regain the safety and security they once knew.

¹ "The Displaced and Stateless of Myanmar in the Asia-Pacific Region." UNHCR. January, 2021.

III. Food Insecurity

This snapshot relies upon the **Food Insecurity Experience Scale Survey Module (FIES-SM)**, a series of questions designed by the Food and Agricultural Organization of the United Nations to measure individual or household access to adequate food. FIES-SM consists of eight questions focused on behaviors and experiences associated with difficulty in access to food due to resource constraints in the past thirty days (Table 1). In addition to the FIES questions, the survey also asked respondents about their expected access to food in the coming months.

Past Thirty Days – In the past thirty days, roughly three-quarters of households had members who worried about food, failed to eat healthy or consumed little variety, however skipping meals altogether was rare (Chart 1).² Seventy-six percent of respondents said there was a time in the past thirty days when they or someone in their household worried about not having enough food to eat due to lack of money or other resources. Moreover, 82% of respondents said there was a time when someone in their household was unable to eat healthily, and 71% said there was a time when someone ate only a few kinds of foods. Less common but still noteworthy were incidents of someone eating less than they thought they should (48%) or running out of food (20%). No households reported someone skipping meals for a full day or going hungry, and very few reported someone skipping a single meal.

Chart 1. FIES Indicators (Past 30 Days)

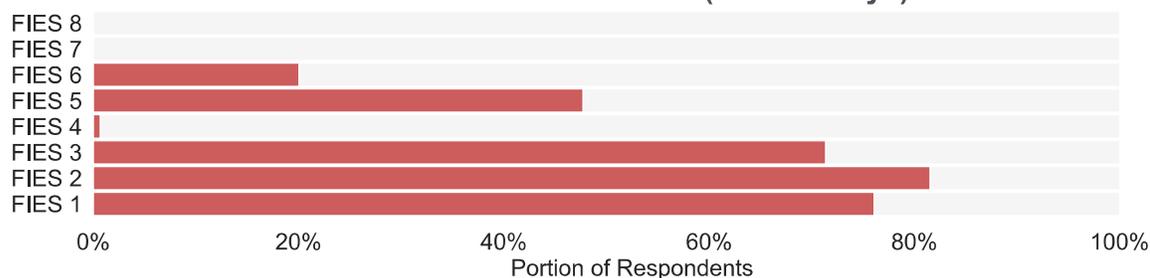


Table 1. FIES Indicator Descriptions

| During the last 30 DAYS, was there a time when you or others in your household: |
|--|
| FIES 8. Went without eating for a whole day because of a lack of money or other resources? |
| FIES 7. Were hungry but did not eat because there was not enough money or other resources for food? |
| FIES 6. Ran out of food because of a lack of money or other resources? |
| FIES 5. Ate less than you thought you should because of a lack of money or other resources? |
| FIES 4. Had to skip a meal because there was not enough money or other resources to get food? |
| FIES 3. Ate only a few kinds of foods because of a lack of money or other resources? |
| FIES 2. Were unable to eat healthy and nutritious food because of a lack of money or other resources? |
| FIES 1. Worried about not having enough food to eat because of a lack of money or other resources? |

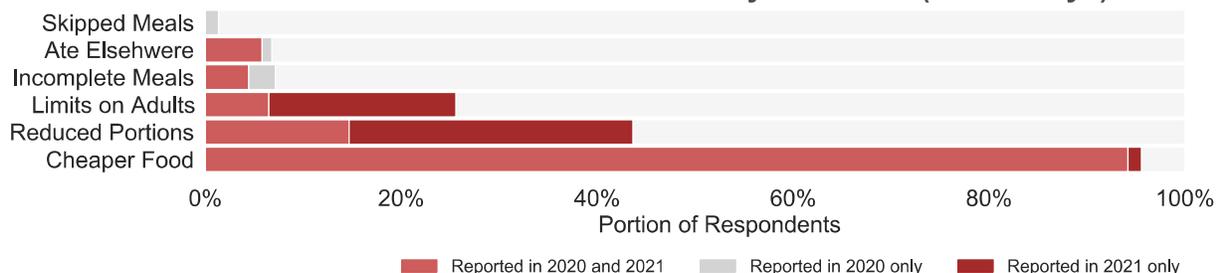
Past Seven Days – More than one-third of households limited meal portions in the preceding seven days and one-quarter limited meals for adults (Chart 2). Ninety-six percent

² As a point of comparison, the prevalence of many of these food insecurity indicators are more than four-times that of indicators reported in the MAU’s Ayeyarwady Region Food Insecurity Snapshot (May 2021), which was also conducted in early-May.

of households said they ate meals in the previous seven days which consisted of inexpensive foods, 44% reduced meal portion sizes, and 26% limited consumption by adults in order to provide for children. Other indicators were fairly infrequent, such as eating incomplete meals (6%) or eating at another household (4%). In the preceding week, 77% of households purchased food on credit at some point and 50% of households borrowed food from friends or family in another household (charts not shown).

