MARKET ANALYSIS UNIT

Kayah/Karenni State IDPs

*In late-December / early-January the MAU conducted a second-round survey of displaced households in Kayah/Karenni State to understand challenges they face. The study is based on a probability sample representing 1300 households currently or previously enrolled in cash assistance programs. MAU reports are available online at **www.themimu.info/market-analysis-unit**.*

KEY FINDINGS

- **Nine-in-ten IDP households remained displaced in early-January**, and just 7% had returned to their homes;
- **Some IDP households moved to temporary shelters**, leaving other locations like host homes, displaced sites and religious institutions;
- **There was little sign of IDP households returning to their home states or villages** in recent months;
- **Food, shelter and nutrition improved in January**, but access to work—already poor—grew worse;
- **Access to various products improved in recent months**, particularly access to food;
- **The portion of IDP households unable to travel to a food market grew to 20%**, although freedom of movement was unchanged for most;
- **Fewer IDP households used cash assistance or savings to buy food** in January compared to October;
- **Food insecurity indicators were largely unchanged**, although they did worsen for some households.

Kayah State and South Shan State saw continued conflict and further displacement in late-2022. According to data from the Armed Conflict Location & Event Project (ACLED), conflict-related events for townships in this study fluctuated in late-2022. October and December saw fewer conflict events in this region than any month in the past year, yet November brought an uptick in events (see **Figure 1**).[1] Displacement grew in this period as well. At the start of 2023, the United Nations estimated there to be 85,900 IDPs in Kayah State and 61,900 IDPs in South Shan State.[2] IDP counts in Kayah State increased 11% in the last quarter of 2022, marking the fourth-largest gain among states and regions (8,200). Food and shelter improved for some IDP households in the region, but other conditions were unchanged and work opportunities went from bad to worse. As armed conflict continues to disrupt critical market systems, more data is needed on the condition of IDPs in Kayah State and South Shan State.

The MAU surveyed current/former IDP households located primarily in four Kayah and South Shan State townships about living conditions and market access. The survey of roughly 400 households represents a population of 1300 currently- or formerly-displaced households enrolled in one or more cash assistance programs. The study focussed on displacement status, household living conditions, financial resources, access to markets/goods and food security. The study is not intended to represent all IDPs in Kayah or South Shan States, nor is it intended as an evaluation of the effectiveness of cash programs. The study is a follow-up to a survey of the same population in late-September / early-October 2022.

MAP 1. Distribution of study population, by Township
The study population includes IDPs primarily from four townships.

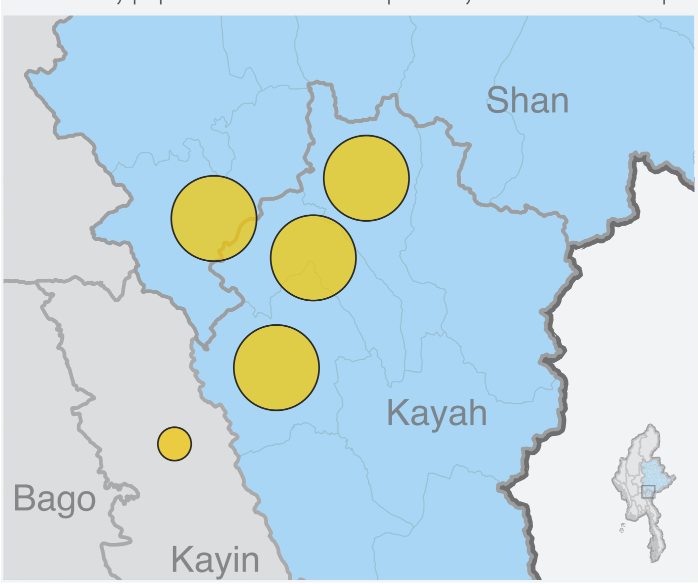
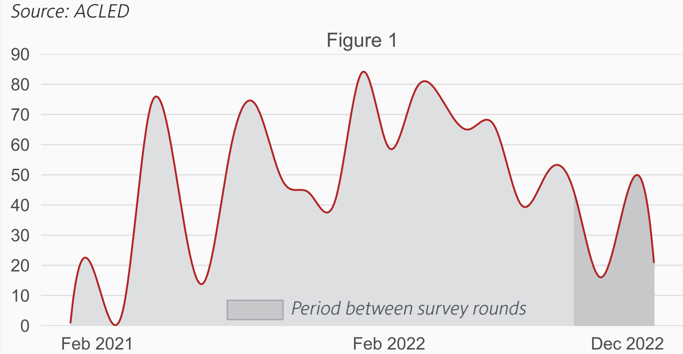


