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Glossary

BOT
CBD
CDC
CHIDB/CHDB
COPD
COVID-19
CSO
DALMS
DUHD
EMReF
EU
EuroCham Myanmar
FDI
GAD
GB
GBV
GDP
GEN
H1N1
Hundi
ICCG
ICU
IDP
INGO
IOM
IPV
Kasone
KMSS
LIFT
LMIC
MADB
MEB
MFI
MIC
MMK
MOHT
NGO
Parahita
PCR
PPE
Pyi
SIM
SME
Tatmadaw
Thingyan
Tical
TLR
UNFPA
UNOCHA
UNOPS
Viss
WHO
YCDC
More than half the global population, or over 4 billion people currently live in urban areas. In developing countries, 90% of urban expansion is through informal settlements or in areas prone to natural disasters like flooding, sea level rise, or cyclones, and Myanmar is no exception. While Myanmar is in the early stages of urbanization, with currently only 30 percent of the population living in cities, and a slow rate of urbanization at 1.5% in 2018, urbanization is expected to increase dramatically over the coming decades.

While the country-wide urban population was only 16,423,490 in 2018, Myanmar’s economy has urbanized much faster. Agriculture, forestry and fishing as a share of GDP fell by more than half from 57 percent in 2000 to just 25 percent in 2018. This is accompanied by growth in industry over the same period.

The challenges of increased urbanization in Myanmar are already evident in Yangon, Myanmar’s largest city. Yangon has a population of over 5 million in the city’s 33 urban townships and 7.5 million in the wider metropolitan region, accounting for over 30 percent of the urban population of Myanmar.

Yangon’s growth is fueled in large part by internal migration. Internal migration accounted for 81 percent of the population growth of Yangon between 2009 and 2014. Almost 20 percent of Myanmar’s population, or at least 9 million people, are classified as internal migrants according to the 2014 census. Migration is attributed to both push and pull factors, including high rates of indebtedness, loss of land, employment opportunities, access to services, security, and loss of livelihoods following the destruction wreaked by Cyclone Nargis in 2008. The deltaic Ayeyarwady Region lost 784,919 people or over 13 percent of its population due to migration to Yangon Region over the same period.

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5 “World Development Indicators: DataBank.”
7 The 2014 Myanmar Population and Housing Census, Census Report Volume 4-D, Department of Population, Ministry of Labor, Immigration and Population, with technical assistance from UNFPA.
8 The 2014 Myanmar Population and Housing Census, Census Report Volume 4-D, Department of Population, Ministry of Labor, Immigration and Population, with technical assistance from UNFPA.
In addition to growth by internal migration, people are frequently on the move within Yangon. Data is hard to disaggregate on the township level, as the 2014 census asked for place of birth, current usual residence, and previous usual residence, but did not provide a migratory history. Our research found that there was movement from peri-urban townships such as Hlegu or Htantabin to Hlaing Tharyar’s industrial zone, as well as movement between townships with higher rates of informal settlements, such as Dala, Hlaing Tharyar, and Thaketa. This mirrors census data that found movement within Yangon between south and west Yangon to north and east Yangon. Understanding internal mobility also helps to understand employment and social networks as well as pressures on low-cost housing, as people may move to access jobs, escape debts, or find cheaper or more durable housing.

Due to cyclical patterns of displacement, conflict, disaster, and migration Yangon has a chronic undersupply of affordable housing. There is currently an estimated undersupply of half a million housing units, expected to increase to over 1 million by 2030. New household formation is delayed due to lack of housing supply in urban areas. This means that there are households particularly amongst the urban poor who are living with multiple adults in cramped conditions.

An estimated 475,000 Yangon residents are living in informal settlements with limited access to basic services. The informal settlement population is closely linked to internal migration flows following Cyclone Nargis, where the disaster led to not only deaths, injuries, and infrastructure destruction, but two failed planting seasons, bankrupting farmers across the region. Post-2010 informal settlements are located primarily in Hlaing Tharyar, Dala, Dagon Seikkan, North Dagon, and East Dagon.

While urbanization can lead to economic growth, the success of this depends on inclusive and equitable access to sustainable urban infrastructure. If urbanization is not well planned and managed, congestion, sprawl, slums, pollution, and inequality can increase, and a growing population will overwhelm Myanmar’s aging infrastructure. To realize inclusive urbanization – equitable access to employment, housing, infrastructure, basic public services and the inclusion of socially and economically marginalized and vulnerable groups – Myanmar needs improvement in existing infrastructure and public services. This report highlights the needs and opportunities for inclusive urbanization in key areas, including: low-cost housing in urban areas

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15 The World Bank, “Myanmar’s Urbanization: Creating Opportunities for All.”
to accommodate existing populations and newcomers; policies improving transportation and mobility; and secure and equitable access to basic services like water and sanitation.

**Like nations around the world, Myanmar is now experiencing community spread of novel coronavirus COVID-19.** With the first case confirmed in March 2020, followed by the confirmation of community spread in April 2020.16 Infectious disease prevention and control in development settings is of utmost importance, but is especially complex in areas with limited access to sanitation and medical facilities, and the existence of social inequalities and insecurity.17 With an estimated 10-15 percent of the country’s population residing in slums with limited access to basic services, Myanmar’s urban settlements have a high potential of becoming hotspots of COVID-19 transmission.18

As COVID-19 impacts sectors across Myanmar’s economy, the linkages between urban and rural economies are becoming more apparent. Myanmar’s rural economy, based on agriculture, is heavily tied to urban towns and cities where warehouses, mills, and food processing factories are located. Urban employment is closely linked to food processing in industrial zones and wet markets selling agricultural products. Migration is a primary coping mechanism for Myanmar’s food insecure households and in respond to shocks in the rural economy. This relationship is best exemplified following cyclone Nargis where shocks due to both the natural disaster itself and disruptions to the following two growing seasons led to large-scale migration from Nargis-affected areas of the Ayeyarwaddy Delta to Yangon’s periphery, particularly Hlaing Tharyar township’s industrial zones.19

**Methodology**

This report is divided into two sections. The first section describes the current dynamics of housing and land tenure and urban service provision in Yangon, including the key services of water, sanitation, and transportation. The second section is concerned with the COVID-19 coronavirus pandemic in Myanmar, the current and long-term risks, potential impacts, and responses, with a focus on urban areas. These two topics are addressed together because of the profound impact COVID-19 is having and will continue to have on urban areas, urban development, and urban life. As field research was conducted primarily following the outbreak of COVID-19, both sections of the report are significantly influenced by the progression of the pandemic, and the pandemic heavily influenced the research design. Addressing dynamics present in pre-COVID-19 Yangon without addressing the impacts of the pandemic risks misconstruing the current and post-COVID-19 development needs in Myanmar’s largest city and other urban areas of the country. Likewise, to address the additional strain and health, economic,

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18 The World Bank, “Myanmar’s Urbanization: Creating Opportunities for All.”
19 Research team interview with Myanmar Agricultural Association Co-Chair, Nyantha Maw Lin, May 10, 2020.
and social risks caused by the pandemic, an understanding of pre-pandemic infrastructure, urban development, and existing vulnerabilities is necessary.

The 2017 Myanmar National Housing Policy and Strategy identified that the majority of people in Myanmar live and work in the informal or semi-formal sector. In this context, making a stark divide between formal and informal housing, land tenure, or access to services is not only difficult, but may be unhelpful, as only a very small percentage of elites are living and working “formally”, or according to all legal and administrative procedures. As in other cities around the world, elite spaces that are seen as formal often receive state sanction, even though they may be in contravention of master plans and building codes. Conversely, lower-income residents and minorities are viewed as inhabiting informal spaces, or ‘gray spaces’ of legal ambiguity, and often face exclusion as a result. Our methodology throughout the fieldwork and in this report is to be wary of a false formal/informal dichotomy in the Myanmar context, particularly as this has been used in the past to stigmatize, criminalize, and silence dissent.

Rather than focusing on legal informality, this urban research brief and rapid assessment focuses on the current conditions facing low-income urban residents across Myanmar, with a particular focus on Yangon and the housing finance market. The research concerns the everyday physical infrastructure conditions and needs of residents who reside in houses and on land that lie on different points along the tenure security continuum. While 475,000 people in Yangon are estimated to live in informal settlements, UN-Habitat’s definition of informal settlements in Yangon does not include security of tenure as a criterion of informality in their mapping. Thus, we define informal settlements based on infrastructure and housing upgrading needs: poor access to municipal services including sanitation, transportation, drainage, and water; high disaster risk from flooding or storms; and low-quality, non-durable housing.

Researchers from Enlightened Myanmar Research Foundation conducted phone interviews with 40 informants using a snowball sampling technique with civil society organizations, small business owners, hostel owners, residents, garment workers, union representatives, volunteers, day laborers, microfinance lenders, and community savings groups in urban areas of Yangon Region and Mon State (some Yangon-based civil society organizations also discussed their work in other cities and states). Interviews averaged 45 minutes in length and all interviews were conducted by phone. For the housing finance arm of the study, EMReF researchers conducted in-depth interviews with a focus on housing, construction, and financing, with 18 residents of Hlaing Tharyar and Dala townships.
Additional sources of data found in this report include extensive desk reviews of academic literature, government and INGO reports, survey data, and media reports in English and Myanmar. Desk reviews and interviews were complemented by participant observation conducted by nine Enlightened Myanmar Research Foundation (EMReF) researchers in urban and peri-urban townships of Hlaing, South Okkalappa, Thaketa, North Dagon and Thingangyun townships in Yangon, and Thaton and Mawlaymyine in Mon State (Figure 3).
Hlaing Tharyar and Dala Townships

Hlaing Tharyar and Dala were chosen as examples of peri-urban townships with high concentrations of informal settlements, high rates of poverty and communicable diseases, and very different histories of incorporation into the municipality of Yangon. While Dala has been settled and incorporated into Yangon since the colonial period, Eastern and Western Hlaing Tharyar townships are the newest townships in Yangon.\textsuperscript{27} While Hlaing Tharyar is known for

\textsuperscript{27} Following the partition of the township in January 2020, the area formerly known as Hlaing Tharyar has officially become Eastern Hlaing Tharyar township and Western Hlaing Tharyar township. In the partition, downtown Yangon’s riverside Seikkan township was eliminated, and the township administrator moved to Western Hlaing Tharyar, keeping the total number of townships in Myanmar at 330 and total number of townships in the municipality of Yangon at 33. As the township was split into two very recently, data is only available on the previous configuration of the township, and thus for the purposes of this report the area will be referred to as ‘Hlaing Tharyar’, encompassing both the Eastern and Western townships.
having a large migrant population, Dala has a much smaller population, with 172,000 residents recorded on the 2014 Census divided into 24 urban wards and 54 villages in 23 village tracts.\textsuperscript{28}

**Even before Hlaing Tharyar township split in 2020, Hlaing Tharyar was one of the newest of Yangon’s 33 townships.** It was formed along with Dagon Myo Thit (Dagon Seikkan, North Dagon, East Dagon, and South Dagon), and Shwepyithar, following the resettlement of civil servants, squatters, and political opponents through sites and services schemes in 1989-1990. Before the partition, Hlaing Tharyar was the largest township in Myanmar, with over 700,000 residents, and the largest estimated population of people living in informal settlements. It was also the fastest growing township in both Yangon Region and the municipality of Yangon by population. The population growth seen in Hlaing Tharyar is in large part due to migration from the Ayeyarwady Delta, which increased following Cyclone Nargis in 2008, but the township also houses recent migrants from other parts of the country, like conflict-affected and impoverished Rakhine State.\textsuperscript{29}

Unlike Hlaing Tharyar, Dala was not settled as a sites-and-services scheme and currently has no land bridge connecting it to downtown Yangon. However, unlike Hlaing Tharyar, its proximity to downtown allows residents to have easy transport connections through the use of a large ferry and hundreds of small river boats that ferry people back and forth across the river from Dala to downtown. By comparison, Hlaing Tharyar’s relative distance from the downtown core of the city and its industrial zones which have attracted young (primarily female) garment and other workers from other areas of Myanmar make Hlaing Tharyar an important site for understanding mobility in the city from a different vantage point.

With the completion of the Dala bridge project expected in 2021, Dala may face rapid urbanization, even without the pull of factory work. Recent research has asserted that there is a current movement to Hlaing Tharyar from downtown Yangon by middle income renters who cannot meet the rent demands of the rapidly gentrifying central townships.\textsuperscript{30} Once Dala is connected to the central business district (CBD) by road, households priced out of downtown may choose to move across the river, putting pressure on Dala’s limited transportation networks and water supplies. Focusing on the fastest urbanizing area of the country and an area undergoing historic infrastructural investment, allows for an in-depth understanding of the infrastructure and resource constraints as well as social dynamics currently facing urban Myanmar.

**Ethical and methodological considerations for qualitative fieldwork during a pandemic**

**Conducting field research in the time of COVID-19 is fraught with ethical and methodological dilemmas.** The research team adjusted the scope, research tools, and research


methods half a dozen times in response to ethical and feasibility concerns as government restrictions on assembly and travel, and scientific knowledge about transmission of the virus shifted. The final report is based on data drawn from sources that did not require face-to-face interaction typical of qualitative social research, and as such, has some significant limitations. Researchers could not physically visit communities, do transect walks, or recruit research participants in a traditional manner. Rather than sampling based on geography and income following the original research design, sampling was determined by a) respondents with access to phone service, and b) respondents researchers could contact by phone, and, c) for the data drawn from participant observation, locations where researchers were sheltering in place with their families.

The novel coronavirus COVID-19 pandemic has highlighted the continued need for and importance of disaggregated data and analyses that understand differentiated risks, roles, responsibilities, social norms, and impacts.\textsuperscript{31} Our research team understands that in certain settlements there may be no uniformity of access or tenure, as this may vary from house to house. Likewise, experience of COVID-19 may vary based on income, geography, gender, ethnic and religious background, occupation, and a variety of other variables. Taking an inclusive approach, and highlighting disaggregated data where available, the report plays close attention to areas where different groups, particularly vulnerable groups, express specific concerns or face greater difficulties in accessing services. This report highlights in particular urban sectors related to housing, water, sanitation, credit, and mobility, a rapid assessment of how these sectors are faring and how residents’ priorities have changed during the pandemic.

Land tenure and housing
The first step to upgrading is understanding the current conditions of housing and land tenure in urban Myanmar and residents’ needs in these sectors. This includes understanding current financing, land tenure, housing stock, and affordability.

