

Summary Note on Cash Working Group (CWG) Meeting

Date/ Time & Venue	11 November 2021, 10.00 – 12.00 (via MS Teams)	
Chair / Co-chair	Mercy Corps (John Nelson), WFP (Thin Thin Aye and MRCS (Moe Thida Win)	
Participants	Action Aid, ACF, ARC, AVSI, CARE, Cordaid, CRS, CSI, DCA, DRC, DFID, FCA, FCDO, Help Age, Helvetas, ICRC, IFRC, INGO Forum, IOM, JICA, IRC, Malteser, Mercy Corps, MRCS, Metta, NRC, OCHA, ONGO, UNHCR, PATH, PUI, PiN, Protection Sector, SCI, SI, Tearfund, UNCDF, UNHCR, UNDP, UNFPA, UNICEF, UNICEF – WASH, UNOPS, UN Women, USAID, WFP, WFP – FSS, WFP – Sittwe, WFP- Myitkyina, WorldFish, WHH, WVI	
Agenda items and summary of discussion	Action Points	
<p>1. Sub-National CWGs and Partner Updates</p> <p>Kachin</p> <p>In Kachin, most banks resumed at standard capacity despite liquidity issues, and partners managed to open a flexi account for cash withdrawal. Ongoing armed conflicts make it difficult to operate, as there have been security concerns for staff. Starting from October 2021, a new transfer value was applied to cash distribution. Partners have been monitoring the capacity of money transfer agents and are planning to resume e-cash activities.</p> <p>Rakhine</p> <p>The situation in Central Rakhine remains unchanged, with banking and liquidity challenges and cash withdrawal limitations in place. Prices significantly increased for basic commodities (up to 30% since February), and increased fuel prices resulted in higher transportation costs. COVID-19 restrictions have been lifted, and people have improved access to livelihood activities. The price of rice is likely to be reduced between October-December 2021 since farmers start to create storage spaces for the new harvest. Over the past few weeks there has been a slow strengthening of the Myanmar Kyat compared to July-Oct 2021 and is likely to improve in the coming months. Cash-based activities are more likely to be resumed as mobile money transfer has improved in recent weeks.</p> <p>Southeast</p> <p>The CWG co-chair presented the result of the cash coordination survey conducted in the Southeast. Partners identified a CVA 4W exercise and identifying and adapting key operational challenges as priorities for cash coordination in the Southeast. Regarding the CVA coordination structure, a majority agreed to have sub-national CWG embedded within the existing Southeast coordination structure, which is, however, still being developed. So far, two models have been used in Myanmar (standalone CWG in Rakhine and structure embedded in Cluster coordination in Kachin). As next step, the survey findings will be shared with cash actors, followed by a discussion with agencies interested in taking a pivotal role in coordination.</p> <p>Updates from Partners</p> <p>CARE completed cash grant distribution for 1,805 HHs through M-Pitesan. The project was funded by UNDP in Maungdaw and will be completed at the end of November 2021. In Kayah State, CARE distributed livelihood cash grants to 731 HHs through KMSS. In Mon State, cash for food distribution was completed for 300 vulnerable people through Nway Htwe Thaw Yin Khwin. CARE plans to conduct an Emergency Market Mapping Analysis for Mon and Kayin State, based on the existing Rubber Project target (GRO) as it plans for humanitarian response in Mon and Kayin. CARE has been discussing with True Money FSP for future cash transfer activities, who indicated that the service fees for cash exchange are 6%.</p> <p>UNICEF partnering with TDH transferred cash through Wave money to 5,300 pregnant women and mothers with children under two in Yangon, Hlaing Thar Yar township. The transfer value is</p>		

<p>42,800 MMK with a top up amount of 2,800 MMK to cover cutting amount from Wave agents for cash liquidity.</p> <p>SI resumed cash in envelope interventions with IGA Cash grants provided for 22 HHs in Kachin, 60 IGA cash grants in Sittwe and cash-for- work activities in Pauktaw.</p> <p>As of October, AAM & consortium partners provided cash assistant to 1,494 HHs (migrant/factory workers & vulnerable groups) in peri-urban areas of Yangon.</p> <p>In Mon State, UNDP is distributing unconditional cash support to 37 flood-affected locations across 4 townships through Hana Microfinance for distribution in 3 out of 4 townships along with CSO partners and UNDP Area Office in Mawlamyine.</p> <p>DRC Rakhine, due to movement restrictions from around July to October have been doing online life skills and entrepreneurship trainings including short term TVET trainings under the skills youth development project for 250 beneficiaries. DRC will resume cash activities in STW and MDW to support 300 beneficiaries with MPCA in the coming November and December.</p> <p>Partners updated that there was no news of further FSP being shut down in Maungdaw as they were able to resume operations in October. It was clarified that the rumors might be related to M-Pitesan FSP as they were shutting down their operations.</p> <p>Partners also raised a question about incidents in which MFIs/NGOs have been targeted for their repayment collections and asked whether there may be a broader trend of attacks in the future.</p>	
<p>2. Market Price Update</p> <p>WFP market price report update (Oct 2021): WFP updated on latest price developments. Compared to September 2021, prices of chickpeas, other pulses and eggs were quite stable, while prices of cooking oil (+11%), mixed oil (+8.2%), rice (+5.6%) and tomatoes (+7.3%) increased. Among the key factors driving up commodity price changes are transportation challenges, rising fuel prices and transportation cost, worsening exchange rate and deterioration of Kyat, COVID-19 related restrictions and ongoing conflicts.</p> <p>Overall, prices have significantly increased compared to October 2020 and pre-crisis. The price of rice has particularly increased <u>compared to last year</u> in Shan (+33%), Kachin (+27%), Chin and Central Rakhine (+21-222%). For cooking oil, the increases are most significant with prices more than doubled in central Rakhine, southern Rakhine and Magway, Southern Southeast (+91%) and northern Rakhine (+86%). Mixed oil prices have significantly increased in Southeast, Magway, northern Rakhine and Kachin (+97-127%). Overall prices of onions increased up to 28% with prices doubled in Mandalay compared to September due to increasing export demand and declining supply. Fuel prices were significantly increased if compared to last month, at +17% for diesel, +18% for premium diesel, and +17% for octane 92 and +18% for octane 95, with 18% overall average increasing from September.</p> <p>Mercy Corps Market Reports</p> <p>The MAU dashboard and full reports are available on the MIMU website: http://themimu.info/market-analysis-unit</p>	
<p>3. WynePay (Myanmar Digital Interoperability Payment Platform)</p> <p>WynePay is an interoperable real-time payment platform in Myanmar, connecting multiple banks, MFIS and wallets to a single payment settlement switch, thus increasing efficiency. Currently, 29 institutions (18 MFIs, eight wallets and three banks) represent around 2.2. million clients. WynePay is industry governed, with co-chairs leading the scheme and setting the agenda</p>	