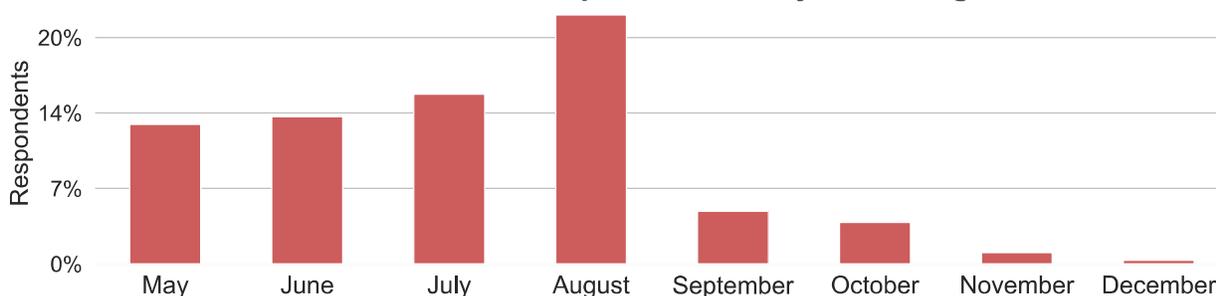
Compared to data from June 2020, the portion of households who limited adults' meals and reduced portion sizes increased five-fold and three-fold in 2021, respectively (Chart 2). Forty-four percent of households said they limited portions during a seven-day period in May 2021, up from just 15% in June 2020. Twenty-six percent also said they limited adult consumption, up from just 6% in June 2020. At the same time, slightly fewer households reported the least-frequent indicators in May 2021, such as eating incomplete meals, eating at another home, or skipping meals entirely. Reliance upon borrowing and credit to complete meals also increased in the past year. The portion who borrowed food from other households increased from 43% to 50%, and the portion who purchased food on credit increased from 60% to 78% (charts not shown).

Chart 2. Other Food Insecurity Measures (Past 7 Days)



Future Expectations – Two-thirds of households expect May-August to be the most difficult months for access to food this year, however concerns drop off steeply after August (Chart 3). Twenty-two percent of respondents said they expect August to be the most difficult month for access to food in their household, and 13-15% said the same for each month between May and July.³ A combined 10% of respondents said September - December would be most difficult, with fewer concerns later into the year.⁴

Chart 3. Months of Expected Difficulty Accessing Food



³ This question was administered slightly differently in the MAU's Ayeyarwady food security snapshot (May 2021). This survey asked respondents to name the month they expected to be most difficult, whereas the Ayeyarwady study asked about each month, individually.

⁴ The survey did not ask why respondents expect more difficulty in these months. This may be due to generally-difficult conditions in Rakhine State during monsoon, when food is often sourced from central Myanmar. It may also be due to this group's reliance on non-agricultural wage labor for income, as this work may be scarcer in monsoon season when transportation, construction and other services are difficult.

IV. Livelihood Expectations

Expected Impacts – In the next thirty days, roughly three-quarters of households expect less work, reduced income, and difficulty purchasing needed livelihood inputs (Chart 4). Eighty-nine percent of respondents expect their household to have less cash income in the next thirty days, and 71% expect someone in their household to no longer have access to their current work. Moreover, 84% said at least one earner in their household will be unable to purchase supplies or inputs required for their livelihood. Ten percent said someone in their household will be unable to travel to complete planned work.

Expected Adaptation – More than three-quarters of households expect to pursue new debt or tap into savings in the next thirty days in order to meet their financial needs (Chart 5). Eighty-seven percent of respondents expect to spend from savings in the next thirty days. Moreover, 74% expect to seek out new borrowing and 72% expect to sell or pawn an asset in order to make financial ends meet.⁵

Chart 4. Expected Impacts on Livelihood (Next 30 Days)

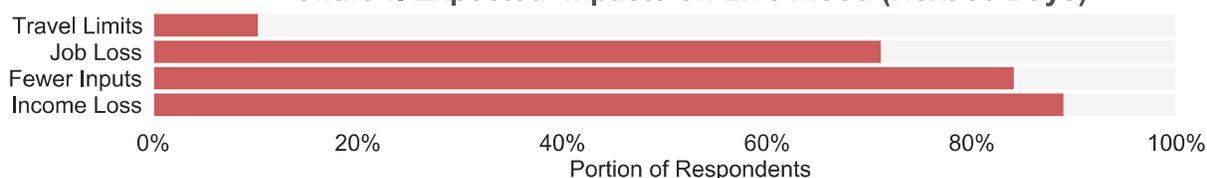
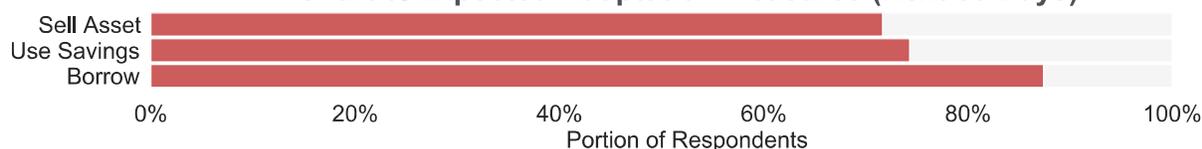