Myanmar’s land tenure system is a mixture of title and deed systems. Nationally, land administration is institutionally fragmented with City Development Committees (CDCs) holding the mandate in the three main cities (Naypyidaw, Yangon and Mandalay), General Administration Department (GAD) in towns and villages, and Department of Agricultural Land Management and Statistics (DALMS) in rural areas. In urban areas across the country, land type (which sometimes corresponds to land-use type but not always) varies.

In Myanmar, the type of land impacts the types of tenures available, form of taxation, and type of registration to legalize claims. This means that systems of land registration and taxation can vary across a single settlement. Land governance in some urban settlements are governed by over 30 different current and repealed laws related to land, local administration, and taxation.\textsuperscript{32} Although some laws are repealed, paperwork and access granted according to now repealed laws is often still in use.\textsuperscript{33}

\textsuperscript{32} A list can be provided as an annex to the final report if desired.
Documentation of formal tenure can take over ten different forms along a tenure security continuum. Semi-formal tenure operative in urban areas may include: squatting for over 12 years (past the statute of limitations to sue for eviction); residing on land that has been sold informally and with documentation that does not confer legal title; using land for a use other than its intended use; or living on land where the lease or license has expired, among other scenarios.

Figure 4: Types of Land Tenures, Uses, Documents, and Landlords

<table>
<thead>
<tr>
<th>Land Tenures</th>
<th>Land Uses/Type</th>
<th>Registration Types/Documents</th>
<th>Owners/Landlords</th>
</tr>
</thead>
<tbody>
<tr>
<td>Freehold</td>
<td>Farmland</td>
<td>Grant</td>
<td>Private</td>
</tr>
<tr>
<td>Grant</td>
<td>Village</td>
<td>Deed</td>
<td>YCDC</td>
</tr>
<tr>
<td>License</td>
<td>Town</td>
<td>Form 7/Land Use Certificate</td>
<td>Government Ministries</td>
</tr>
<tr>
<td>Squatter’s Rights</td>
<td>Vacant, Fallow and Virgin</td>
<td>Sales contract (stamped/unstamped)</td>
<td>Company with a 50+10+10 BOT agreement</td>
</tr>
<tr>
<td>Religious</td>
<td>Build Operate Transfer (BOT) agreement</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Garden</td>
<td>Rental contract</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Grazing</td>
<td>Permit/short term lease</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Farmland used in other ways</td>
<td>Receipt for land tax</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Government land</td>
<td>Form 105 and 106</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cantonment</td>
<td>License (no longer issued)</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
| Forest land     | Certificate (section 30 a or b under the Farmland Act, formerly LaNa 39) | | Data in table derived from Lincoln Legal Services (Myanmar) Limited, 2016.

Land administration and deed registration is divided amongst several municipal, ministerial, and township level offices. The land administration mandate lies with YCDC in Yangon, but DALMS holds responsibility for minor deed registration tasks, while GAD and DALMS are responsible for registration and surveys, respectively, in urban areas without City Development Committees. The Department of Housing and Urban Development (DUHD) is responsible for apartment building and condominium administration, while they and other ministries, agencies and the military act as land owners of large areas of land. The legal land records, or so-called Town Land Roll (TLR) and cadastral records are maintained separately, and these do not only mismatch with each other, but also with the reality on the ground, with perhaps a majority of transfers remaining unregistered and thus not reflected.

Most property transactions in informal settlements as well as in downtown Yangon apartments, are extralegal. Transactions are upheld by personal connections, brokers, local practice, and mutual agreement between parties rather than the force of law. In many of these

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35 “The Limitation Act” (1908).
transactions, particularly in low income areas with little zoning or other regulation, those serving as land or housing brokers may simultaneously serve in government roles. It is particularly common to find the ten or one hundred household leaders serving as land or housing brokers, often working with the approval of the ward administrator. In some areas, political party representatives may be filling this role. The result is a quasi-official permission to reside in the area, but without formal documentation. Due to a person deemed to have some status or power securing the transaction, many residents perceive that this form of transaction is official or legal, although it is not. This may lead residents to perceive themselves as renters, or owners, or that they otherwise have legal permission to live in their house, while legally speaking, this is not the case. Thus, determining formal tenure in rapidly urbanizing peri-urban areas or informal settlements is fraught with misconceptions.

**Current housing supply cannot keep up with demand.** Demand for housing in Yangon is increasing at about 100,000 units per year, while the DUHD and the private sector can provide approximately 10,000 units each per year. The vast majority of existing housing in urban Yangon is semi-permanent or temporary, with only 25% of households living in formal housing units (brick buildings, apartments, condominiums). Thus, the total housing need, taking both quality and current availability into account, is in the region of 520,000 units. Accounting for increasing urbanization, homelessness, and housing those currently living in informal settlements brings Yangon’s estimated housing need from 2018-2030 to 1.3 million housing units.

While a range of housing is available in peri-urban areas in Yangon’s periphery, vacant land remains the cheapest option, with occupants weighing affordability against tenure insecurity. UN-Habitat estimates that formal housing delivery schemes are only affordable for 14 percent of Yangon households. A 2016 survey conducted by the local organization Women for the World found that in peri-urban Yangon there were multiple types of housing available with different prices, tenure security, and restrictions. This ranges from renting a compound and house at the high-end of the spectrum to vacant land at the low-end. Vacant land is by far the cheapest option for low-income urban dwellers, with 20x30 feet plots available for 5,000 MMK – 10,000 MMK per month. However, occupants must build their own house and if the owner


39 UN-Habitat National housing policy p. 10.


41 Kyed, “Informal Settlements and Migrant Challenges in Yangon,” 84.


44 Financing Affordable Housing in Yangon, x.

45 Financing Affordable Housing in Yangon, 4.

46 Financing Affordable Housing in Yangon, 10.

47 Financing Affordable Housing in Yangon, 12.

wishes to sell the land they must vacate it immediately, so it provides limited tenure security.\textsuperscript{49} Yet, due to the cost differential, renting or occupying vacant land remains a popular option for peri-urban residents and newly-arrived migrants.

\textbf{Figure 5: Housing availability and monthly rental rates in peri-urban areas of Yangon}

<table>
<thead>
<tr>
<th>Type of Housing</th>
<th>Monthly Rent</th>
<th>Deposit</th>
<th>Notes</th>
</tr>
</thead>
<tbody>
<tr>
<td>House with compound</td>
<td>70,000-200,000 MMK</td>
<td>500,000 MMK</td>
<td>In addition to and/or in lieu of deposit 6 months’ rent is due to owner upon signing rental contract</td>
</tr>
<tr>
<td>Flats</td>
<td>100,000-200,000 MMK</td>
<td>N/A</td>
<td>6 months or 1 year of rent due upon signing contract</td>
</tr>
<tr>
<td>Room in shared housing</td>
<td>30,000-40,000 MMK</td>
<td>N/A</td>
<td>Requires advanced payment, renters living with owners in the house and required to follow their rules, often cannot cook on-site</td>
</tr>
<tr>
<td>Government Accommodations</td>
<td>80,000-150,000 MMK</td>
<td>Sometimes required</td>
<td>If no deposit, 6 months’ rent due upfront</td>
</tr>
<tr>
<td>Vacant land</td>
<td>5,000-10,000 MMK</td>
<td>N/A</td>
<td>20x30 foot plots, renters must build their own accommodation, if owner wants to sell they must vacate</td>
</tr>
</tbody>
</table>

*Data in table derived from Women for the World, 2016.\textsuperscript{50}

In recent years government, civil society organizations, and international donors have all initiated low-cost housing plans. A Japanese government-funded UN-Habitat housing project provided 180 free 350-square-foot units to needy families. Families can live in the units for 30 years if they obey rules such as maintaining the units and refrain from transferring, selling, renting, or using the units as stores. Families were chosen through a long process with the community-based project meeting over 20 times to decide on selection.\textsuperscript{51}

Recent legislation has introduced a new mode of tenure – strata title for ‘collectively owned land.’ The 2016 Condominium Law and the 2017 bylaws for the Condominium Law potentially allow for three types of land (freehold, grant land, and build-operate-transfer licenses) to be converted to ‘collectively owned land’. ‘Collectively owned land’ must be at least 0.5 acres, or 20,000 square feet. However, as ‘collectively owned land’ is mentioned only in the context of the Condominium Law, it is currently unclear if shares of collectively owned land could be sold if there are multiple buildings built on the land, or if the building is under 6 floors in height.\textsuperscript{52}

Housing Infrastructure in Dala and Hlaing Tharyar Townships

\textsuperscript{50} The Myanmar organization Women for the World (WfW) has been involved in women’s community savings groups and community-led urban housing and infrastructure development and upgrading since 2004. They currently work in 5 regions across Myanmar, covering 32 townships and 70 communities.
Hlaing Tharyar has one of the highest percentages of renters of any township. Almost 55 percent of the population report that they rent their housing, thirty percentage points higher than the Yangon Region average. Hlaing Tharyar’s large concentration of rental housing suggests that it is an ideal site for a study of housing finance, as owners may be interested in upgrading their homes in order to attract future boarders. Employer provided barracks and thousands of private hostels in Hlaing Tharyar provide additional housing stock. As these people are not included on household lists as they are living away from their households, they are often undocumented, leaving them with little access to work or credit.

Tenure in Hlaing Tharyar is complicated as most sales, subdivisions, and claims of adverse possession have not been legally documented for three decades. Those resettled in the area in 1989/1990 were able to purchase a 40x60 foot plot from the government as a 30- or 60-year grant. The original owners they may still be living on the plot, or they may have illegally subdivided the plot and sold it or have rented space on their land to others. There are likely people who are squatting on state or private land, oftentimes long enough for title to have passed to them under Myanmar law, but with no adjudication process, their tenure is uncertain. Previous research has also shown that some dwellers reside and have built houses on land that was informally sold to them by previous farmland owners or others, sometimes in collaboration with local officials.

Dala reports a much higher share of home ownership, when compared to Hlaing Tharyar. The vast majority of Dala residents, similar to residents of Hlaing Tharyar, are living in wooden or bamboo houses that would be appropriate for in-situ upgrading. These homes are repaired annually before monsoon season to protect the household from the rains. They are constructed primarily by carpenters, who are willing to negotiate on price and materials, with only larger buildings like hotels or restaurants constructed by contractors.

However, home ownership does not always correlate with land ownership. Many homeowners in Dala are renting government land through an intermediary grant or permit holder. They pay their 120,000 MMK annual ground rent in twice-yearly installments. Sometimes when more significant repairs are needed to their houses, or other shocks occur,

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55 E. Rhoads, “Property in Transition: Uncertainty, Agency and Belonging in Yangon, Myanmar” (PhD, King’s College London, 2019).
56 Kyed, Migration and Security Challenges in Yangon’s Informal Settlements: The Case of Hlaing Thayar Township.
58 The Republic of the Union of Myanmar.
59 Dala resident, 23 year-old female, interview by EMReF (May 16, 2020).
60 Dala resident, 23 year-old female; 37 Year Old Man Hlaing Tharyar hostel resident, interview by EMReF, May 16, 2020; Hlaing Tharyar betel and rice and curry vendor, 45-year old female, interview by EMReF, May 20, 2020.
homeowners cannot meet the deadline for the ground rent and can request an extension on the payment.\textsuperscript{61}

In Dala and Hlaing Tharyar, many homeowners report high tenure security, but are living on subdivided plots, which means building permits cannot be issued on their land. Formal land grants are usually 40’x60’ plots, and multiple respondents in Dala reported that there was a valid grant for the full plot, but that they had sub-divided the land into two 20’x60’ plots, or even 10’x60’ plots. The subdivisions are not legally registered, but made by written contract and mutual agreement between the grant holder and the buyer of the subdivided plot, often witnessed by the ward administrator and hundred household leader and/or a lawyer or real estate broker. As security, the purchaser of the subdivided plot takes the original grant certificate while the grant holder takes the original contract.\textsuperscript{62} However, as the plot subdivision is illegal, procuring a building permit for building a multi-story house may be difficult.

Overwhelmingly, those surveyed in Dala and Hlaing Tharyar reported that they lived in single or extended family households and would prefer to live in a single-story dwelling. Residents reported wanting to have a yard and not wanting to live with strangers or ‘have things be complicated’ by having tenants.\textsuperscript{63} Of those who reported interest in building a 2-3 story dwelling to share with extended family or tenants, the vast majority did not wish to contract with a developer through a joint venture.\textsuperscript{64} This is likely due to witnessing or hearing of disputes between contractors and landowners, or between tenants and landlords.\textsuperscript{65} Respondents reported that they would use the carpenters and construction workers they knew from their neighborhood to build their house rather than a contractor.\textsuperscript{66} Yet, this seemed to also be dependent on income. If money were no issue and building with a contractor did not mean that they would have to give up any space or freedoms by sharing ownership or taking on tenants, some respondents reported that they would choose to build with a contractor.\textsuperscript{67}

Indebtedness, Access to Credit, and Urban Housing Financing

In a diagnostic study hoping to understand the current conditions facing low-income residents in urban Myanmar and future possibilities for results-based financing, understanding existing access to credit, housing finance market, residents’ experience borrowing, currently utilized interest and repayment schemes, and current debt burden is important. This section discusses preliminary findings regarding access to credit, housing finance markets, and debt burden in urban Myanmar.

\textsuperscript{61} Dala resident, 23 year-old female, interview.
\textsuperscript{62} Dala homeowner, 40-year old male, interview by EMReF, May 16, 2020; Dala homeowner, female government staff, interview by EMReF, May 17, 2020.
\textsuperscript{63} Dala resident, 23 year-old female, interview; Hlaing Tharyar hostel resident, interview, May 16, 2020; Hlaing Tharyar betel and rice and curry vendor, 45-year old female, interview.
\textsuperscript{64} Dala homeowner, 40-year old male, interview; Dala resident, 23 year-old female, interview.
\textsuperscript{65} Hlaing Tharyar betel and rice and curry vendor, 45-year old female, interview; Dala resident, 23 year-old female, interview; Dala homeowner, 40-year old male, interview; Hlaing Tharyar hostel resident, interview, May 16, 2020; Rhoads, “Informal (Justice) Brokers: Buying, Selling, and Disputing Property in Yangon.”
\textsuperscript{66} Hlaing Tharyar betel and rice and curry vendor, 45-year old female, interview; Dala homeowner, 40-year old male, interview; Dala resident, 23 year-old female, interview; Hlaing Tharyar hostel resident, interview, May 16, 2020; Dala homeowner, female government staff, interview.
\textsuperscript{67} Dala homeowner, female government staff, interview.
Housing Finance

There is currently a gap in the housing finance market, as there is no uniform, legal housing finance system that is capable of catering to all income levels. This is primarily due to the collateral requirements from private lenders. With a large informal sector both in terms of employment and housing, private banks are currently unable to lend to the majority of urban homeowners. The majority of housing units in Yangon cannot be used as collateral as apartment unit sales deeds are not registerable instruments, giving owners possessory rights rather than legal title. New legislation in 2017 allowed for strata title on collectively owned land for condominium units, but it is currently unclear if this will be extended to existing apartment buildings or low-cost units in community housing trusts. The current housing finance market only serves higher income urban populations with legally registered property interests.

