This report aims to describe the ability of poor and vulnerable households in selected areas in Myanmar in meeting their basic food needs during the month of April, 2008. It is based on monthly periodic reports produced by the Vulnerability Analysis & Mapping (VAM) Unit at WFP Yangon.

**Highlights April 2008**

- Certain areas show deterioration in terms of employment and wages, but with little effect on household economy, as accumulated savings from previous months have allowed for survival (Kokang, most of Lashio and Taunggyi areas). Other regions show increased distress due to a rise in rice prices and a decrease in employment (NRS, certain locations of Lashio and Taunggyi area);

- Yenanchaung, in the Dry Zone, which was heavily affected after the flood of July 2007, seems to have recovered now. Pakhangyi, though less affected and more agriculture-oriented, is entering a lean period of lower wages and reduced employment;

- Due to petrol supply cuts in Wa Special Region 2, fuel prices in certain areas are the underlying cause for an increase in the price of goods (15 Yuan for a liter of diesel resulted in a 60% increase of the price rice of 60%);

- With the exception of Rathedaung Township, which shows higher wages than in 2007, Northern Rakhine State is faring worse now than in April 2007: all three townships are in an exceptionally worrying state due to low wages, low employment and no assets to rely on.

**Methodology and illustrations:**

Market data related to household access to rice is collected on a monthly basis in nine locations: WFP’s seven current operational areas of Northern Rakhine State, Dry Zone-Magway, Northern Shan State, Kachin State, Taunggyi area and Shan Special Regions 1 and 2 (Wa), as shown in the adjacent map, and the two urban areas of Yangon and Mandalay. The data collected includes rice prices, daily wages, and employment opportunities. Attached charts demonstrate the amount of Kyats required weekly for a household to meet its basic rice needs.

**Assumption:** Households do not have significant access to self-production and therefore rely on casual wages to generate income.

Data was collected with the help of cooperating partners including ADRA, World Vision, GAA, REAM, CARE, AMDA, KMSS, UNICEF, PACT and UNDP as well as field staff from seven WFP sub-offices.

**Calculation method:**

The two lines in attached charts denote the following:

**BLUE:** current minimum standard (the average weekly income of a poor household), derived from the formula: 
\[ \text{[number of earners]} \times \text{[no. of days of employment]} \times \text{[daily unskilled wages]} \]

**RED:** basic survival threshold (the minimum expenditure per household per week to survive, only rice), derived from the formula: 
\[ \text{[0.5 kg cheap rice price]} \times \text{[number of persons per household]} \times \text{[seven days per week]} \]

These calculations take into account “compulsory collateral expenditures” in urban areas (weekly): 

- Simple dwelling: 1,600K in Yangon, Mandalay, 1,000K in Lashio.
- Charcoal: 3,500K in Yangon, 2,500K in Mandalay, 1,500K in Lashio

---

1 April 2008 data shows that the average requirement for meeting a household’s need for rice is 11,747 Kyats per week – a sudden increase after a period of decrease (from 12,757 Kyats in December 07 to 12,148 Kyats in January 08, to 11,767 Kyats in February, and 10,958 Kyats in March). The recent UNDP Integrated Household Survey defined the Food Poverty Line in Myanmar as 118,402 Kyats per person per year, equivalent to 11,612 Kyats per household per week.
NORTHERN RAKHINE STATE (NRS) as of April 2008

March has historically been a month of increased burden for the poorest households. However, due to soaring rice prices (generally 15%) and declining job opportunity (less than four days per week in April), an even greater discrepancy between income and expenditures was reported in April.

Another significant challenge is the fact that there are currently very few employment opportunities – a trend that will continue into the next agricultural season.

Rathedaung is the hardest hit by unemployment, with a maximum of three days per week of income-generating activities, aggravated by the lowest daily wages observed (1,500 Kyats per day).

Maungdaw Township, situated in the north near Bangladesh, reports the highest wages in the region (up to 2,500 per day of unskilled labor), but also the highest prices of rice (470 kyat per kg in average, 20% higher than in Buthidaung).

Buthidaung Township benefits from low rice prices (385 Kyat per kg) but has low wages that are comparable to those in Rathedaung (1,560 Kyats per day).

**Average household of 6.7, including 1.4 earners**

---

**Maungdaw**

- basic survival threshold MGD
- current minimum standard in MGD (M)

**Rathedaung**

- basic survival threshold RTD
- current minimum standard in RTD (M)

---

On a larger scale...
scale, with observations at zone level, it appears that after a trend that shown improvement from February to March, households are again about to fall into deficit and are relying on coping strategies.

70% of households in Rakhine State do not have access to agriculture and are therefore unlikely to have access to personal granaries and food stocks. Wage-earning, then, is a necessary method of generating income, and the fact that the earners rarely find employment for more than four days per week is of serious concern.

Given current wages and rice prices, the minimum requirement for even attaining the food poverty line would be a minimum of five days per week.

A tremendous part of the funds required by households to make ends meet has now to be obtained by reliance on coping mechanisms (6,000 Kyats in average corresponds to approximately 42% of the daily need).