Chart 5. Expected Adaptation Measures (Next 30 Days)



V. Implications

Fewer Coping Mechanisms – Unbanked households—often more prevalent in displaced communities—may face eroding financial security as the family and friends who serve as lenders-of-last-resort face financial difficulties of their own. Communities with few avenues for formal borrowing may lack a sufficient network of lenders to handle increased demand for borrowing when confronted by new economic shocks.

Increased Food Insecurity – The need for food assistance may already be quite sizeable for communities currently facing tough months of food insecurity. While the most severe food indicators such as skipping meal or going hungry may be rare, high proportions of households reporting other less severe indicators may nonetheless face significant negative health outcomes already during June - August when difficulties are greatest.

Reduced Livelihood Security – If expectations regarding livelihood difficulties are born out, many households could face increasing financial strain during the monsoon season. Wage laborers will become increasingly reliant on agricultural work as peak season for the

⁵ Spending savings and selling or pawning an asset can mean the same thing if households hold their savings in assets such as gold or jewelry, which is not uncommon for unbanked households. The similarity between the two responses rates, and the large portion of respondents who reported pawning gold or jewelry in June 2020, suggest this may be the case here.

construction sector winds down. If economic uncertainty or rising agricultural input prices cause farming households to reduce investment in monsoon paddy cultivation, displaced households reliant on wage labor may find even fewer sources of income in coming months.

Box 1. Household Characteristics

The survey also gathered information on basic household characteristics, such as source of income, agricultural products and finance.⁶

- **Household Size** – The average household size was 4.33, and 83% of households are male-headed.
- **Ethnicity** – Ninety-six percent of respondents self-identified as Rakhine and 4% self-identified as Mro.
- **Displacement Status** – Ninety percent of respondents say they have been displaced since 2019 and all were displaced as of June 2020. Ninety-three percent said they are currently displaced, while 7% have been resettled.
- **Sources of Livelihood** – Seventy-nine percent of respondents said their household relies on wage labor for significant income at some point in the year. Other common sources include foraging (38%), farming (34%), trading (16%) and fishing (15%). Smaller portions of respondents said remittances (9%) and production or crafts (7%) are sources of household income.⁷
- **Wage Labor** – Among households drawing income from wage labor, 41% include someone who provides farm labor. Others from so wage labor included construction (25%), taxi (16%) and other services (9%).
- **Farming Activities** – Among the one-third of households which farm, 76% cultivate paddy and 37% cultivate vegetables.⁸ Less common agricultural products include other cash crops (15%), livestock (11%) and pulses (4%). Just 14% of farmers said they would engage in farm-related activities in May.
- **Debt and Savings** – Seventy-nine percent of households have debt and just 12% said they have savings.⁹ Among those with debt, 82% say family or friends are the primary source. Few are debt-serviced by MFIs (12%) or the Myanmar Agricultural Development Bank (4%).

⁶ The survey focused on household characteristics, however the median respondent age was 39 and 78% were women.

⁷ This question was administered slightly differently in the MAU's Ayeyarwady food security snapshot (May 2021). This survey asked respondents for all major sources of household income in the year, while the Ayeyarwady study asked only for the household's primary source of income.

⁸ This survey did not ask respondents about land ownership, however the June 2020 survey found that 28% owned land at that time and the median holding was five acres. Qualitative interviews suggest that some displaced households continue farming land on which they lived.

⁹ This study found that the portion of respondents with debt and savings was roughly the same as reported in the June 2020 survey. The June 2020 survey found that the median debt amount was 200,000 MMK and that just 1% of households had a bank account.

Mercy Corps' Market Analysis Unit (MAU)

The Market Analysis Unit provides development practitioners and policymakers operating in Rakhine State with data and analysis to better understand the present and potential impacts of COVID-19, conflict and other crises on:

- **Household purchasing power, coping mechanisms and access to basic needs;**
- **Value chains**, including **trade** (ag. Inputs, machinery, supply), **cross-border dynamics**, and **market functionality** (particularly as it relates to **food systems**);
- **Financial services**, including **financial services providers**, household and business **access to finance** and **remittances**; and
- **Labor markets** (formal and informal), with a focus on agricultural labor and low wage sectors (construction, factories, food services).

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