Mortgages from private banks require high deposits and have high interest rates. Banks charge 13 percent interest on mortgages – amongst the highest in Southeast Asia - and require deposits of 30 percent. To fill this gap, some private developers have offered 36-month, interest-free installment plans on their properties.

Government staff can borrow from office savings and loans associations at low interest rates. Interest rates are as low as 1% and borrowing is capped by the position or rank of the borrower. A Deputy Officer, in the civil service, for example, can borrow up to to 700,000 kyats at a time. However, loans must be repaid within 12 months in monthly installments.

Financing for low-cost housing without collateral is currently served by a single lender. Myanmar’s Construction Housing Development Bank (CHIDB) provides fixed interest rates at 12 percent with a down payment of 30% and an 8-year repayment scheme. Account holders at the bank are eligible to enter Department of Urban and Housing Development (DUHD) lotteries for affordable housing units once their deposits have reached a certain threshold. As of May 2017, CHDB had 15,000 housing savings accounts. But of those, only 300 had reached the savings threshold necessary to make a down payment.

Since the 1990s the gap in the housing finance market has been filled by informal agreements between contractors and landowners. Most new construction, reconstruction, and renovation for middle-income residents is financed through a joint venture between the freeholder or leaseholder and a private construction firm. The landowner provides the land and the contractor builds a higher building on the plot, with the flats split between the landowner and

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68 Financing Affordable Housing in Yangon, 51.
69 Financing Affordable Housing in Yangon.
71 Dala homeowner, female government staff, interview.
the contractor or between the landowner, the contractor, and existing statutory tenants or apartment ‘owners’. While this method has been used in Yangon for thirty years, it is informal, usually with no agreements over what to do in terms of a dispute or who has responsibility for upkeep and management of the building. While the draft Apartment Law is under review, the only legislation that currently governs this relationship is the Stamp Act of 1899 which allows for registration of instruments creating a joint venture relationship, and the Urban Rent Control Act of 1960 which requires landowners to rehouse statutory tenants under the act within one year of vacating the premises for renovations.

Urban Indebtedness

Multiple studies have found that there are high rates of indebtedness in Yangon’s periphery. Yangon’s Hlaing Tharyar and Shwepyithar Townships’ factory workers are highly indebted, with a 2017 survey reporting that 34% of garment sector worker respondents are holding interest-based debt. In Hlaing Tharyar township, the percentage was higher, at 45%. But these are factory workers with social security, steady paychecks, daily wages and access to overtime. Rates of indebtedness in the informal sector are significantly higher, as are contracting loans to repay existing debt. One 2011 study in Dala township found that 70 percent of respondents were indebted.

Without access to bank loans, business owners and individuals turn to informal credit – money lenders, pawn shops, friends, and family. In a study of business owners in Yangon, interest rates on loans from friends and family ranged from 18% to 48%. A standard informal lending rate of 20 percent monthly is often cited, and our interviewees confirmed that this was the standard rate. ‘If you borrow 100,000 kyats you need to pay 20,000 kyats in interest every month.’ Workers borrowing from informal money lenders in their ward or friends, reported paying 10–20 percent interest on the informal loans. But field research by the research team as well as other researchers in Yangon showed that interest rates range from 0 to 50 percent, but

74 Rhoads, “Informal (Justice) Brokers: Buying, Selling, and Disputing Property in Yangon.”
75 Rhoads.
78 Boutry, Aung Boe Htike, and Ye Wunna, “Urban Poverty in Greater Yangon City.”
82 22-Year Old Male Hlaing Tharyar hostel resident, interview by EMReF, May 17, 2020; Hlaing Tharyar betel and rice and curry vendor, 45-year old female, interview.
83 Union leader representing factory workers in Swpeyithe and Hlaing Tharyar townships, interview by EMReF, April 28, 2020.
more important than the rate of interest is the length of repayment. Informal lenders often do not need collateral, are more flexible about collateral (allowing for apartments to be used as collateral), or allow for flexible repayment over a longer period than bank loans. The more collateral a borrower has, the more loan options available, and the lower the interest rates. Fieldwork found that the two most commonly described types of loans are those repaid on a daily or monthly basis, often for small sums of money. However, as Boutry et al. found, annually, these interest rates range from 120-360%. For those with no collateral, interest is compounded at rates as high as 5% per day until a full repayment has been made, or 1825% annually.

Potential alternatives for housing market finance

“For every human being, a home is essential and also for me. Our hostel room is very tiny and our family is a bit cramped for space - we just slept here and eat here, so there is a bit of trouble for us. However, as we do not have a home, we have to be patient in this tiny place. When people become a family, they want to live in their own sweet home. In my dream, I want to own a house which is simple. It has 800 sq. feet and it can cost around 20 to 30 lakhs. In this house, I will live with my family and store some furniture and I hope to be fulfilled for my daily needs. I want to be alone with my own family, with no one to share it with.” – 37-year old male hostel resident and shopkeeper, Hlaing Tharyar township

Microfinance institutions in Myanmar can charge interest at up to 28 percent annually. This is compared to 50-60% annually in the informal sector even when borrowed against collateral such as farmland. Without collateral, the interest rates in the informal lending sector can be considerably higher, as noted above. People without a citizenship scrutiny card, a household registration, or other forms of official documentation (such as a letter of recommendation from a ward administrator), often cannot access micro-credit loans with low interest rates, and rely on informal lenders with high interest rates. Because many residents in places like Dala and Hlaing Tharyar do not have sufficient documentation, this presents a huge challenge for creating a housing microfinance market targeted at individual borrowers. Furthermore, despite the presence of MFIs, financial literacy remains low, with one recent study reporting that borrowers not only could oftentimes not name the MFI they borrowed from, but also could not differentiated between formal and informal lending.

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84 Laundry Worker, interview by EMReF (April 23, 2020); Informal Money Lender (Thaketa) and hostel owner (Dagon Seikkan), interview by EMReF, April 26, 2020; Boutry, Aung Boe Htike, and Ye Wunna, “Urban Poverty in Greater Yangon City,” 17–19; Union leader representing factory workers in Shwepyithar and Hlaing Tharyar townships, interview.
87 Microfinance Savings and Loan Officer, interview by EMReF, May 7, 2020; Credit officer, microfinance firm, interview.
88 Kyed, Migration and Security Challenges in Yangon’s Informal Settlements: The Case of Hlaing Thayar Township.
The most recent data shows that there are 193 microfinance companies registered in Myanmar with more than 5 million clients, and outstanding loans of US$1.3 Billion. Some of these clients may be borrowing from more than one microfinance firm, and a recent study found that risk of payment default “is more significantly related to the number of loans than to the outstanding amount borrowed”. The majority of borrowers are in Mandalay, Yangon, and Ayeyarwady regions and Mon State. Most firms lend using a group lending system, with the debt of all borrowers in the group packaged as a single loan. If one person defaults the remaining group members are left to repay the loan.

A 2018 survey found that Myanmar’s microfinance borrowers were experiencing significant payment stress. In the same survey, Yangon borrowers were found to have the highest index of indebtedness and 2 in 3 Yangon borrowers had made extra repayments due to a group member defaulting (most often by running away). When borrowers cannot repay the microfinance loan, they borrow from informal lenders to repay the debt owed to the microfinance companies. These informal lenders offer more lenient payment deadlines but much higher interest rates.

Community relations and social networks are often overlooked factors in access to housing, livelihoods, and credit. High levels of mistrust between residents may contribute to lack of credit opportunities and high interest rates from informal lenders. A recent study in an area with high social cohesion detailed the practice of informal lending between neighbors with little to no interest. Research participants almost uniformly mentioned that they would hire carpenters or construction workers that they know well and trust to build their home. Not only due to trusting that it would be safe, but so that they would not get cheated and they could freely negotiate over price and materials with someone with whom they had a shared understanding and mutual respect. Understanding social cohesion and experiences of discrimination is important for understanding how the particular social milieu in urban settlements impacts access to credit and housing, which may have impacts on how and whether residents embark on infrastructure or housing upgrades.

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90 Hein Thar, “Limited Relief for Microfinance Borrowers as the Clock Ticks on Debt Payments.”
91 Micro-Credit Ratings International Limited, “Multiplier Borrowing amongst MFI Clients in Myanmar”; Hein Thar, “Limited Relief for Microfinance Borrowers as the Clock Ticks on Debt Payments.”
92 Hein Thar, “Limited Relief for Microfinance Borrowers as the Clock Ticks on Debt Payments.”
93 Micro-Credit Ratings International Limited, “Multiplier Borrowing amongst MFI Clients in Myanmar.”
94 Micro-Credit Ratings International Limited.
95 Micro-Credit Ratings International Limited.
96 Hein Thar, “Limited Relief for Microfinance Borrowers as the Clock Ticks on Debt Payments.”
99 Hlaing Thayar betel and rice and curry vendor, 45-year old female, interview; Hlaing Thayar hostel resident, interview, May 16, 2020; Dala homeowner, 40-year old male, interview; Dala homeowner, female government staff, interview; Trishaw driver, Hlaing Thayar, 22 year-old male, interview by EMReF, May 18, 2020; Hlaing Thayar Plumber, interview by EMReF, May 18, 2020.
Community savings groups are also active in Myanmar and enable residents to deposit savings and withdraw on a rotating schedule. Most often formed in groups of 10, community savings groups meet daily for depositing savings. Members’ daily deposit of 1,000 kyats for example, is also dispersed daily to a group member in turns, as a lump sum of the day’s. Each group member deposits the same amount every day and gets back 5 times that amount every 5 days, or 10 times that amount every 10 days, depending on the deposit cycle. In this way, households can save small amounts for cyclical costs such as electricity, rent, or food. Some rotating savings groups are used for larger costs on a longer calendar (one meeting for deposit and dispersal per week, or per month, for example). These community savings groups may be active in saving for housing upgrading or a community development fund.\(^\text{100}\) While respondents both Dala and Hlaing Tharyar respondents reported having a savings group in their neighborhood, not every ward has an active community savings group.\(^\text{101}\)

Community land trusts or cooperative housing may be a viable future option for building an inclusive housing microfinance market. A membership-based cooperative or a registered community land trust could be the microfinance client, removing current barriers to inclusion such as government identification or household registration which may be difficult to process for low-income migrants, renters, and religious and ethnic minorities.

Transportation and Mobility

Spatial inclusion is an essential aspect of inclusive urbanization. An important element of spatial inclusion is urban mobility that allows residents to access jobs and services through safe and low-cost transportation. However, since 2011 there has been a decline in allocations to physical infrastructure, particularly affecting the transport sector.\(^\text{102}\)

While more research is needed on transportation and mobility, it seems that public transportation is most used by those who are least serviced by it. A recent study found that 1 in 3 people in the city’s peripheral townships travel outside of their township to work. This was reportedly due to lack of job opportunities in the townships where respondents lived, as only 1 in 6 people in informal settlements in the center city travel outside of their township to work.\(^\text{103}\) While an improved bus system was introduced in 2016, as of 2018 it did not yet reach to Hlaing Tharyar, nor does the existing circle train.\(^\text{104}\) This means that those traveling to downtown or inner townships need to take at least two forms of transportation (bus then bus, or bus then train), and often 3-4 if they need a trishaw or motorbike taxi to get to or from the bus stop.

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\(^{101}\) Dala homeowner, female government staff, interview; Hlaing Tharyar hostel resident, interview, May 16, 2020; Hlaing Tharyar betel and rice and curry vendor, 45-year old female, interview.


\(^{104}\) Forbes, 110.
Higher mobility costs and longer travel times hinder livelihood activities and increase pollution exposure. A recent study found that increased traffic congestion in Yangon caused by an increase in vehicles following the lowering of import tariffs on cars, has created a mobility crisis in the city. This mobility crisis impacts the urban poor in multiple ways. Yangon’s worsening traffic congestion impacts bus users more than car users as they have to stop periodically and then walk or take a trishaw to their final destination. This situation affects mainly the most low-income residents, who cannot afford cars.

Yangon is unique among Southeast Asian cities due to the ban on motorcycles in inner-urban neighborhoods. The ban has been in effect since 2003, but is not applied to Dala, and sporadically enforced in other outer townships like Hlaing Tharyar and Dagon Myo Thit. The use of bicycles is also prohibited in some inner-urban areas including the central business district, although this has also been less frequently enforced in recent years.

While Dala has a wider variety of transportation options for local mobility, there is no bridge connecting it to downtown Yangon. In addition to motorbikes, Dala has bicycles and thone-bein (3-wheeled motortaxi) providing cheap and personalized local transportation. However, as there is no bridge, there are no bus routes connecting Dala to Yangon. About 30,000 people commute from Dala to Yangon by boat daily, relying on motorbikes, bicycles, or thone-bein to travel within the township to link up with the jetties for crossing to Yangon by boat. If they work near the jetties they can walk, otherwise they may need to take a bus, sidecar (trishaw) or taxi from the jetty. This means that even though Dala is very close to downtown Yangon, most commuters from Dala are relying on at least three types of transportation each way to get to and from work.

Dala’s mobility infrastructure is currently undergoing a major upgrade. The Korean-funded Dala bridge project is due for completion in 2021, with a planned ring road and feeder road connecting the bridge to the ring road in 2035. The increased mobility will likely increase Dala’s urbanization, population, land prices, and water shortages, as well as increase access to economic opportunities in downtown Yangon.