The discrepancies between income and expenditures have widened in almost all zones:

<table>
<thead>
<tr>
<th>zones</th>
<th>+/- January 08</th>
<th>+/- February</th>
<th>+/- March</th>
<th>+/- April</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>-5108</td>
<td>-2602</td>
<td>-4170</td>
<td>-6950</td>
</tr>
<tr>
<td>2</td>
<td>-4993</td>
<td>-2870</td>
<td>-3935</td>
<td>-1410</td>
</tr>
<tr>
<td>3</td>
<td>-6843</td>
<td>-238</td>
<td>-3675</td>
<td>-6745</td>
</tr>
<tr>
<td>4</td>
<td>-7100</td>
<td>-14380</td>
<td>-2320</td>
<td>-5760</td>
</tr>
<tr>
<td>5</td>
<td>-5000</td>
<td>-8350</td>
<td>-1940</td>
<td>-2710</td>
</tr>
<tr>
<td>6</td>
<td>-3995</td>
<td>-220</td>
<td>-890</td>
<td>-6765</td>
</tr>
<tr>
<td>7</td>
<td>-5340</td>
<td>-6685</td>
<td>-2990</td>
<td>-7100</td>
</tr>
<tr>
<td>8</td>
<td>-3995</td>
<td>-3325</td>
<td>-3325</td>
<td>-6598</td>
</tr>
<tr>
<td>9</td>
<td>-6125</td>
<td>-6460</td>
<td>-1225</td>
<td>-7770</td>
</tr>
<tr>
<td>average</td>
<td>-5389</td>
<td>-5014</td>
<td>-2719</td>
<td>-5756</td>
</tr>
</tbody>
</table>

= gap > 3,000 Kyats per week  
= gap > 5,000 Kyats per week

KOKANG as of April 2008

The lean season arrived in March this year, and employment opportunities decreased within the region (from 4.4 to 2.6 days of work per week on average). With hardly one day per week of work available in April, earners are scarcely able to find any income-generating activities.
The proportion of households concerned in the analysis (i.e. exclusive wage-earners, with no access to self-production), make up 10% of the population. Among the remaining 90%, two thirds are landowners who have access to less than one acre. Because of this, self-subsistence capacity is very limited.

Generally the price of rice has proven to be stable; only Hon Ai (an entry point to China where the price of goods is very much subject to hiccups) saw a decrease in prices.

Mor Tai’s rice has returned to its stable prices (from 4 to 2.5 Yuan per kg) after two months of unexplained increase.

In Tar Shwe Tan, the only rice in the market in April was Myanmar-grown, poor in quality and available at very low cost (almost half the usual price).

In Kokang the situation isn’t as worrying as it might look, for these households benefited from months of full employment before coming to the current level, and are going to rely on the assets built in the previous months.
WA as of April 2008

In Wa Special Region 2, the situation is stable regarding livelihood and income (stable wages and employment), but is deteriorating due to increasing rice prices in Ling Haw and Mong Phen and a drop in employment in Mong Phen and Kaung Ming Sang).

Savings have although been generated rather significantly during the early months of 2008, driving to self-sufficiency during the forthcoming 2-3 months, presumably of continuous low employment.

Petrol and diesel prices are strongly reflective of the price of goods – the price of rice, for example, jumped from 1.5 to 2.4 Yuan per kg in Lin Haw when diesel increased by 87%.
Average household of 5.6, including 1.7 earners

**Pang Kham**

<table>
<thead>
<tr>
<th>Month</th>
<th>Current Minimum Standard (M)</th>
<th>Basic Survival Threshold</th>
</tr>
</thead>
<tbody>
<tr>
<td>Oct</td>
<td>35</td>
<td>35</td>
</tr>
<tr>
<td>Nov</td>
<td>35</td>
<td>35</td>
</tr>
<tr>
<td>Dec</td>
<td>40</td>
<td>40</td>
</tr>
<tr>
<td>Jan08</td>
<td>50</td>
<td>50</td>
</tr>
<tr>
<td>Feb</td>
<td>65</td>
<td>65</td>
</tr>
<tr>
<td>Mar</td>
<td>75</td>
<td>75</td>
</tr>
<tr>
<td>Apr</td>
<td>135</td>
<td>135</td>
</tr>
</tbody>
</table>

**Ling Haw**

<table>
<thead>
<tr>
<th>Month</th>
<th>Current Minimum Standard (M)</th>
<th>Basic Survival Threshold</th>
</tr>
</thead>
<tbody>
<tr>
<td>Oct</td>
<td>30</td>
<td>30</td>
</tr>
<tr>
<td>Nov</td>
<td>35</td>
<td>35</td>
</tr>
<tr>
<td>Dec</td>
<td>40</td>
<td>40</td>
</tr>
<tr>
<td>Jan08</td>
<td>55</td>
<td>55</td>
</tr>
<tr>
<td>Feb</td>
<td>65</td>
<td>65</td>
</tr>
<tr>
<td>Mar</td>
<td>70</td>
<td>70</td>
</tr>
<tr>
<td>Apr</td>
<td>120</td>
<td>120</td>
</tr>
</tbody>
</table>
NORTHERN SHAN: LASHIO AREA as of April 2008

Only Man Tone shows distressing figures in regards to livelihood: it is the only area studied here that doesn’t show a savings capacity as high as 4,000 Kyats per week. This occurs despite a positive trend during February and March. Low wages (-10%) and the soaring price of rice (+25%) in April are responsible.