<p>for decision-making and a scheme council and scheme advisor. WynePay can support cash programs as follows:</p> <ul style="list-style-type: none"> • With a single agreement with one financial service provider of WynePay, the program can send e-Cash disbursement to all Financial Mobile Wallets/Banks that are connected to WynePay, • The payment is cleared immediately with a notification to the user, • The client of any of the financial service providers connected to the WynePay platform can access the cash. <p>The following steps for WynePay are customizing the payment platform and launching it within the next months.</p> <p>It was clarified that beneficiaries need a formal licensed account to use WynePay. The beneficiary can decide where the cash will be deposited – it only needs to be one of the available partner FSPs. Depending on the beneficiary's bank account, the usual bank fees, e.g. cash withdrawals, can apply; however, WynePay does not charge any fees. WynePay is only acting as a platform, interconnecting financial institutions and operating within the current regulatory environment.</p>	
<p>4. Ongo financial services</p> <p>Ongo, a mobile money service in Myanmar, was launched in 2016 and is now the market-leading digital mobile money service. Ongo currently serves more than 140 corporate clients that distribute goods or services to over 30,000 merchants. Ongo has around 1.3 million Ongo consumer users, supported by a network of 7,500 Ongo Agent employees spanning 88% of all townships across Myanmar. Ongo is licenced as a bank in Myanmar, with Myanmar Oriental Bank serving as Ongo’s Mobile Bank Licencing partner. Ongo provides payment services for INGOs in Myanmar, notably:</p> <ul style="list-style-type: none"> • USD Exchange Services: Ongo organizes exchanging MMK cash or an MMK bank transfer from INGO clients and exchange for \$USD; • Relief Fund Distributions with Agent Locations: Ongo can disburse relief funds at over 7,800 Ongo Agent locations across Myanmar and track the disbursement in real-time; • Relief Fund Distributions with Door-to-Door Services: relief funds can e delivered directly to the recipient’s location by Ongo Roaming Agents throughout Myanmar; • Business Payment Services: Ongo can make payments digitally for NGO clients throughout Myanmar in both MMK and USD; • Bank Transfer Services: Ongo provides bank to bank transfer services to navigate current limitations; • International Funds Transfer Support: Ongo can support clients that need to wire funds into Myanmar. <p>It was clarified that Ongo is augmenting its geographic coverage, including to Rakhine. Ongo emphasized that as an independent financial services provider, client confidentiality and data protection is a top priority.</p>	
<p>5. CSO Training of Trainers (ToT) Summary</p> <p>The remote CVA training was conducted in October 2021 based on cash transfer programmes (CTP) designed for field-based staff of CWG member organizations/agencies directly implementing CTP to equip them with the basics of CTP and to cascade their learning to Civil Society Organizations (CSO) counterparts implementing in the field. There was a high demand for</p>	

<p>the training, and MRCS presented the evaluation results of the training with the overall positive feedback and responses from the training participants.</p>	
<p>6. AOB</p> <p>The WASH Cluster updated on MHF funding of USD 600,000 to be received by the cluster and encouraged partners to submit multisectoral proposals and explore the opportunity of cash-based interventions, including in Northeast and Southern regions. For the proposal with cash-based interventions, partners are encouraged to provide details for mitigating current cash challenges within the programme, mainly if the focus is on new areas. The WASH Cluster updated on MHF funding of USD 600,000 to be received by the cluster and encouraged partners to submit multisectoral proposals and explore the opportunity of cash-based interventions, including in Northeast and Southern regions. For the proposal with cash-based interventions, partners are encouraged to provide details for mitigating current cash challenges within the programme, mainly if the focus is on new areas.</p>	
<p>Useful links</p> <ul style="list-style-type: none"> • Myanmar: Cash Working Group (CWG) on MIMU Page • Myanmar CWG final Terms of Reference (June 2020) • Myanmar CWG 4Ws (as of 10 November 2020) 	
<p>Next CWG meeting: Thursday, 10:00 – 12:00, 9 December 2021</p>	