FIGURE 1. Conflict Events in Study Townships, by Month
Conflict events fluctuated in the last quarter of 2022.

Source: ACLED

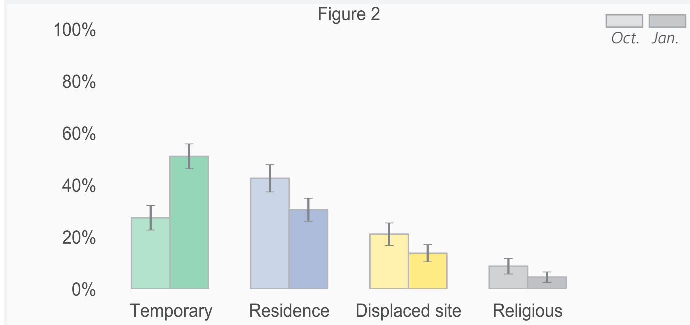


[1] ACLED. January 2023. Armed Conflict Location and Event Data Project. www.acleddata.com.
[2] UN in Myanmar. January 2023. Myanmar Emergency Overview Map.

LOCATION AND SHELTER

Nine-in-ten IDP households were still displaced in January 2023, and many had recently moved to temporary shelters. As of January 2023, nine-in-ten households remained displaced more than one year after leaving their homes (7% had returned to their original homes, almost none were resettled).[3,4] As previously reported, one-in-four households had left their home state after displacement—typically Kayah State residents who fled to Pekon or Hsiseng Township in neighboring South Shan State—and half had left their home townhip. Just 3% of households were redisplaced between October and January, yet many changed their shelter location. The portion of households in residences, displaced sites and religious institutions each fell during this period, while the portion living in temporary shelters grew from 27% to 50% (see **Figure 2**). However, there was no evidence of households returning to their original state or township. One possible explanation for the movement may be that from October onward IDP households left host homes to seek out land for growing winter vegetables.

FIGURE 2. Type of Shelter
More households took up temporary shelter in recent months.

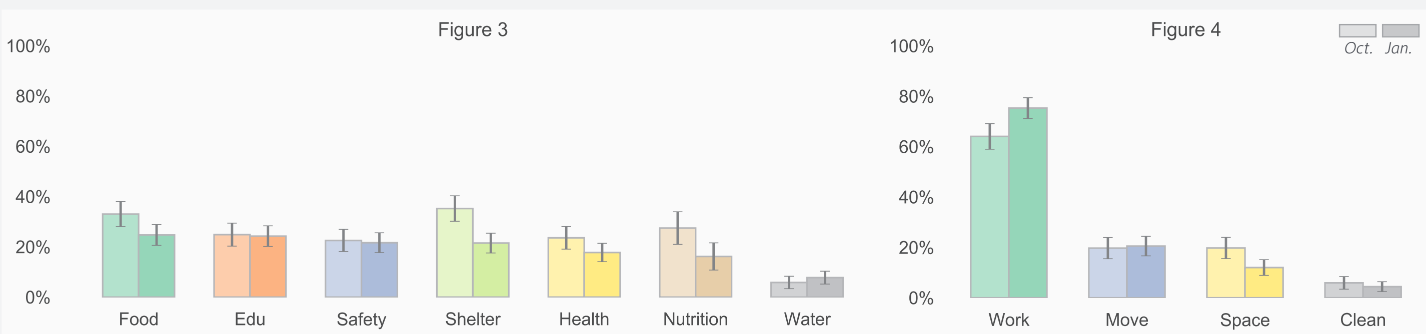


LIVING CONDITIONS

Shelter, food and nutrition improved in January, and fewer than one-in-four households described any particular condition as poor. Fewer households described access to shelter and food as "poor" in January than in October (see **Figure 3**). Other conditions were unchanged, with roughly one-in-five households continuing to describe education, safety and healtcare as "poor." However, conditions did worsen for some IDP households: the portion of households describing shelter and education as "good" fell from 13-14% in October to 5% and 7%, respectively, in January (not pictured).

