

# MYANMAR CASH WORKING GROUP

## Biweekly update No. 38

15 October 2021

This regular biweekly update, covering the period from 02 to 15 October 2021, is produced by the Myanmar Cash Working Group.

### HIGHLIGHTS

- In Kachin, the cash value for IDP response has been reviewed and updated by WFP based on market price monitoring results. The new cash value will be applied in IDP camps in Kachin starting from October onwards.
- In Rakhine, members are facing TA challenges, and transportation costs are high. Ongoing banking and cash liquidity difficulties continue.
- It has been reported by some partners that the ibanking transfer function has been suspended. USD transfers can be made over the counter for a limited amount (\$5000 per day) with a request letter stating the reason and other necessary documents.
- As of 15 October, the official exchange rate is 1,878 MMK to 1 USD<sup>1</sup>; however, the private money changer rate is 2,080 MMK<sup>2</sup>. Yangon fuel prices are 1,505 MMK for 95 Octane and 1,485 MMK for premium Diesel per litre<sup>3</sup>.

### KEY FIGURES

**2,110 MMK/\$**

USD exchange rate at private counter

**5-7%**

Yangon physical cash exchange fee

**1,485MMK**

Premium Diesel

### SITUATION UPDATE

All CWG members are facing cash liquidity and banking issues since 1 February 2021, impacting all program-related activities such as delayed cash received from donors, procurement processes, distributions and reporting.

In Kachin, cash distribution to IDPs in 103 camps (SAC controlled) went well through September. CWG Partners are preparing cash for October distributions. There are safety and security concerns for the staff members who are accessing IDP camps in different townships as they face checkpoint scrutiny. CWG Partners have been experiencing high cash out and delivery fees. Market prices are increasing in every township of Kachin State. The cash value for IDP response has been reviewed and updated by WFP based on market price monitoring results. The [new cash value](#) will be applied in IDP camps in Kachin starting from October onwards.

In Rakhine, members are facing TA challenges, and transportation costs are high. Ongoing difficulties are banking and cash liquidity issues. In Sittwe, the exchange rate is lower by around 10% than Yangon market price and the amount to exchange is likely limited. For the current situation, private banks do not give any exchange service for customers and only a few hotels are trading and buying USDs.

It has been reported by some partners that the ibanking transfer function has been suspended. USD transfer can be made over the counter for a limited amount (\$5000 per day) with a request letter stating the reason and other necessary documents.

Daily cash withdrawal limitations are CB and KBZ 200,000 MMK, Yoma 300,000MMK and AGD 150,000 MMK per day per savings account.<sup>4</sup>

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<sup>1</sup> Central Bank of Myanmar

<sup>2</sup> Northern Breeze money changer

<sup>3</sup> Denko

<sup>4</sup> CAR weekly monitoring report, 30 Sept - 6 Oct 2021

According to local media, numerous petrol stations in Ayeyarwady region have been closed due to shortages and skyrocketing prices. Reportedly, prices at the few petrol stations that remain open are increasing on a daily and sometimes hourly basis.

Shopkeepers and vendors in the Thai border regions are no longer accepting Myanmar Kyat for purchases. Prior to the recent currency inflation, Myanmar Kyat and Thai Baht were often used interchangeably by vendors at the Mae Sot-Myawaddy border. However, currently Thai vendors are only accepting Thai Baht, or in some cases gold or silver bullion, for payment.<sup>5</sup>

According to Irrawaddy news, rising fuel prices and other costs in Myanmar are forcing freight firms to suspend operations, according to industry insiders. Already half of Myanmar's freight providers have halted operations as trade declined after China closed its border gates due to coronavirus, the prices of fuel and spare parts increased as the kyat depreciates and bribes increase. Those still operating will mostly close down this month, said freight providers.<sup>6</sup>

## KEY RESOURCES

- The Myanmar Cash Working Group monthly meeting for October was organized on 14 October. The key presentation materials are here: [Market Price Update \(September\) from WFP](#), [October MEB presentation](#), [Transfer Value Update from WFP](#).
- Myanmar Cash Working Group and ICCG has endorsed the [MEB calculation](#) and [technical summary note](#).
- [Myanmar CVA 4Ws](#) is available online and the dashboard can be found [here](#).
- Mercy Corps Myanmar publishes the Market Price Report Dashboard. The dashboard is [live on MIMU](#) and [standalone dashboard here](#).
- WFP also has a nationwide market monitoring [dashboard](#) and recently released the detailed [August 2021 Market Price Update Report](#).
- A comprehensive financial service provider mapping and [Emergency Cash Transfer Programme Tools for Humanitarian Actors](#) site are available on the MIMU website.
- [Myanmar-Emergency-Cash Assistance-Dashboard](#) together with FSP dataset and CTP SOPs can be found on the page.