Recent studies of mobility and transportation in Yangon have found that walking accounted for 42.2 percent of all trips, bus 28.5 percent, and bicycle 13 percent. However, these studies did not disaggregate bicycles from sidecars (trishaws), a frequently used form of transport, particularly for market activities and short trips within wards or to/from bus stops. Previous studies also did not incorporate private-hire transportation outside of taxis, leaving out sidecars, motorbike taxis (si-ke), thone-bein (tuk-tuks), ferries (not water-related, but buses or trucks provided by schools or employers), nor did it include Yangon’s circle train or line-cars (pick-up trucks or motorbikes outfitted with benches in the trailer). In future studies, it will be important to differentiate modes of transportation even further in order to identify what sort of

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106 Fox, Ney, and Verrucci.
transportation requires payment, and at what rates, travel time, how many modes of transportation per trip, and what sort of transportation is used for different types of trips and distances.

Recent research has highlighted the relationship between mobility and security, particularly how gender impacts how mobility is experienced. Some reports suggest that women are afraid to walk alone after dark in Yangon, particularly in low income areas and informal settlements. With garment factories mainly hiring women under 30, challenges and feelings of (in)security in getting to and from work are important to understand and mitigate for inclusive urbanization. Fears of being out at night were reported by respondents, with most remarking that they felt safe during the day in Hlaing Tharyar or Dala, but not at night, mostly due to fears about crime, especially theft.

Water and Sanitation

Water and sanitation are essential to good health and prevention of communicable diseases in urban areas. However, in Yangon, water provision and sanitation are services with poor reach across the city and therefore are not only challenges for residents of informal settlements. Yangon’s sewage system dates from 1888 and only fully covers the central business district. Until 2015 untreated sewage was discharged directly into the Yangon river through two outlets. Similarly, piped water provision is only accessible to 33 percent of the city’s population. A recent UN-Habitat assessment suggested that “virtually no informal settlement in Yangon has access to basic municipal services including piped water.”

Water and sanitation issues plague both Dala and Hlaing Tharyar Townships. In Hlaing Tharyar, unsanitary and crowded conditions lead to the township topping the city rankings in diseases like diarrhea, malaria, tuberculosis, and dysentery, with Dala not far behind. Most Hlaing Tharyar residents rely on tube wells or other forms of water provision for drinking, bathing, cooking, and washing. A recent New York Times article described a 13-day factory strike in February 2020, where 196 Hlaing Tharyar workers held repeated walked-outs over the lack of potable water in the factory. Dala is also a notoriously water-scarce township, with 85% of households getting their drinking and non-drinking water from a pool, pond or lake. Dala

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109 Kyed, Migration and Security Challenges in Yangon’s Informal Settlements: The Case of Hlaing Thayar Township.
111 Hlaing Tharyar hostel resident, interview, May 17, 2020; Dala homeowner, female government staff, interview.
113 The World Bank, “Myanmar’s Urbanization: Creating Opportunities for All,” ix.
has the largest number of households in the Yangon municipality reliant on water that is not from
wells or pipes.\footnote{The Republic of the Union of Myanmar, “The 2014 Myanmar Population and Housing Census: Yangon Region.”}

A recent study found that in Yangon’s poorer neighborhoods only 5 percent of households
surveyed had improved sanitation. The majority used open pit latrines, or their household
sewage flowed into open drains and ponds. Grey and black wastewater are most often disposed
of into a shallow pit dug in the ground, with waste sinking to the bottom and water rising above
the solid waste. However, this contaminated water leaches into the ground around the hole and
into nearby water bodies.\footnote{Giacomo Bandinu et al., “Sustainable Dala: Showcase of a Sustainable Water Infrastructure,” 2017, https://repository.tudelft.nl/islandora/object/uuid:0b5810e9-3164-478f-a76f-fb247411425a; Habitat, “A Preliminary Study of Informal Settlements in Yangon.”} Rainy season causes this sewage to overflow into the streets and
water sources. One recent study asserts that a common practice in informal settlements is to
intentionally allow latrines to “fill up until the rainy season when flood waters clear out the
latrines’ pits or holding tanks.”\footnote{Forbes, “Migration, Informal Settlement, and Government Response: The Cases of Four Townships in Yangon, Myanmar,” 99.}

Many informal settlements are low-lying, built overtop of drainage canals, or adjacent to
riverbanks, and flooded most of the year, meaning sewage goes into the areas surrounding
the houses.\footnote{The World Bank, “Myanmar’s Urbanization: Creating Opportunities for All,” 51–52.} UN-Habitat estimates that 397 out of 423 informal settlements mapped in Yangon are “at risk of or currently experience flooding, water logging, or both.”\footnote{UN-Habitat, “Housing at the Forefront of the Response to COVID-19: Discussion Paper on Policy Options for Myanmar,” 5.} Close to a third of the
423 informal settlements mapped by UN-Habitat are classified as severe risk of flooding and
water logging, and are filled with water every day – even in the summer.\footnote{Habitat, “A Preliminary Study of Informal Settlements in Yangon,” 16–17.} As the rivers in
Yangon are tidal, riverbank settlements flood twice a day even in the dry season. In total, at least

While improving, access to clean drinking, bathing, and washing water remains difficult in
peri-urban townships. The relatively recent annexation of the township to the municipality in
the early 1990s meant that the city’s piped water system, which primarily serves the downtown
colonial core, does not reach to Hlaing Tharyar outside of some factories and a few other areas to
which it was extended.\footnote{Tokyo Engineering Consultants et al. 2014. Water Supply Improvement Project Study for Yangon City and Pathein City, pp. 2-3. Available at: https://www.mlhw.go.jp/topics/bukyoku/kenkou/suido/jouhou/other/dl/o4_150324b.pdf} As of 2011, only 2 percent of Hlaing Tharyar township had access to
the municipal water supply.\footnote{Groot and Bayrak, “Achieving Water Security in Peri-Urban Yangon: Exploring the Local Governance Processes,” 986.} The municipal supply comes from Hlawga reservoir and is
supplemented by 13 tube wells managed by YCDC in Hlaing Tharyar.\footnote{Habitat, “A Preliminary Study of Informal Settlements in Yangon,” 16–17.} While Dala is very
close to the CBD, only 10% of the population of Dala is connected to the municipal piped water
However, during periods of water shortages in the summer months, water is released from the municipal water dispensers at the ward level three days per week in the evenings only. With water usage estimated at 150 liters per household per day, residents have to purchase and often transport other sources of water to meet their daily needs for drinking, bathing, washing, and cooking.

**Water security for formal settlers is achieved through a combination of sources and delivery methods.** However, most informal settlements remain water insecure. Water shortages may occur in dry season due to lack of rainwater and drying up of surface water ponds, as well as in rainy season as flooding may make it impossible for water vendors to reach houses or residents to reach water sources. Water sources vary by income, season, and by intended use.

**Drinking water in Yangon is primarily from bottled water which is bought from vendors every few days for household consumption.** Drinking water is most often sourced from sealed bottled water sold by water vendors, and unsealed bottled water filled from factory boreholes or municipal pipelines sold by local vendors, and tank water from private tube wells. Yet, only purified, sealed, bottled water has safe levels of *E. coli* for human consumption. Prices of purified drinking water hover around 300 kyats per five-liter bottle, or 500-1,000 kyats for a 20-liter can, while pond water is 100 kyats. While informal settlers and the urban poor are often drinking lower quality, cheaper water, their water expenses as a share of their total household expenditure are much higher than households who can afford premium bottled water. One study finding that hard-to-reach urban poor households were spending 6 percent of their income on low-quality drinking water. Rainwater is often used for drinking, cooking, and washing in the rainy season. 85 percent of households in Dala rely on ponds for their drinking water.

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129 Dala homeowner, female government staff, interview.
130 A recent study in Hlaing Tharyar found that households were using an average of 6.3 liters per person, per day. Groot and Bayrak, “Achieving Water Security in Peri-Urban Yangon: Exploring the Local Governance Processes,” 989.
131 Bandinu et al., “Sustainable Dala: Showcase of a Sustainable Water Infrastructure.”
133 Groot and Bayrak.
137 Groot and Bayrak, 989.
Non-drinking water sources are primarily pools, ponds, lakes, wells, and some piped water. Rainwater reservoirs and cisterns are primary sources of water for a substantial percentage of Yangon’s residents. While in many wards there are public wells available for bathing and washing, transporting water from the wells to the household is difficult labor and time consuming, so vendors will also deliver this water for a fee. Some well owners will allow other residents to pipe water from their well and pay on a monthly basis. Others are charged 300 MMK per barrel of non-potable water pumped from a private well. In Dala two buckets of water for washing and bathing can be purchased for 50 kyats, but if water is delivered, the cost doubles to 100 kyats for two buckets. In these makeshift attempts at water provision, service quality is low, and prices are high compared to government water services. As one Dala resident remarked: “Water costs are higher than food costs. One household spends at least 1500 kyats per day for water.” The current private provision of water is demonstrative of the extreme income inequality found within informal settlements, as those with access to assets like a well who can sell to others are much more financially secure, while those without water access must spend a large percentage of their income on securing water.

Some water distribution is done through donations – particularly during religious festivals and during water shortages in the dry season. Some areas of Yangon, most notably Dala, rely on rainwater collection in retention ponds or reservoirs for water and sustain severe water shortages during the dry season. The Dala Municipal Committee is working with local charitable organizations to provide 50,000-100,000 gallons of water per day during the 2020 dry season. While Dala’s water needs are often met by charitable water donations, but road infrastructure means that donations by water trucks cannot reach all residents as the heavy water trucks cannot navigate the poor roads. In addition to trucking in drinking water, tube wells for community use in informal settlements in Yangon have been dug by charities and religious organizations. This moral economy of water access remains, however, underexplored. Yet, preliminary data from the Urban COVID-19 response rapid assessment in the second half of the report suggests that water donations are an important means of water access for certain urban poor communities.

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140 Clarke, “The Issues of Migrant Workers in Dagon Myo Thit (Seik Kan) Township, Yangon. – Women For The World.”
141 Dala homeowner, female government staff, interview.
143 Hmue Angel, “Water Shortages in Yangon’s Dala.”
144 Bandinu et al., “Sustainable Dala: Showcase of a Sustainable Water Infrastructure.”
Recommendations

- Draft new legislation or amend the 2017 Condominium Law and 2018 Rules to allow for and/or clarify provisions for strata title for non-luxury high-rise land and buildings, allowing for community housing projects to have legal title.
- Secure financing for MFIs supporting urban savings groups, self-constructed housing, urban infrastructure upgrading, and home improvement loans.
- Make reforms to household registration procedures to allow for local registration of migrants as residents in their urban wards, without removing them from household lists in their place of origin.
- Secure financing for community-level water and sewage treatment to decrease contaminants in local water sources in the medium-long term and upgrade wells, water tanks, and retention ponds in the short term as well as access-roads to ponds and settlements to allow water trucks to make deliveries to areas with chronic water shortages.
Rapid Urban Assessment of COVID-19 in Myanmar

As of 21 May 2020, there are 199 confirmed cases of COVID-19 in Myanmar and six deaths from the virus. COVID-19 has been found in every state and region besides Kayah State, with the largest cluster in Yangon region with 156 cases. Thus far, COVID-19 seems to be much more prevalent in urban areas, with the largest case cluster in Yangon and other cases in cities and towns like Kalay, Tedim, Naypyitaw, Kengtung, and Mandalay.

Since 20 February COVID-19 tests have been processed by the National Health Laboratory in Yangon. Previously, Myanmar did not have the capacity to perform and process COVID-19 tests and relied on sending nasal swabs to the WHO reference lab in Thailand. With five testing machines donated, testing has expanded to Naypyitaw, and Kengtung, with plans to open labs in Mandalay and Mawlamyine. Tests must be processed in biosafety level 3 labs or above, and therefore testing locations in Myanmar are limited.

Figure 6: Timeline of COVID-19 in Myanmar and Government Response

Government response: communications

In mid-March 2020, the Myanmar government formed a national-level committee on COVID-19, chaired by State Counsellor Daw Aung San Suu Kyi. The ten-member committee includes Vice President 1, Union Minister for Defense, Union Minister for Border

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147 MINISTRY OF HEALTH AND SPORTS [www.mohs.gov.mm], “COVID-19 ဓာတ်ခ ွဲအတည်ပ ြုလူနာမ ာျားန ်ထိတတ ွေ့ဆက်စ ်မှုရ ိခွဲ သူမ ာျားသိရ ိနိိုင်တစရန် အခ က်အလက်မ ာျား (COVID-19 Case Contact Tracing and Reporting).”

148 MINISTRY OF HEALTH AND SPORTS [www.mohs.gov.mm].


Affairs, Union Minister for Home Affairs, Union Minister for Labor, Immigration and Population.  

The government has made frequent use of telecommunications technology to communicate with the public about the virus. The Ministry of Health and Sports has created a user-friendly dashboard and case platform and is updating the website several times a day with new regulations and announcements, as well as sharing updates on its Facebook page. State Counsellor Daw Aung San Suu Kyi opened a Facebook account to communicate directly with the public on 1 April, something she had previously refrained from doing.

The government has also worked with private telecoms and technology companies to provide services to quarantined residents. Through a partnership with Telenor, 25,000 SIM cards loaded with 1GB of data are being distributed to regional governments for use by quarantined residents in government facilities. Telenor has also implemented a 50% discount on data top-ups to keep the public informed during the pandemic, with a zero-data rating of the Ministry of Health and Sports' website so the public can access up-to-date information about the pandemic for free. A mobile application, Saw Saw Pyaw has been developed for use by those in quarantine. Quarantined residents can submit updates on their health through the application which is monitored by health officials.

Government response: Non-pharmaceutical interventions

Lockdown measures, ban on gatherings, curfews, and business closures

A ban on gatherings of 5 or more people went into effect on 17 April with no end date. There are exceptions for public servants, corporate employees and factory workers commuting to and from work, buying and selling at markets, and engaging in logistics, delivery of goods, legal affairs, COVID-19 control and prevention, health emergencies and funerals. Those violating the ban will be charged under the 1995 Prevention and Control of Communicable Diseases Law, violations of which carry a sentence of up to six months in prison or a fine of 50,000 MMK or both.


154 “Telenor Directs COVID-19 Donation to Quarantine Centres in Myanmar | Telenor Myanmar.”