Access to work worsened in January and remained far more problematic than other conditions. The portion of households describing access to work as "poor" grew ten percentage points to 75% in January (see **Figure 4**). The portion of households describing freedom of movement as "poor" was unchanged (and it remained correlated with reports of poor security), but the portion describing

FIGURES 3 & 4. Portion of Households Describing Various Living Conditions as "Poor"
Food, nutrition and shelter improved in January, but the portion of households describing work opportunities as "poor" grew even larger.



BOX 1. Living Conditions Measures Used in the Survey

This study focussed on conditions related to seven strategic response priorities in the 2022 Humanitarian Response Plan (HRP) and asked households to rate their own conditions as "*Poor*," "*Moderate*," or "*Good*." The HRP is the coordinated plan for humanitarian agencies to meet the acute needs of people affected by recent crises in Myanmar. The study used the HRP as a guide only, and data do not reflect progress toward related objectives. HRP-based measures in this study include:

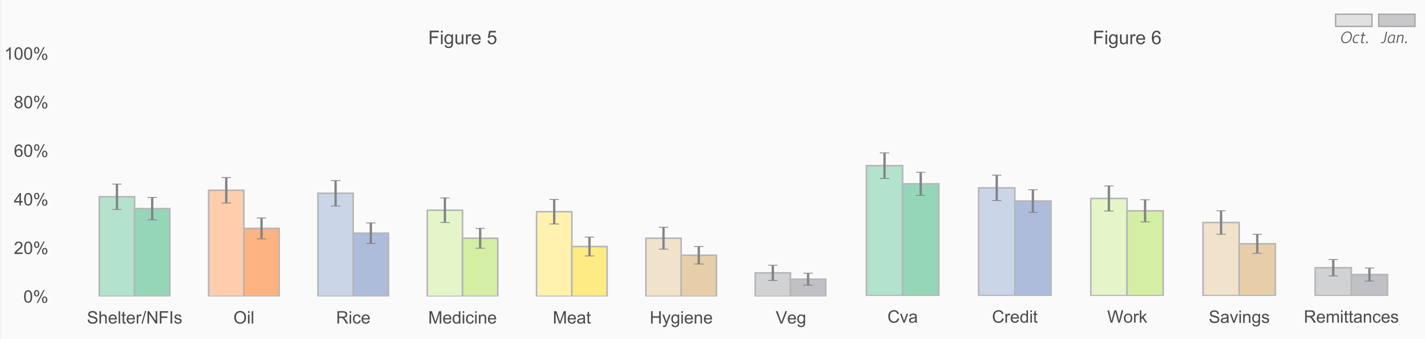
Education - Access to education/materials;
Food - Access to food;
Health - Access to physical/mental health care;
Safety - Conditions for basic safety/security;
Nutrition - Nutritional status of children under age five and pregnant/ breastfeeding women;
Shelter - Access to basic shelter/materials;
Water - Access to water for cleaning/hygiene.

This study also asked about several other ancellary or crosscutting conditions:

Movement - Freedom of movement;
Work - Access to livelihood/work opportunities;
Space - Sufficient space (absance of overcrowding);
Cleanliness - Access to a clean/sanitary environment.

[3] Market Analysis Unit. Kayah/Karenni State IDPs. October 2022.
[4] Estimates in this report assume 95% confidence intervals and a 5% margin of error (with the exception of nutrition and remittances).

FIGURES 5 & 6. Access to Products & Sources of Funds for Acquiring Food
Access to goods improved, particularly for food items. Fewer IDPs bought food with savings or cash assistance in January than in October.



movement as "good" fell slightly from 10% to just 6%. Space improved slightly as fewer households described spaciousness where they live as "poor"; this may be tied to households relocating from host homes—which may be crowded—to temporary shelters (see above).