Mone Koe’s poor households’ economic situation is continuing on a positive trend (10,000 Kyats savings in April), that began in February 2008.
Average household of 5, including 2 earners

Lashio

Mone Koe

current minimum standard (M)  basic survival threshold

current minimum standard  basic survival threshold
TAUNGGYI AREA as of April 2008

Although the price of rice is relatively stable at present, the situation seems to be deteriorating on an overall scale due to decreasing employment opportunity (available employment drops between half a day and two days less each week).

Most of the areas (exceptions being Taunggyi, Phe Khon and Saung Byaung) are showing a distressing situation: income levels do not meet the minimum requirement for purchasing food.

Apart from a three month period of high wages, the area of Hsi Hsaing has not experienced an income-surplus period since March 2007.

Other areas may prove to be in similar situations, but no data is for earlier than November, 2008 (Seik Kaung, Moe Bye).
Average household of 4.92, including 2.57 earners

![Graph of Taunggyi](image)

- Blue line: current minimum standard
- Red line: basic survival threshold

![Graph of Hsi Hsaing](image)

- Blue line: current minimum standard M
- Red line: basic survival threshold
**MAGWAY AREA as of April 2008**

Although the rice price has now stabilized, Pakhangyi, which is very agriculture-oriented and in a relatively dry area (higher ground), is currently facing low employment. One day less of employment opportunity per week has been recorded since March, which is resulting in lower wages (-20%). After six months of managing their situations, male-headed households are facing a period of deficit. Female-headed households have been in deficit since February 2008.

Yenanchaung’s situation appears now to be continuously improving: employment opportunities per week is up one day from last month’s four days per week. Female-headed households are now reaching the food poverty line, which means that they are finally able to feed their families. It seems to have taken some time for Yenanchaung’s people...
to recover from the flood of July-August 2007, but the situation now appears to be on the right track.

Taking current wages and rice prices into account, female headed-households in Natmauk require four days per week of employment to earn an income sufficient for the purchase of food.

As a more urban area, Magway benefits from almost permanent employment (five days per week), allowing households to fare better than rural areas throughout the year.

**Average household of 5, including 2 earners**

<table>
<thead>
<tr>
<th></th>
<th>Jan07</th>
<th>Feb</th>
<th>Mar</th>
<th>Apr</th>
<th>May</th>
<th>Jun</th>
<th>Jul</th>
<th>Aug</th>
<th>Sep</th>
<th>Oct</th>
<th>Nov</th>
<th>Dec</th>
<th>Jan08</th>
<th>Feb</th>
<th>Mar</th>
<th>Apr</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Magway</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Kyats per week</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>5000</td>
<td>6000</td>
<td>7000</td>
<td>8000</td>
<td>9000</td>
<td>10000</td>
<td>11000</td>
<td>12000</td>
<td>13000</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Yenanchaung</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Kyats per week</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>0</td>
<td>2000</td>
<td>4000</td>
<td>6000</td>
<td>8000</td>
<td>10000</td>
<td>12000</td>
<td>14000</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
KACHIN AREA as of April 08

All of the assessed areas in Kachin State are meeting minimum standards. The range of savings generated in April by poor households ranges between 1,000 Kyats (Garayang²) and 12,000 Kyats (Sadone, although mitigating) per week.

Regions bordering China are commonly using Yuan as currency, and generally fare better than the areas where Kyats are used: in Kanpakti and Win Moe (SR1), people are saving an average of 100 Yuan (16,000 Kyats).

Average household of 5.4, including 2 earners

² Display of corrected locations will be undertaken for May 2008’s bulletin.
Garayang

Dabak

Sadone

Win Moe

current minimum standard

basic survival threshold
The rice price is currently increasing, forcing female-headed households into financial distress: male headed-households still manage to generate a margin after spending part of their wages (2,500 K), but the women, earning 30% less wages than their male counterpart, cannot make both ends meet, even by working 6 days per week for two female daily workers.

Coping mechanisms are here now becoming a strong requirement.

Diesel price’s increase might be the reason of the monitored soaring prices, together with the threat of a massive shortfall in cereals on the urban markets.
With stable wages and acceptable rice prices (325 Kyat per kg at the highest), household economy is in a generally acceptable situation in Yangon.

Charcoal and rental charges (compulsory collateral expenditures) were not modified in April, as no significant supply or fare changes occurred during this period.

Outside markets (such as Mee Kwat) are supplying directly to farmers, avoiding an intermediary stage of middlemen and other wholesalers. The price of rice is hence slightly lower outside than inside the city. Bayint Naung, a large warehousing lot on the outskirts of Yangon, is usually filled with rice from the Ayerrawaddy delta at this time of the year – ready for release to supply the capital and to be exported.