157 “Myanmar Bans Gatherings of Five and More as COVID-19 Spreads.”
The annual week-long Thingyan (Burmese New Year) celebrations were canceled in Yangon and Mandalay.\footnote{https://www.mmtimes.com/news/govt-cancels-annual-thingyan-celebrations-yangon-mandalay.html} Normally, Thingyan revelers join street parties during the holiday, travel to meditation centers for a New Year’s retreat, or embark on a pilgrimage to pagodas and other religious sites around the country. Over the Thingyan (Burmese New Year) holidays from 10-19 April there was a full lockdown in place in Yangon. Residents could only leave the house once a day, one person per household for essential purposes only, like buying food or seeking medical care. Following Thingyan, the lockdown was removed but a semi-lockdown was extended to Pabedan, Hlaing Tharyar, Bahan, South Okkalappa, Shwepyithar, Mayangone, and Insein townships. On 24 April it was extended to Botataung, Tarmwe, and Mingalardon.\footnote{“Three More Townships in Yangon under Semi-Lockdown,” The Myanmar Times, April 25, 2020, https://www.mmtimes.com/news/three-more-townships-yangon-under-semi-lockdown.html.}

“For our normal standard people, we cannot think about the special clothing or living. We can only care about our livelihood and health care. For daily workers like me, the “Stay Home” instruction of the Government is not really effective and we cannot meet our daily needs. I could only stay at home for 10 days. During those days, we had a small amount of money which we saved for our shop and we used for food. Basically, it was not really enough so that we have to go back to work.”

– 37-year old male, hostel resident and small shopkeeper, Hlaing Tharyar
Mandalay implemented strict travel restrictions in and out of the city during Thingyan. All guesthouses and hotels closed and will be allowed to reopen in May or June after passing inspections. Mandalay and the surrounding area are popular destinations for both Thingyan festivals and pilgrimages. The Mandalay Region government has decreed that those visiting religious buildings including pagodas, churches and mosques must have certificates of good health issued within the past 72 hours from a township health department. Yangon’s most famous pagodas, including Shwedagon, Botataung, Sule, and Kabar Aye have been closed since 28 March.

Quarantine

**Quarantining returning travelers and contacts of patients who have tested positive for COVID-19 is the hallmark of the Myanmar government’s nonpharmaceutical response to the pandemic.** Since 25 March, the government has instituted a policy of mandatory 14-day quarantine in government facilities or in private hotels for a fee, for anyone returning to

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Myanmar from abroad. On 21 May, 61,651 people remained in quarantine at over 10,000 quarantine sites in all states and regions across the country, while cumulatively, more than 215,000 people have been quarantined in facilities since the crisis began. After a patient was found to be infected after the two-week incubation period and following release from facility quarantine, Daw Aung San Suu Kyi announced that the government would extend the facility quarantine period. On 11 April the Ministry of Health and Sports extended the mandatory quarantine to 21 days both for those who test positive for COVID-19 and for those returning to the country from abroad. Following the quarantine in a health facility or approved hotel, there is a secondary 7-day home quarantine, for a total of 28 days of quarantine for anyone entering the country. However, the current testing capacity means that only 10 percent of those quarantined around the country can be tested.

Hundreds of thousands of migrant workers stranded at the border led to concerns about how to safely quarantine people arriving by land. Prior to the closure of the Thai-Myanmar border, between 21-25 March 22,000 people crossed the Thai-Myanmar Friendship Bridge-2 in Myawaddy. Although there were mandatory quarantines in place for returnees sin 25 March, migrants returning to Myanmar due to COVID-19 were largely arriving in Kayin and Mon states and Yangon and Bago regions in numbers too great to be accommodated at government quarantine centers and were instructed to quarantine at home. From 21-30 March 40,000

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migrants crossed the Thai-Myanmar border at crossings in Myawaddy in Karen State and Tachileik in Shan State. Following a returned Myanmar migrant who tested positive for coronavirus on 29 March, beginning 30 March, all returning migrants crossing the border from Thailand have to quarantine at the border for two weeks before continuing on to their home towns. Migrant workers returning from Thailand are required to quarantine in border towns like Tachileik and Myawaddy. Food, shelter and healthcare are provided at the quarantine centers. Border crossings remain closed except for Three Pagodas Pass, through which 100-200 migrants were returning every day in April.

Those who refuse to comply with quarantine orders are being charged and sentenced to jail terms. Local police have used Section 18 of the 1995 Prevention and Control of Communicable Disease Law, which carried a one-year prison sentence, and Section 30(a) of the Natural Disaster Management Law to charge returned migrants who refuse to stay in quarantine centers or do not report after returning from abroad. For example, one returnee from China was sentenced to three months in prison with hard labor for fleeing a quarantine center in Ayeyarwaddy Region.

While official returns through Thailand remain low due to a delayed re-opening of the Thai-Myanmar border, 150,000 more migrants are expected to return from Thailand. Smaller numbers of migrants continue to return by land from China and Bangladesh even with borders restricted. Since the beginning of May, 90 percent of returnees have arrived from China. 16,900 migrants crossed from China to Kachin and northern Shan states. Relief flights have repatriated migrants from Malaysia, United Arab Emirates, Singapore, and other countries, with five returnees from Malaysia testing positive for COVID-19 in May.

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172 Weng.
176 “Myanmar: COVID-19 Situation Report No. 01 (13 April 2020) - Myanmar.”
Contact Tracing

The Ministry of Health and Sports has conducted extensive contact tracing on every patient who has tested positive for COVID-19 and released details on their website.\(^{179}\) Details of positive cases include where patients traveled, where they stayed, how they entered the country if they traveled from abroad, and hospitals or clinics where they received treatment. Known contacts of patients who test positive for COVID-19 are placed under quarantine either at home or in government-designated facilities. This includes full apartment buildings, offices, hostels, and even hotels. The Inya Lake Hotel compound, home of the International SOS Clinic where a nurse tested positive for COVID-19 was placed under quarantine on 31 March with 160 guests, staff, and SOS clinic staff quarantined in place at the hotel.\(^{180}\)

Health Facilities

Most if not all of Myanmar’s limited intensive care units are located in Naypyidaw, Yangon and Mandalay.\(^{181}\) A 2017 hospital survey found a total of 95 intensive care units in the country.\(^{182}\) It is unclear if this survey includes private hospitals.\(^{183}\) While to date, COVID-19 cases have been treated in local hospitals, particularly Yangon’s Waibargi Infectious Disease Hospital, the Yangon Region government is currently converting civil service hostels into a 200-bed COVID-19 field hospital in Hlegu Township on the outskirts of Yangon.\(^{184}\)

**Figure 9: International Assistance to Combat COVID-19**

<table>
<thead>
<tr>
<th>Country</th>
<th>Donation or Support</th>
<th>Total Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Australia</td>
<td>Personal protective equipment; defibrillators; ICU beds; patient monitors; tracheotomy sets; suction machines and autoclaves</td>
<td>AUS$500,000</td>
</tr>
<tr>
<td>China</td>
<td>12 person medical team spent two weeks in Yangon; 5.3 tons of medical equipment donated on 8 April; 20 ventilators donated.</td>
<td></td>
</tr>
<tr>
<td>Singapore</td>
<td>2 polymerase chain reaction (PCR) machines donated in March along with 3,000 test kits</td>
<td></td>
</tr>
<tr>
<td>United States</td>
<td>Water and sanitation needs; COVID-19 case management; telemonitoring and laboratory and epidemiology training from the CDC</td>
<td>$3.8 million</td>
</tr>
</tbody>
</table>

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\(^{182}\) “Mapping the Provision of Intensive Care in Myanmar | ICS State of the Art Meeting 2017.”


Donor nations have stepped up to support Myanmar’s medical response to the COVID-19 pandemic. While donor nations and multilateral donors have been involved in provision of medical equipment and personnel, the Myanmar government has relied in large part on assistance and donations from the country’s private sector and the military.\(^{185}\)

**Government Stimulus and Social Protection Response**

“*These days business is not good. Work is very rare, so we face difficulties in fulfilling our basic needs.*”

– 45-year old woman, betel and rice and curry shopkeeper

The government provided food rations to the poor during the Thingyan holidays. On 6 April the State Counsellor’s office announced that “people from the basic strata of society without regular income will be provided with 8 pyis of rice, 50 ticals of cooking oil, 50 ticals of salt, 1 viss of lentils, and 1 viss of onions for each household starting from 10 April.”\(^{186}\) Lists of eligible families were to be devised by state and regional governments who are in charge of distribution.\(^{187}\) These lists differed from location to location, with some identifying the poor by occupation and others by assets.\(^{188}\) In many areas, those who own livestock, run a business, or are in receipt of remittances from relatives working abroad were not eligible for assistance.\(^{189}\) Additionally, households, religious organizations, and humanitarian organizations (excluding embassies, UN and international organizations) will receive up to 150 units of free electricity until the end of April.\(^{190}\)

“I didn’t get work for 20 days in Thingyan period. I lived at home. In the period we were economical and lived on only the money we had. Government-sponsored food is not available for those who have their own homes and a motor bike, so we did not get it. I received one donation of 40 cups of rice from the Mother’s House School.” – Plumber, Hlaing Tharyar

The government has partnered with the mobile application Wave Money to distribute Social Security Board payments for quarantine relief, maternity, and medical benefits. The first round of payments were distributed the week of April 6.\(^{191}\) Myanmar Economic Bank

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\(^{186}\) One viss (တစ် ိဿာ) is equal to 3.6 pounds or 1.633 kilograms, and one tical (က ်သာ) is 0.58 ounces or 16 grams. Republic of the Union of Myanmar. 2020. Press Release of the National-Level Central Committee on Prevention, Control and Treatment of Coronavirus Disease 2019 (COVID-19), 6 April. Available at: https://www.statecounsellor.gov.mm/en/node/2869


\(^{189}\) Kyaw Lin Htoon, “‘Doomsday’ for Informal Workers as COVID-19 Rocks the Economy.”


(MEB) has already partnered with Wave Money, a joint venture between Telenor and Yoma Bank, for electronic distribution of civil servant pensions to beneficiaries. Wave Money has 41,000 shops throughout the country where recipients can collect their payments after they receive a notification on the mobile application.\textsuperscript{192} As of January 2020, the Social Security Board’s coverage remains limited, with 1.46 million workers enrolled.\textsuperscript{193}

The government has created a 70 million USD emergency fund through the Myanmar Economic Bank. The fund will provide short-term (one year) loans at 1 percent interest to companies in affected sectors including the garment and tourism sectors and small and medium enterprises. Companies in affected sectors will also have extensions on their tax payments normally due quarterly, until September 2020.\textsuperscript{194} The Myanmar Central Bank cut interest rates by 1.5 percentage points to 8.5 percent.\textsuperscript{195}

The Ministry of Commerce has regulated imports and sales of essential supplies since April. The Ministry of Commerce has classified health supplies for prevention, control and treatment of COVID-19, food products, and medicines as essential supplies and prohibited hoarding and increase of sale and distribution prices in a recent ministerial notification.\textsuperscript{196} Import license fees have been dropped for all medicines and medicinal raw materials by a Ministry of Commerce directive issued 11 April. Two-month import license extensions have been granted to car dealers, who normally need to renew their import licenses every three months.\textsuperscript{197}

The government has also halved investment application fees through the Myanmar Investment Commission (MIC) from 20 April onwards. The MIC will accelerate the approval process for labor intensive and infrastructure investments in order to get people back to work quickly. The MIC will also prioritize investment approvals in healthcare, pharmaceutical, and medical equipment and healthcare service companies.\textsuperscript{198}

Multilateral and INGO responses

Multilateral responses thus far have focused on vulnerable groups. This includes the elderly, pregnant women and mothers of young children, migrants (both internal and overseas), and garment workers who have lost their jobs as Myanmar’s factories shuttered. Garment workers


\textsuperscript{196} “Myanmar: Latest Measures to Address the COVID-19 Developments | Insight | Baker McKenzie.”

\textsuperscript{197} Chan Myat Htwe, “Govt Expands List of Relief Measures for Businesses, Investors.”

\textsuperscript{198} Chan Myat Htwe.
and migrant workers have seen significant support from multilateral donors. There is additional, though limited support to civil society, internally displaced persons, and media and communications regarding the pandemic.

**Figure 10: Multilateral and INGO responses**

<table>
<thead>
<tr>
<th>Organization</th>
<th>Intended Beneficiaries/Use</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Livelihoods and Food Security Fund (LIFT)</td>
<td>◦ Support for internal migrants in peri-urban areas (approximately 310,000 people); ◦ Cross-border migrant worker returnees (110,000 people); ◦ Similar support for the elderly; ◦ One time 30,000MMK payments to one million pregnant women and mothers with children under 2 years old; ◦ Clean water provision for IDPs in Rakhine; ◦ Support for civil society actors including Karuna Mission Social Solidarity (KMSS), Metta, Land Core Group, Network Action Group, and Gender Equality Network (GEN); ◦ Online platform and radio show with BBC Media Action</td>
<td>$1.7 million $1.2 million $4.07 million $4.93 million $268,000 $1.5 million $120,000 Total: $15.8 million</td>
</tr>
<tr>
<td>European Union</td>
<td>◦ Emergency fund available to female garment sector workers impacted by COVID-19 (by job loss or loss of hostel accommodation) starting 1 May 2020; ◦ Cash transfers to 100,000 female workers through Wave Money mobile accounts amounts ranging from 75,000 MMK to 125,000 MMK per month for three months;</td>
<td>€5 million</td>
</tr>
<tr>
<td>UNOPS</td>
<td>The Access to Health Fund</td>
<td></td>
</tr>
<tr>
<td>World Bank</td>
<td></td>
<td>$50 million</td>
</tr>
</tbody>
</table>

**The European Union is by far the largest trade partner for Myanmar textiles.**\(^{199}\) The €5 million European Union emergency fund targets women in the garment sector who have lost their jobs or been evicted from their hostels (many factories provide on-site housing in hostels for their workers). These women will receive 75,000 MMK, while women who were illegally fired without pay from companies that left the country or shut down will receive cash transfers at the 125,000 MMK rate.\(^{200}\) It will also pay salaries of female workers at companies that have no work for their workers but would like to retain their staff, with the EU matching their current monthly salaries.\(^{201}\)

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A key area of need is in healthcare supplies, testing and testing reagents, training, and support. UNOPS is providing 50,000 sets of coveralls through the Access to Health Fund to the Ministry of Health and Sport for distribution to frontline health workers. The multi-donor funded Access to Health Fund will also be providing PPE such as gloves and N95 and surgical masks. The Ministry of Foreign Affairs has asked donors and diplomatic missions for more COVID-19 test kits.