ACCESS TO MARKETS AND GOODS

The portion of households unable to travel to a food market rose slightly in January, and transportation and security remained barriers. Market access worsened slightly in January, with the portion of households unable to travel to a food market in the past thirty days rising slightly from 15% in October to 20% in January. Among households which could not reach a market, the reasons were largely unchanged: one-in-four households cited safety/security as their primary obsticle, while half cited distance or lack of transportation (the portion of households with a market within 30 minutes walk was unchanged). Most households unable to travel to a market relied on traders to bring goods to their village, and this was typically performed by non-local traders visiting from elsewhere; one-in-ten households had others do shopping for them or relied primarily on in-kind gifts.

Access to many goods—particularly food products—improved in January. The portion of households describing access to cooking oil, rice and meat as "poor" fell 15-16 percentage points in January, and access to medicine and hygiene products fell 12 and eight percentage points, respectively (see **Figure 5**)—roughly one-in-four households described access to each of these as "poor." Access to shelter products did not change, and it remained most-problematic with one-in-three households describing it as "poor." Access to vegetables remained the least problematic. The portion of households who described access to vegetables, hygiene products and medicine as "good" declined several percentage points in January to 8-16% (not pictured).

BOX 3. Preferred Aid Modality
Most households prefered cash to in-kind assistance.

Most households prefered cash to in-kind assistance. Sixty-three percent of households prefered cash to in-kind assistance, while 23% prefered in-kind assistance to cash (13% had no preference). Households reliant on informal remittances often favored in-kind support, possibly due to lower adoption of digital money platforms.

BOX 2. Children and Pregnant/Breastfeeding Women (PBW)
Nutrition improved for households with children and/or PBW.

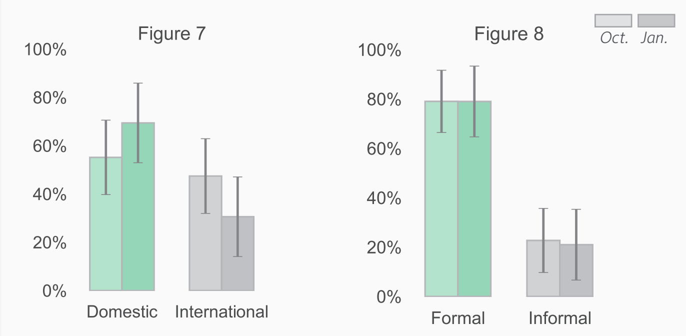
Fewer households with children and/or PBW described nutrition as "poor" in January than in October. Sixteen percent of households with children under five and/or pregnant or breasfeeding women described their nutrition as "poor" (see **Figure 3**). This was down from roughly one-in-four households who said this three months earlier. There was no measureable difference between nutrition in these households and households in general.

SOURCES OF FUNDS FOR FOOD

Fewer households used cash assistance and savings to buy food in January than in October, but other sources of spending were unchanged. The portion of households using cash assistance to buy food fell slightly in January (46%), yet it still remained the most common source of funds (see **Figure 6**). The portion of households using savings also declined from 30% to 21% (households which spent savings on food also tended to have better rCSI scores, although this may be because they were financially better-off to begin with). The portion households buying food with credit or income from work was unchanged at roughly one-in-three households.

There was no change in the portion of households buying food with remittances, but domestic sources were more common than international sources. There was no measurable change in the portion of households using remittances to buy food, which stood at roughly one-in-ten households (see **Figure 7**). Interestingly, households which recieved remittances only via informal channels often prefered in-kind assistance to cash assistance, while the opposite was true of households which

FIGURES 7 & 8. Sources and Channels of Remittances
Remittances were often formal and domestically-sourced.