## PUBLICATION

- As of 27 September, less than half of the US\$276.5 million requested under the Humanitarian Response Plan (HRP), and only 15% of the US\$109 million requested under the Interim Emergency Response Plan have been funded, according to the FTS.<sup>7</sup>
- A recent report by the UN Human Rights Office stated that Myanmar is facing an economy in freefall and the devastating impact of the COVID-19 pandemic as a human rights catastrophe that shows no signs of abating. The sharp depreciation of Myanmar currency (kyat) has caused the rise in commodity prices such as essential foods, medicines and fuel which is severely impacting people's daily lives.<sup>8</sup>
- UNOPS-managed LIFT signals rampant weakening coping mechanisms of smallholder farmers producing most of the country's agricultural outputs. The article highlights that following dual crises brought on by COVID-19 and the military's takeover of government, Myanmar's financial system is all but paralyzed and is disrupting the country's agricultural sector.<sup>9</sup>
- Despite access, security and other operational constraints, WFP and partners have started to overcome challenges in food and cash distributions in conflict-affected areas and elsewhere. The World Food Programme

<sup>5</sup> CAR weekly monitoring report, 30 Sept - 6 Oct 2021

<sup>6</sup> Rising Prices Forces Myanmar Traders to Stop Operations, The Irrawaddy; 12 October 2021 ([link](#))

<sup>7</sup> Myanmar Humanitarian Update No.11, 1 October 2021

<sup>8</sup> Myanmar Crisis Response 2021 - Situation report #5, 7 October 2021

<sup>9</sup> Back in time: Resilience of Myanmar farmers tested as agricultural sector sinks amidst financial crisis, 30 September 2021 ([link](#))

and its partners reached some 360,000 vulnerable and displaced people in Kachin, Northern Shan, Rakhine and Chin in September with food and cash assistance.<sup>10</sup>

## RECENT WEBINAR AND TRAINING

- The last Myanmar Agriculture and Rural Development Coordination meeting, which had a cash focus, was held on 30 September 2021. The powerpoint presentations are available [here](#).
- A recent IRC webinar, **Vendor Experiences with Cash and Voucher Assistance: Findings from Chad and Colombia**. The recording from the event can be found [here](#), and a pdf of the slides used is [here](#). The recording from a multi-organizational presentation during the 2020 SEEP Conference entitled Market Actors Speak Up that was convened by the IRC team leading this research can be found [here](#). [This webpage](#) is the hub for all of the outputs from the IRC's broader USAID-funded project, Generating Evidence on the Effect of Cash Relief on Local Markets. A guidance document on categorizing vendors, intended to complement CaLP's 2018 tip sheet on market support programming, can be found [here](#).

## REGULAR AND ONGOING RESOURCES AND MAPPINGS

- There are many regular and ongoing resources, including mappings, and linking humanitarian cash and social protection, which can be found [here](#).

## UPCOMING WEBINAR AND TRAINING

Date	Activity	Host
Tuesday 28 September - Oct 18, 2021	CSO Basic ToT training	Myanmar Cash Working Group
Online self-directed learning	Core CVA skills for program staff course, Free 12 weeks online self-directed course ( <a href="#">Visit here</a> )	CaLP
1 November - 13 December 2021	CVA & GBV Online Training, takes 7 weeks to complete. The course will be delivered in English. To express interest in participating in the English course, please fill out the <a href="#">registration form</a> by October 18 <sup>th</sup> . Any inquiries re the training, please email them to <a href="mailto:cvagbvresponse@gmail.com">cvagbvresponse@gmail.com</a> .	CARE and WRC

<sup>10</sup> Daily Press Briefing by the Office of the Spokesperson for the Secretary-General, 4 October 2021 - Ethiopia, South Sudan, Myanmar, COVAX, 7 October 2021 ([link](#))

**We welcome your feedback. It is important to allow us to tailor the newsletter to your needs and to make decisions on what is useful.**

**Please contact:**

**John Nelson**, Senior Advisor – Cash and Markets, [jnelson@mercy Corps.org](mailto:jnelson@mercy Corps.org), Tel: +959261024154

**Moh Moh Htet Kyaw**, Data & Information Management Officer, [mokyaw@mercy Corps.org](mailto:mokyaw@mercy Corps.org), Tel: +959254517974

**Myo Thida Swe**, Senior National Coordination Officer, [myo.thidaswe@un.org](mailto:myo.thidaswe@un.org), Tel: +959797007819

This report is produced by CWG Information Management team. The CWG Information Management team will be supporting with collecting links to relevant reports, tools, and news stories for dissemination to members. We will aim to send this out on bi-weekly basis. If you come across any reports that you think would be relevant for the wider group, please do let us know, and we will include in the update.