Examples of good practices in pandemic response from international experiences

In addressing COVID-19, much can be learned from how the country has responded to previous outbreaks of disease, as well as how other countries are responding to COVID-19 and how governments responded to pandemics in the past. Myanmar has experienced epidemics and pandemics before. The country regularly deals with outbreaks of dengue fever, tuberculosis (including multi-drug resistant strains), H1N1, malaria, chikungunya, and measles leading to illness and deaths in affected areas. Across the country in 2019, 123 people were reported to have died from dengue fever. Myanmar also experienced the third bubonic plague pandemic in the early 20th century, smallpox, and the 1918 Spanish Flu pandemic.

The 1905-1906 outbreak of bubonic plague in the country was particularly devastating with almost 9,000 recorded deaths. Bubonic plague is still endemic in the country, with cases re-emerging annually and the last known outbreak occurring in 2010. In 1905-1906 Burma also experienced a severe smallpox epidemic located in Rangoon and other parts of Lower Burma, with 6,161 deaths from smallpox in 1905 and 8,540 in 1906. Myanmar was not spared during the 1918 Spanish Flu Pandemic.

The 1918 Spanish Flu pandemic, although it occurred over 100 years ago, is an important touchstone for understanding and responding to the contemporary COVID-19 pandemic. Perhaps most importantly, like today, the Spanish Flu had no effective vaccines nor antivirals to treat it and thus response relied primarily on nonpharmaceutical public health interventions. The 1918 Spanish Flu pandemic response included a wide array of nonpharmaceutical interventions including: bans on public gatherings, school closures, isolation of the sick, quarantine at home for known contacts of flu patients, and staggered business hours.

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203 Kyaw Soe Htet.
204 Kyaw Soe Htet.
209 Markel et al.
With an adjusted net national income per capita of $1,090 reported in 2017, even small decreases in income can send the urban poor into extreme poverty. The Asia Foundation’s 2018 City Life Survey across cities in Myanmar including Yangon, found a general lack of preparedness and inability to handle financial shocks like an illness or sudden job loss. 35% of urban respondents reported that they could not afford an unexpected payment (such as a medical bill) of 200,000MMK. In Yangon, the percentage was slightly higher, with 37% of respondents reporting they would be unable to pay. This is particularly true for the informal sector – those working as porters, vendors, tailors, trishaw or motor bike taxi drivers, masons or other construction workers – who are dependent on daily wages and could be considered as living hand to mouth.

The sectors that are currently greatly impacted by COVID-19 are manufacturing, tourism – including accommodation, food services and travel – and fisheries. In a recent survey by EuroCham Myanmar, European businesses operating in Myanmar reported that they were effected by COVID-19, including through event and order cancellations; project and payment delays; supply chain disruptions; working from home; raw material and equipment shortages; foreign employees leaving; low demand and decrease in sales.

Livelihoods for urban households are dependent on retail, tourism, and industry. While nationally, agriculture employs just under 50 percent of the workforce, followed by services, accounting for 34.3 percent of employment, and industry, with 16 percent of employment, urban households have a different mix of employment and livelihoods.

More than half of urban residents live in households engaged in work in retail or tourism. But with only slightly more than 1 in 3 employed people classified as employees country-wide, reaching these workers through the formal sector or through social security benefits is not possible.

Cross-Border Trade

Much of Myanmar’s trade both in manufacturing and export of raw materials is reliant on China – due to supply chains reliant on Chinese inputs, Chinese managers and owners, or

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210 “World Development Indicators: DataBank.”
212 “City Life Survey 2018 | The Asia Foundation.”
213 Clarke, “The Issues of Migrant Workers in Dagon Myo Thit (Seik Kan) Township, Yangon. – Women For The World.”
216 “World Development Indicators: DataBank.”
217 “World Development Indicators: DataBank.”
Chinese buyers.\textsuperscript{218} The coronavirus had already led to considerable factory lay-offs even before the first cases were confirmed, due to inability to source materials from China.\textsuperscript{219} In a recent survey conducted in Mandalay, Myanmar’s second-largest city and one of the primary trading hubs for exports to China, Chinese tourism, and Chinese-owned construction, manufacturing, and other business, 64 percent of respondents reported work stoppages due to COVID-19.\textsuperscript{220}

China is Myanmar’s largest trade partner with over 40 percent of export partner share. China-Myanmar trade is primarily in vegetables and other food products and natural resources, including: fuels, metals, stone and glass, and rubber. Myanmar exported over $800 million in food and 1.4 billion in vegetables to China in 2018. By comparison, the second largest trade partner for food exports was Singapore, with just $24 million and India with $405 million for vegetables.\textsuperscript{221}

Of Myanmar’s trade with China, more than $6 billion is from the border trade. The border trade declined by $139 million by 27 March according to the Ministry of Commerce. Effective 24 April China has closed all 11 Myanmar border crossings for 60 days to both Myanmar and Chinese citizens. While trucks can still cross the border, Burmese drivers must vacate the trucks at the checkpoint, handing the vehicle to a Chinese driver who will unload the goods and return the truck to the Burmese driver. Since traders cannot cross the border, Chinese brokers will need to be hired to sell Myanmar products at the Ruili-Muse trade center. The new restrictions greatly increase logistics costs. This follows previous restrictions, closures and delays at the border, particularly in Muse, since December 2019. Closures and delays at the China-Myanmar border at Muse, and internal travel restrictions within China mean rotting food in trucks waiting to cross the border and no buyers at Ruili’s border market.

\textsuperscript{218} Eurocham-Myanmar, “The Economic Impact of COVID-19 Outbreak with European Companies in Myanmar.”
Manufacturing

High percentages of urban households have household members engaged in the garment sector. Those living in households with a household member working in the garment industry account for 13 percent of people in Yangon Region, and 9 percent of people in Mandalay Region.\(^\text{222}\)

Factory closures due to COVID-19 are impacting urban and peri-urban areas across the country. Myanmar has 60,000 registered factories across the country and thousands more unregistered cottage or home workshops.\(^\text{223}\) Factory closures began in February and March 2020 and continue due to supply chain disruption, restrictions on operation, and lack of orders. The Confederation of Trade Unions of Myanmar reported 10,000 workers laid-off across the country by 19 March.\(^\text{224}\) By the end of the March, the EU reported that 25,000 workers across 40

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\(^\text{222}\) “World Development Indicators: DataBank.”


factories were laid-off. As of 9 April, the Myanmar Garment Manufacturers Association reported 58,000 jobless workers due to factory shut downs. The EU estimates that half the country’s 700,000 garment workers are at risk of losing their livelihoods by being either laid-off or suspended without pay.

The government ordered factory closures in April 2020 for workplace inspections and implementation of COVID-19 prevention measures. The closures were announced on 19 April, the final day of Thingyan holidays, and factory owners were instructed to prepare their sites for disease prevention and then contact the Factories and General Labor Laws Inspection Department to schedule the inspection. Factories can re-open once they have passed inspection, with many factories that have already passed inspection set to reopen in the first two weeks of May. Yangon has at least 6,300 factories, across 29 industrial zones and Thilawa Special Economic Zone, but there are only 17 inspection teams. While the closures and inspections were initially planned for 20-30 April, as of 1 May, 2,600 factories had been inspected, with 850 allowed to reopen while the others will need to make modifications. In Mandalay, as of 7 May, 1,000 of the region’s 8,131 factories and workshops were inspected and 600 were allowed to reopen. As a significant percentage of factories have been unproductive, the Myanmar Industries Association warned that they may collapse if they are not able to meet the 15 May reopening. The government has provided 40% pay to workers whose factories were closed for inspection from April 20. But this is a social security benefit, and thus only covers those enrolled in the social security system.

Tourism

Revenue from tourism is expected to be severely reduced, as foreign tourist arrivals were predicted to fall by more than half prior to the airport and border closures. Prior to the discovery of Myanmar’s first positive COVID-19 case, the Ministry of Tourism already warned that the coronavirus pandemic would have a deleterious effect on tourist arrivals. With Chinese tourists accounting for 25 percent of total arrivals to Myanmar, and Europe, Japan and Korea

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227 Nyein and Lwin.
230 “Over 600 Large Factories in Mandalay Set to Reopen.”
231 Khine Lin Kyaw, “Myanmar Factories Face ‘Irreversible’ Harm If Shutdown Extended.”
also hit by the virus, the Ministry predicted that tourist arrivals would fall from 4.3 million to 2 million. This is compounded by Myanmar’s high season for tourism (November-April) corresponding to the outbreak of coronavirus in China and its spread across the globe. Even if the pandemic ends in the next few months, the sector is unlikely to recover quickly as Monsoon season (June to October) is Myanmar’s off season, with many resorts closed and travel routes suspended during this time of year. The Myanmar Tourism Entrepreneurs Association has predicted recovery of the sector to take two years at best.

Figure 12: Tourism and hospitality figures

Myanmar implemented strict travel restrictions on international flights, domestic flights, trains, and inter-city long-haul buses. International commercial flight arrivals were suspended on 29 March and the government also suspended the issuance of visas-on-arrival and e-visas. Domestic carriers have also cut back or suspended their flights over the Thingyan holidays. Train routes were also suspended, beginning on 31 March with regional routes between Mandalay and Pyinmana, Bagan, Monywa and Kawlin. Train service disruption increased during

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Thingyan holidays with the Mandalay-Myitkyina and Mandalay-Yangon routes suspended from 10-19 April.\(^{236}\)

**Domestic tourism is an important part of the tourism sector.** Many families travel during Thingyan holidays in what is otherwise a low season for international tourism, and there are pilgrimages to important pagodas and festivals year-round. Mandalay hotels closed all of April and May and tour buses were not allowed to enter the city. All beach resorts in the country are closed.\(^{237}\) There is a temporary closure of pagodas in place, meaning full-moon pagoda festivals for Kasone in May were canceled and celebrated at home.\(^{238}\) While much of Myanmar’s domestic tourism industry is on hiatus during monsoon season, tour companies suggested that domestic tourism may continue in October 2020, if the pandemic is under control, but would move from group travel to family travel.\(^{239}\)

**Migration and Remittances**

An estimated 4.25 million Myanmar workers are engaged in migrant labour abroad.\(^{240}\) An estimated 3.75 percent of households across Myanmar receive remittances. The states with the highest percentage of households receiving remittances are Kayin (9.6 percent of households) and Mon (6.15 percent of households).\(^{241}\) However, these numbers are now out of date and the true extent of households supported by remittances may be much higher.

A recent World Bank study found that international Myanmar migrant workers use remittances to support family and communities. Workers send remittances to economically support the Myanmar-based households of their parents, spouses, and children. They also send money for community development needs such as new ordination halls, road repair, electricity access, and funding religious ceremonies. These donations are highly visible and usually personally donated by migrants rather than sent through formal or informal remittance channels.\(^{242}\)

**Official migrant worker remittances to Myanmar accounted for US$3.1 billion in 2014.** The IOM estimated that US$2.2 billion was remitted from Thailand to Myanmar in 2012-13, with 78

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239 “Tourism Operators Expect Recovery in Two Years at Best.”


percent of all remittances going to Southeastern Myanmar (Mon, Shan, Kayin, and Tanintharyi). Yet, the IOM estimated that 83% of remittances from Thailand to Myanmar sent in 2012-13 went through informal channels. In terms of GDP, the World Bank reported that remittances accounted for 4 percent of Myanmar’s total GDP in 2018.

Figure 13: Myanmar personal remittances received, as percentage of GDP

The World Bank projects a 20 percent decline in remittances to LMICs, the sharpest drop in remittances in recent history. Due to factory and workplace shutdowns in migrant-receiving countries, particularly Thailand, in total close to 80,000 migrants have returned to Myanmar as of 18 May. With factory closures in Thailand and China, returning migrants are not only a logistical, transport, and health issue, but a major economic issue as their natal families in Myanmar often depend on their foreign-earned incomes. Returned migrants may not be able to go back to their host countries and new would-be migrants cannot depart legally. 65,600 migrants have already expressed desires to re-migrate to Thailand as soon as possible.

244 Pattison et al., 15.
245 “World Development Indicators: DataBank.”
The Ministry of Labor, Immigration and Population temporarily suspended the issuance of employment contracts by overseas employment agencies on 18 March and closed all its labor attaché offices abroad.\textsuperscript{249} Previously 700-1,000 Myanmar migrant workers departed for Thailand daily, 500-1,000 to Malaysia monthly, and 100 to Japan each month through official routes with the Myanmar Overseas Employment Agencies Federation.\textsuperscript{250}

**Until recently, only a small percentage of Myanmar migrant workers sent remittances through formal banking channels.** This has made the true value and impact of remittance flows historically difficult to count. While access to official channels for remittances has grown through Western Union and MoneyGram, Myanmar’s migrant workers continue to send remittances to their natal families in Myanmar through informal systems.\textsuperscript{251} The hundi system provides delivery directly to the beneficiary in the country, and is widely accepted amongst a population where only 26 percent of those over 15 years old were banked in 2017.\textsuperscript{252} The use of mobile money platforms like Wave Money to send remittances has grown to eclipse some informal methods like the hundi system in the past few years.\textsuperscript{253} However, informal remittances are still used by internal and international migrants, through means such as relying on friends or relatives to act as couriers, carrying cash to their natal households, or migrants bring cash back themselves.\textsuperscript{254}

**In Myanmar, most migration is internal, and Yangon is the primary destination.**\textsuperscript{255} Urban migrants primarily work in the informal sector in construction and food and beverage sectors, which are greatly impacted by COVID-19.\textsuperscript{256} A 2017 survey of Yangon garment workers found that 61\% remit money to their families in other parts of the country, with almost half sending money monthly.\textsuperscript{257}

\textsuperscript{250} Hlaing.
\textsuperscript{253} Pattison et al., “A Country on the Move: Migration Networks and Risk Management in Two Regions of Myanmar.”
\textsuperscript{255} World Bank.
\textsuperscript{256} Andaman Research and Advisory and EMReF, “The Young Women from Rural Villages Powering an Urban Industry: A Baseline Survey of Yangon’s Garment Sector Workforce.”
Myanmar people migrate for many reasons, but migration is a noted coping mechanism for food insecure and landless households. A 2015 study found that 42 percent of food-insecure households in Ayeyawaddy Region chose to have a family member migrate to mitigate the insecurity – mostly to Bogale town or other towns within the region.258 A World Bank study also found that migration may occur due to crop damage or weather shocks and remittances from migrants are primarily used to supplement food expenses.259 Mostly this migration is internal, but with inter-city bus routes suspended in Ayeyawaddy,260 a traditional coping mechanism for economic stress on rural and urban households – migration to urban centers, to other rural areas, or to a natal village, is suspended.