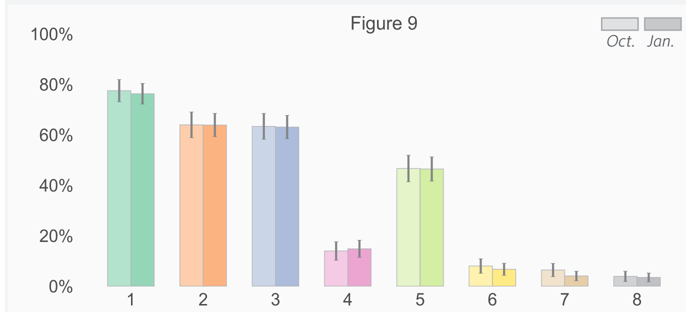


received remittances only via formal channels (see **Box 3**); this may be because some households have poorer access to digital money platforms.

FOOD INSECURITY & COPING

Food insecurity indicators were largely unchanged from October to January, but they did worsen for some households. The median Reduced Coping Strategies Index (rCSI) score—which focuses on behaviors in the past seven days—worsened from October to January, rising from 7.0 to 13.0. This would appear incongruous with reports of improved access to food for the population as a whole (see **Living Conditions**), yet the rise in rCSI scores appeared driven by a subset of households which recently changed shelter (e.g., moving from a residence to a temporary shelter). A similar but less dramatic effect was visible in Food Insecurity Experience Score (FIES) indicators—which measure behaviors during the past month. That said, FIES indicators for the population as a whole were virtually unchanged in January. Fewer than 7% of households reported the most-severe measures (e.g., running out of food, going hungry, or going a day without food) and15% continued to report that someone in their household skipped a meal in the past month. The portion of households reporting less-severe measures (e.g., worrying about food, eating unhealthily) remained in the range of 63-76%.

FIGURE 9. FIES Food Insecurity Indicators (Past 30 days)
Food insecurity measures were largely unchanged in December.



BOX 4. Description of FIES Indicators
The MAU regularly collects data on eight Food Insecurity Experience Scale (FIES) indicators, which measure the following behaviors:

In the past thirty days, there was a time when someone in the household...

FIES 1 - Worried about not having enough food to eat because of a lack of money or other resources.
FIES 2 - Was unable to eat healthy and nutritious food because of a lack of money or other resources.
FIES 3 - Ate only a few kinds of foods 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 5 - Ate less than they thought they should because of a lack of money or other resources.
FIES 6 - Ran out of food because of a lack of money or other resources.
FIES 7 - Was hungry but did not eat because there was not enough money or other resources for food.
FIES 8 - Went without eating for a whole day because of a lack of money or other resources.

IMPLICATIONS

- **Cash assistance remains an important aid modality.** Nearly half of all households bought food with cash assistance in the thirty days prior to the study. Cash assistance likely remains a critical source of emergency funds for IDPs—particularly for those living in new states/townships where work opportunities are poor;
- **Myanmar's digital divide may be limiting the reach of humanitarian aid.** Many IDP who relied strictly on informal channels to recieve remittances also prefered in-kind support over cash assistance (which is often digital). If this is due to poorer mobile access, it may point to the need for alternative aid modalities for reaching these groups;
- **Seasonal improvement in access to food may overshadow deeper economic challenges.** Food access improved in recent months, but access to NFIs was unchanged and more IDP households described work opportunities as "poor." Improved access to food is promising, but other indicators still point to major economic challenges for IDPs;
- **Households and communities facing protracted displacement could face compounding challenges.** Half of all IDPs lived outside their home township long after their initial displacement, and one-in-four lived outside their home state. Protracted displacement may compound difficulties for these IDPs and the communities where they live;
- **Food insecuirty is likely to worsen in the months ahead.** Access to food improved in January and food insecurity measures were stable (although not improved). However, as the dry season gives way to hotter and rainier weather, many IDPs are likely to see tougher months ahead.

Market Analysis Unit (MAU)

The Market Analysis Unit is an independent project that provides donors, humanitarian responders, development practitioners and private sector actors in Myanmar with data and analysis to better understand the impacts of market developments, conflict and other crises on:

- Household purchasing power, including coping mechanisms, safety nets and access to basic needs;
- Supply chains, including trade, 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
- Labo markets (formal and informal), with a focus on agricultural labor and low-wage sectors (e.g., construction, food services).

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