Food and Beverage

The food and beverage sector is particularly impacted by the COVID-19 response. The sector was first affected by a downturn in sales due to social distancing and travel restrictions, and later by government regulations issued on 30 March ordering restaurants and teashops to only sell carry-out food.261 The carry-out order has severely impacted the sector, with restaurant owners reporting that their sales are down and the carry-out system is not working for them.262 In an interview conducted by the research team, one owner of a chain of Yangon-based tea shops reported that sales have dropped 80 percent since the parcel system was implemented. While this particular chain has not laid off any staff members, they reported many migrants from other parts of Myanmar employed in the teashop sector did not return to Yangon after the Thingyan holidays.263 Other teashops have reported having to lay-off staff and send them back to their home villages, and keep their staff to essential workers only as teashops across the city reported a 65-80 percent decline in sales.264 The closure of teashops sends ripples through the rural economy as well, causing a crash in tea prices affecting Shan State’s tea plantations.265

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261 Kyaw Lin Htoo, “‘Doomsday’ for Informal Workers as COVID-19 Rocks the Economy.”
263 Teashop Owner, interview.
264 Teashop Owner; “Yangon Tea Shops in Hot Water.”
Primary clients for microfinance lenders to SMEs and individuals are often small food shops, vendors, or restaurants. In some firms, clients with small food shops are more than 90 percent of the clients. With a decline in sales, they cannot repay their loans. With multiple MFIs often serving the same urban clients, the inability to collect repayments in the MFI sector may have knock-on effects in other sectors.

Fisheries and Marine Products

Myanmar’s fishing industry has been particularly hard hit by the lack of demand due to COVID-19. By February this fiscal year (Myanmar’s fiscal year begins in October), Myanmar exported $412 million in marine products. Exports to the EU have stopped, as have most exports to China. This in particular affects workers in Myanmar’s smaller coastal and deltaic cities like Sittwe, Myeik, Pathein and Dawei. In Ayeyarwaddy Region more than 200 crab businesses have closed down due to decrease in demand in China, putting 20,000 workers out of work. Recent survey data on employment in Pathein, a city located in Ayeyarwaddy and heavily reliant on the fishing industry, 58 percent of survey respondents reported being out of work.

Construction

The construction is a major employer and contributor to Myanmar’s GDP. The sector accounts for 7 percent of Myanmar’s GDP, and was expected to grow in fiscal 2019/2020 based on FDI commitments in the sector and building permits issued. It also accounts for 16 percent

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266 Mid-Size Microfinance Institution, interview by EMReF (April 24, 2020).
267 Hein Thar, “Limited Relief for Microfinance Borrowers as the Clock Ticks on Debt Payments.”
of total lending in the country. Some sites currently employ as many as 1,000 workers, making the sector an important source of employment, accounting for 5 percent of the workforce.

Construction sites that remain open have implemented COVID-19 prevention measures. These include monitoring body temperature, have installed hand washing stations, and disinfect materials and the site. Some have attempted to implement social distancing guidelines at their sites by constructing more on-site sleeping huts, bringing in a three-month supply of food, and creating work clusters to keep people from mixing with too many others.

Many construction projects have not fully recommenced work since Thingyan holidays in April. Due to COVID-19 prevention measures, construction sites – a major employer of informal sector workers – have been limited to no more than 50 workers at a time until further notice. Day laborers, many of whom are migrants who returned to their home villages during Thingyan, have experienced delays in returning to work due to limitations and restrictions on travel. Following the Thingyan holidays, construction sites were instructed not to replace, hire, or change employees at their sites, which means they cannot send in specialist teams like mechanics for the breakdown of trucks or heavy equipment, which may further slowdown construction. As one construction engineer in Yangon explained: “As some of our teams can be stuck at sites with little chance to access outside world, we brought in all daily needs; rice and food which they can survive for three months - also spare parts and fuel for trucks and heavy equipment.”

Myanmar also relies on the import of construction materials from China, which may further slowdown the sector due to constraints on border trade. As 30 percent of outstanding credit is currently in construction and real estate, shocks to this sector can impact banking sector risks. The Myanmar Construction Entrepreneurs Association predicted that it would take the sector two years to recover from the effects of COVID-19.

Urban infrastructure and basic services

Transportation infrastructure is closely linked to the construction sector, accounting for 30 percent of total construction activity. Major ongoing projects include Dawei’s deep-water port and special economic zone, the Hantharwaddy International Airport, upgrading the Yangon-Bago railway, and the India-Myanmar-Thailand highway. These urban transport infrastructure

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272 Beck et al.
274 Construction Engineer, interview by EMReF (April 23, 2020).
275 Kyaw Lin Htoon, “‘Doomsday’ for Informal Workers as COVID-19 Rocks the Economy.”
277 Construction Engineer, interview.
280 Yee Ywal Myint, “Myanmar Manufacturing, Construction Sectors Take Beating.”
projects servicing Yangon, Bago, Dawei and cities and towns along the highway are likely to be postponed significantly due to COVID-19.\(^\text{282}\)

**Trucking has decreased and curfews have led to delays in the transport of goods.** Curfews from 10pm–4am introduced around the country in April have led to delays and to more truck traffic in urban areas. Yangon Region usually restricts truck traffic to between 8pm and 6am to reduce congestion in the city as trucks enter and exit the ports. Due to the curfew the trucks are now entering the city from 7am to 8pm, as fewer cars on the road also mean less concern about traffic jams.\(^\text{283}\)

*Figure 15: Mobility trends for transit hubs*

![Graph showing mobility trends for transit hubs.]

*Source: Google.*

“We live on the other side of the river and we need ships or boats to reach the downtown area for going to work or buying the things we need. However, the time and number of ships or boats is reducing due to COVID. Therefore, we face some limitations like needing to wait a long time for riding the boats or we cannot go as usual due to the reduction of boat traffic.”

- 23-year old female, Dala Township

**Housing and Construction**

With construction sites limited to only 50 workers per site, the government’s ambitious low-cost housing plans which call for foreign investment partners may face significant difficulties.\(^\text{284}\)

Residential construction accounts for 50 percent of activity in the sector.\(^\text{285}\)

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However, the informal construction sector has seen less of a downturn due to COVID-19. As COVID-19 began during the end of the dry season, families in self-built and informal housing across the country are rapidly preparing their homes to withstand the rainy season. Construction workers reliant on day labor have been able to work on home repairs in their own wards to prepare the community for the monsoon season.286

“Before the COVID-19 period, I had some savings for a home, but all of those are spent on this time, and I have no savings now.” – 23-year-old female, Dala Township

Household savings for home upgrading, land purchase, or home construction were depleted by COVID-19. Community-led housing developments, like the housing committees supported by community savings groups have had to stop their activities including not only savings group meetings but also construction of new housing and shared basic infrastructure.287 Some community savings groups backed by microfinance partners have negotiated with their microfinance partners for a payment moratorium due to COVID-19, with some granting a moratorium of up to four months.288 While keeping people in existing housing is possible through negotiations with microfinance lenders, the provision of new housing developments is delayed due to COVID-19 with delays likely lasting for at least 6 months due to the onset of monsoon rains in May which will make construction impossible.289

The risk of eviction remains high as there is currently no moratorium on evictions, nor are there rent freezes or mortgage holidays in place. There are reports across the country of hostels and rented accommodation refusing to allow new renters or even refusing to re-admit current renters returning from their villages following the Thingyan holidays. Individual landlords and lenders have relaxed their collection or extended deferrals of payment to tenants and borrowers.290 Some hostel owners have responded to the pandemic by providing housing free of cost. More than 60 hostels in Hlaing Tharyar have reportedly provided 300 rooms to almost 1,200 factory workers free or at reduced cost.291

Water, Sanitation and Hygiene

The coronavirus pandemic has highlighted the difficulties urban communities face with access to improved water and sanitation facilities. While 93 percent of the urban population have access to basic drinking water, 76 percent have access to basic sanitation, and 92 percent have access to basic handwashing facilities, there are great variations in quality and accessibility.292 Some urban areas with chronic water shortages rely on water truck donations from charities or individual private donors. This causes large crowds to form on days that the

286 Dala resident, 23-year-old female, interview.
287 Research team interview, 16 April 2020; Dala homeowner, female government staff, interview.
288 Research team interview, 16 April 2020.
289 Research team interview, 16 April 2020.
290 Informal Money Lender (Thaketa) and hostel owner (Dagon Seikkan), interview.
292 “World Development Indicators: DataBank.”
donation truck comes to the area. Due to fears about the virus and restrictions on travel, communities dependent on water donations or otherwise using water trucks to supply water are experiencing water shortages.293

Multilateral and NGO Responses

While there has been significant response to the COVID-19 pandemic by donors and businesses, much of this is channeled through the central government. On the ground, the township level COVID-19 committees are charged with identifying the needy and at-risk and implementing local level responses including quarantines, closures, and lockdowns. At this level, township level committees are supported by local charities, individual philanthropists, and religious organizations but affected townships with pre-existing relationships with INGOs or other donors could benefit from assistance channeled through local level institutions.294

The UN System has primarily focused their COVID response on shelter and food assistance needs in IDP camps. The United Nations’ Inter-Cluster Coordination Group (ICCG) and the United Nations Humanitarian Country Team are focusing their efforts on strengthening COVID-19 preparedness and response for those living in displacement camps, conflict-affected communities and assisting returning migrants.295 Very little of the response is focused on urban areas, with the exception of activities in Sittwe and Myitkyina, support for IDPs from Rakhine State residing in Yangon, and World Food Program support to those quarantined in Yangon.296

Systemic Vulnerabilities

Informal Sector Workers and Urban Poor

Livelihoods are already significantly impacted by the pandemic in Myanmar. As in other parts of the world there has been a greater impact on low-wage, informal and migrant work which women and marginalized groups are more likely to be engaged in.297 While Myanmar’s limited Social Security Board and international donors are providing assistance to those in the formal workforce who have lost employment, those working in the informal sector – including the urban poor - have very few sources of support available to them.298 From taxi drivers, construction workers, and maintenance crews to trishaw drivers, hawkers, dock laborers and domestic workers, those in the informal sector rely on daily wages and ability to travel from their home for work. Most will likely seek informal loans at high interest rates, further increasing their debts.299

293 Research team interview, (Thaton)
297 CARE, “Gender Implications of COVID-19 Outbreaks in Development and Humanitarian Settings - World.”
298 Kyaw Lin Htoon, “‘Doomsday’ for Informal Workers as COVID-19 Rocks the Economy.”
299 Kyaw Lin Htoon.
79 percent of those in non-agricultural employment nationwide are estimated to work in the informal sector.\textsuperscript{300} According to interviews with CSOs and informal workers, most informal workers are having trouble with fulfilling basic needs, health, and repaying their debt – often from multiple lenders. For daily workers that work in the domestic sphere such as cleaners, handymen, plumbers, or laundry women, they are finding little to no work as social distancing means neighbors and clients are unwilling to have outsiders in their homes.

**Informal sector labor often supplements income from one family member with a government or formal sector job.** This means that a downturn in informal or home industry work like tailoring, day labor, food vendors, catering, etc. can affect not only the urban poor, but families who are currently working class or middle class and may now have to rely on one income.\textsuperscript{301} With delays in new household formation due to a shortage of housing stock in peri-urban and urban poor areas, one salaried worker may be supporting multiple adults and children.\textsuperscript{302}

**Food aid is currently insufficient to reach all of those in need.** While the government implemented a food distribution program during the Thingyan holidays, it was criticized for the very specific and complicated criteria used to determine beneficiaries.\textsuperscript{303} The research team interviewed several beneficiaries of the government food distribution programs in Yangon and Mawlaymyine. They revealed that lists were made based on household registration at their local ward, so those who were part of other household lists (i.e. married couples who are still on their parents’ household lists in other townships, people who have moved and not changed their household list to the new township – which is the case for most renters, etc.) were not included in the distribution in their wards. As most urban poor living in or near Yangon’s industrial zones are migrants, it may be that they were left out. In other wards however, there was a perception that only ‘squatters’ received assistance. However, it seems that in all the wards studied, those left out of official distribution of basic foodstuffs were able to access limited donations from charities or private donors with assistance from the ward administrator.\textsuperscript{304}

**Certain co-morbidities, such as tuberculosis, are endemic in Myanmar’s urban informal settlements.** London School of Hygiene and Tropical Medicine includes tuberculosis, hepatitis B and C, and HIV on the list of co-morbidities that may impact COVID-19 outcomes, along with the standard designations of hypertension, diabetes, cardiovascular diseases, chronic respiratory diseases such as asthma or COPD, cancer, and chronic kidney disease.\textsuperscript{305} In 2016 cardiovascular diseases accounted for an estimated 25 percent of mortality in Myanmar, followed by other COVID-19 risk factors such as chronic respiratory diseases at 8 percent and diabetes at 4 percent.\textsuperscript{306}

\textsuperscript{300} “World Development Indicators: DataBank.”
\textsuperscript{301} Government Teacher, interview by EMReF (April 24, 2020).
\textsuperscript{304} Laundry Worker, interview; Government Teacher, interview.
\textsuperscript{305} Favas, C. 2020. Guidance for the prevention of COVID-19 infections among high-risk individuals in camps and camp-like settings. London School of Hygiene and Tropical Medicine, 31 March.
Credit, Indebtedness, and Coping Mechanisms

The Ministry of Planning and Finance has called on non-bank financial institutions to provide repayment relief by allowing repayments to be delayed. In Magway, Sagaing and Mandalay Regions microfinance operators have allowed for deferrals of loan payments since the end of March. About ten organizations operating in Yangon, including Pact, Brac, Dawn, and Vision Fund have done the same. Many microfinance firms have instituted a moratorium on activities for the month of April, including no deposits, withdrawals, or meetings, and are not sending their staff to the field to meet with clients until June or July.

Following voluntary deferment by some lenders, the regulator for the sector, the Financial Regulatory Department suspended both lending and collections from April 5 to May 15. But the timing of the order meant that March payments had already been repaid by most borrowers, and the order essentially allowed for a 2-week extension to April payments. The order only covered microfinance institutions, and did not apply to the 29 registered non-bank financial institutions which provide credit for specific uses (cars, motorbikes, etc.). These entities can charge up to 36 percent interest and are licensed by the Central Bank. Without microfinance lending during April and May, many residents may have turned to high interest informal lenders to make ends meet. In May, Myanmar put MFIs on the list of essential businesses which should allow operations to resume, but inability to collect repayments will hinder the ability to extend credit.

“I have no income now because homeowners do not let strangers to wash their clothes at their house at this time. Furthermore, it is difficult for us to survive such as health, and fulfilling three fundamental needs (housing, food, clothing) and to repay borrowed money from loan organizations. I am a breast cancer patient, so I have to take drugs and inject for cancer medicine every month. I borrowed some money from two loan companies to pay for the medicine and resolved that problem on my own. Now, lending companies postpone the date for our repayment, so I am relieved about that. However, if I have to pay back the loan company, I have to borrow from a moneylender with interest and pay it back. The definition of a loan company is that you do not have to repay your money when you died of a disease so that is something I think about sometimes, that I just want to die.”

– 47 year-old domestic worker, Mawlaymyine, Mon State

Myanmar’s urban residents use a wide variety of coping mechanisms to deal with economic shocks. The most common include borrowing money, reducing expenses, delaying repayment of loans, taking extra work, and selling or pawning assets (land, vehicles, gold, jewelry, etc). In cases of extreme indebtedness, urban residents may move or run away to get out of their debt.
debts. It is common to invest in gold jewelry as a form of savings, and when cash flows are low, the gold can be pawned or sold. Some households rely on this coping mechanism to stay out of debt. A recent UN-Habitat survey found that 69 percent of respondents in informal settlements in Yangon took out a loan to handle economic shocks from the pandemic. More than 88 percent of those who took out loans used the money to buy food.

A variety of coping mechanisms to deal with economic and social shocks of the virus have been implemented by urban households. For informal and market vendors, a variety of changes have been instigated by vendors themselves, such as sellers of non-food products starting to sell food products; vendors that normally only sell in the morning (i.e. mohinga), are expanding their offerings and selling longer in the day; and vendors who have had their market stalls closed or hours reduced are selling in front of their homes or on mobile market carts or trucks. Some households have borrowed from informal lenders to make ends meet and pay for housing or medical expenses. Residents who are able are trying to buy food products that last for longer periods so they do not have to frequent the market too often, but many people do not have a refrigerator or reliable electricity to keep food fresh and must continue to buy fresh food daily. Ward administrators in some wards and charities are providing low-cost food and masks to urban residents.

“I run a small home shop in front of our house. We used to sell betel and tobacco but because of COVID our sale rate became low. So, to meet our daily needs, I sell rice and curry in the afternoon and evening in front of our house. I am the only one in my family who gets income. My husband and my sister also help in our shop. We had to close our shop for about a month because some factories were closed due to COVID-19. During this month, I did not get any income. I sold some of my gold accessories and cope for that month. Now I can reopen the shop. Some factories also reopened.”

– 45-year old woman, betel and rice and curry vendor

Migrant workers who were able have returned to their home villages from Yangon. Many returned to their natal villages as is traditionally done during the Thingyan holidays and did not return to the city. This seems to be particularly true of those in food and beverage, tourism, and construction as businesses in those sectors have closed or greatly reduced staff. However, in low-income urban and peri-urban areas there is no way for returnees to self-isolate as their homes have no private rooms. In migrant-sending villages, returned migrants or households with returned migrant workers may be socially ostracized due to concerns that migrants brought the disease with them from other areas. There are reports that this is already happening in Myanmar.

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315 Micro-Credit Ratings International Limited.
316 Hlaing Tharyar betel and rice and curry vendor, 45-year old female, interview.
318 CSO General Secretary, interview by EMReF (May 6, 2020).
319 Tin Htet Paing, “No Space to Quarantine Returnees from Thailand as Myanmar Confirms Fifth Coronavirus Case.”
Hlaing Tharyar and Dala

Job losses have depleted incomes in Dala and Hlaing Tharyar. The geographic focus on Hlaing Tharyar in this report allows for a detailed view of the unfolding of the COVID-19 crisis and responses to the crisis in a low-income urban and peri-urban area. In a recent survey, 51 percent of respondents in Hlaing Tharyar’s industrial zone reported job losses by April.321 In an even more recent UN-Habitat survey, 86 percent of respondents from Dala and 80 percent of respondents from Hlaing Tharyar reported job losses.322 The percentage of respondent households in Dala and Hlaing Tharyar making over MMK 250,000 per month went from 30 and 60 percent respectively to 1 percent.323 Such a dramatic decrease in income and job opportunities is likely to push households into further indebtedness.324

Gendered impacts of COVID-19

As with other crises, the gendered impacts are uneven and intersectional and need further attention. Expected gendered impacts of the pandemic include the loss of employment, increase of intimate partner violence (IPV), gender-based violence (GBV) and simultaneous decrease in available services, reduced access to reproductive health care, and increased care burdens for women and girls, particularly due to shelter-in-place or self-isolation orders.325

Women are highly represented in sectors significantly impacted by COVID-19 shutdowns and slowdowns. Women represent 60 percent of food and accommodation services employees, two sectors significantly impacted by first the downturn in tourism and second by mobility and gathering restrictions.326 In the informal sector, women are estimated to represent between 70 and 90 percent of Myanmar’s street food vendors.327 Women also constitute the majority of garment sector workers, many of whom have already seen their factories shuttered due to the pandemic. An estimated 789,000 Myanmar women are engaged in domestic or care work overseas, and women migrants account for 35 percent of migrant workers recently returned from abroad.328

Loss in employment and loss in incomes may threaten families’ food security. This may have a greater impact on women’s nutrition for women who feed their families before themselves.329 Where women are responsibly for cooking and securing food, food insecurity may make women at higher risk of IPV/GBV.330

Concerns about the virus may be limiting women’s access to services and support for GBV survivors. Women may be less likely to seek out GBV and health services due to fear of

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322 “UN-HABITAT | UN-Habitat Rapid Assessment of Informal Settlements in Yangon,” 10.
323 “UN-HABITAT | UN-Habitat Rapid Assessment of Informal Settlements in Yangon,” 12.
324 “UN-HABITAT | UN-Habitat Rapid Assessment of Informal Settlements in Yangon,” 15–16.
325 CARE, “Gender Implications of COVID-19 Outbreaks in Development and Humanitarian Settings - World.”
327 Ei Ei Toe Lwin.
328 Ei Ei Toe Lwin.
329 CARE, “Gender Implications of COVID-19 Outbreaks in Development and Humanitarian Settings - World.”
infection, severely limiting agency in reproductive and healthcare choices. Services may also be scaled back due to the pandemic and may not be available for the women who need them. To combat this, UN agencies have trained 80 social workers from the Ministry of Social Welfare, Relief and Resettlement on the gender dimensions of COVID-19 and psycho-social counselling. The Ministry was also supplied with cell phones and a crisis hotline was opened to support those looking for GBV-related services.

The pandemic may also impact on other aspects of women’s healthcare. Myanmar already has the second highest rates of maternal mortality in the region, and the COVID-19 outbreak may divert resources and skilled personnel from sexual and reproductive health to fight the pandemic. There are already reports in Yangon of closures of private clinics, and overcrowding at public hospitals due to the stress the comparatively small number of positive cases of COVID-19 has already had on the health system. Residents have complained of inability to make routine appointments for newborn and post-birth health check-ups.

Due to women’s frontline interactions as caregivers and healthcare providers, they face a higher risk of exposure to COVID-19. In Myanmar 75 percent of healthcare workers and first responders are women. Many of the first patients who tested positive for coronavirus, were female healthcare workers, wives, mothers and other family members of infected patients. Women also face higher risk of discrimination related to fears that those working in healthcare may carry the virus. Many doctors and nurses in Myanmar are posted in areas away from their families and live in shared accommodation, usually in hostels. Fear of the virus spreading through healthcare workers have led to landlords evicting healthcare workers from their accommodation. Private hotels and monasteries hearing of evictions of healthcare workers have stepped in to offer free or low-cost accommodation during the pandemic.

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335 Resident, Mingalar Taung Nyunt Township, interview by Research Team, April 13, 2020.
338 MINISTRY OF HEALTH AND SPORTS [www. mohs. gov. mm], “COVID-19 ဓာတ်ခ ွဲအတည်ပ ြုလူနာမ ာျားန  ်ထိတတ ွေ့ဆက်စ ်မှုရ ိခွဲ သူမ ာျားသ ိရ ိနိိုင်တစရန် အခ က်အလက်မ ာျား (COVID-19 Case Contact Tracing and Reporting).”
341 Zarni Mann and Wei Yan Aung.
Internally displaced persons

Myanmar has internally displaced populations in at least four states due to protracted conflicts. While numbers are constantly influx, UNOCHA reported that at the end of 2019, 130,886 people were internally displaced in Rakhine State across 24 IDP sites due to the anti-Muslim violence since 2012. This number does not include the estimated tens of thousands who have fled fighting between the Myanmar military (Tatmadaw) and the Arakan Army in Rakhine and Southern Chin states. UNOCHA reported 9,000 Shan and 97,800 Kachin living in 171 camps across northern Shan State and Kachin State in 2019. A reported 3 percent of the Karen State’s total population is displaced and living in camps for internally displaced persons. However, the Ministry of Social Welfare, Relief and Resettlement reports 128 camps in 24 townships across Kachin, Kayin, Shan and Rakhine states, hosting 184,333 IDPs. While most of these camps are not in cities, with the notable exception of Sittwe, many of them are dependent on cities for livelihoods and supply chains.

As of 18 May there are no reported COVID-19 cases in camps for internally displaced persons in Myanmar. Those without adequate shelter where they can safely self-isolate, such as refugees, IDPs, and the urban poor cannot follow government guidelines to quarantine, self-isolate, or partake in frequent handwashing. Those who must purchase water for daily use from local vendors may find frequent handwashing difficult and costly on already much reduced incomes. IDP camps in Rakhine and Shan states have already reported water shortages.

Elderly Populations and Populations with Pre-existing Conditions

Myanmar has a young population. The percentage of people over 65 years of age in Myanmar is just 5.8%. Yet, there is a higher risk of exposure to the elderly, as older generations predominately live in extended-family units making self-isolation difficult to impossible. The London School of Hygiene and Tropical Medicine has suggested a high-risk definition of aged 60 and above for low-income or crisis-affected populations.

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343 “Myanmar: IDP Sites* in Rakhine State (As of 31 December 2019) - Myanmar.”
349 Swe Lei Mon, “IDP Camps Face Food, Water Shortages amid COVID-19 Fears.”
352 Dahab, M. et al. 2020. COVID-19 control in low-income settings and displaced populations: what can realistically be done? London School of Hygiene and Tropical Medicine, 20 March. Available at:
Closure of private clinics due to the pandemic may disproportionately impact Myanmar’s elderly and the chronically ill. With most private clinics closed or reduced hours, elderly patients and those with chronic conditions have less access to maintenance healthcare in their neighborhoods. With clinics closed they may be afraid to go to the hospital for fear of contracting the virus and may suffer adverse health effects. Closures of wholesale medicine shops have reportedly led to shortages in certain medicines, particularly those for the treatment of chronic disease like diabetes.353

Ethnic and religious minorities

Myanmar is an ethnically and religiously diverse country, home to every major world religion and over 100 ethnic groups. In contexts where there is resource scarcity, fear of foreigners and contact with outsiders, and social policing of others’ actions, it is possible that Myanmar’s ethnic and religious minorities may be targeted or otherwise scapegoated for spreading the coronavirus. This is particularly the case as thus far, Myanmar’s cases are clusters – relatives, caregivers of the sick, and people who have attended the same place of worship.354

Myanmar’s largest cluster of positive COVID-19 cases was linked to Christian religious gatherings and caused concerns over the possible proliferation of hate speech against religious minorities. The government responded quickly, issuing a statement calling on all government officials across the country to take “all possible measures to denounce and prevent all forms of hate speech.”355 Myanmar police have filed cases against two Christian pastors and parishioners linked to the cluster for holding religious gatherings in Yangon in breach of the ban on religious gatherings for prevention of COVID-19. The pastor, congregants, and their families and contacts tested positive for the coronavirus after the gatherings, including one of Myanmar’s most famous rock stars, Myo Gyi.356

An unaddressed issue is how to handle the dead. Religions have different traditions and rules for death rites, and there may be issues that arise over how to take care of the dead, particularly for Muslims who do not cremate. Myanmar’s cemeteries are already divided by religion and sometimes ethnicity as well, and the issue of what to do with minorities killed by the virus may cause localized unrest. Furthermore, those without household registrations, including minorities without citizenship documentation and the urban poor, cannot easily access necessary

353 Dala resident, 23 year-old female, interview.
recommendation letters from ward and township officials that may be necessary for services like
the Free Funeral Service that many low-income families rely on.\textsuperscript{357}

**Disinformation/Misinformation**

*Curbing the spread of misinformation and disinformation is important in decreasing the risk of hate speech, discrimination and ostracization of particular groups.* While the Ministry of Health and Sports has created a user-friendly dashboard and case platform and is updating the website several times a day with new regulations and announcements, Myanmar has a long history of reliance on friends, social media, and public figures for information.\textsuperscript{358} This creates a large risk for the proliferation of disinformation and misinformation related to the virus.

*In past epidemics, scapegoats are often used – blamed for bringing or spreading the disease.*\textsuperscript{359} Myanmar’s history also includes these moments. The British colonial government and the public blamed migrant Indian laborers for smallpox, viewing them as vectors of disease and contagion.\textsuperscript{360} The response was compulsory medical screening and vaccination for immigrants arriving at Rangoon port.

**Resilience**

*Agriculture, Myanmar’s largest sector, may be the key to economic resilience in Myanmar.*
The same survey found that in urban areas reliant on agriculture as a primary sector, such as Kalay in northern Sagaing Region, more than 68 percent of respondents reported that their employment continued, compared to the average of 46 percent across cities surveyed.\textsuperscript{361} To ensure resiliency Myanmar’s farmers will need increased access to credit for agricultural inputs (seeds, fertilizer, and labor) during the current planting season through MADB and MFIs. A failed planting season and harvest would lead to disastrous food insecurity across the country.

*Owners of small and medium enterprises may fare better than employees during the crisis.*
A recent survey online survey conducted April 2-5 by ONOW Myanmar – a women’s empowerment business incubator with 200,000 online platform users – shows signs that Myanmar’s small and medium enterprise (SME) owners may fare better in the COVID-19 economic downturn than their non-business-owner counterparts. While the SME sector has been affected by the crisis, the survey found that a much higher percentage (72 percent) of non-owners were looking for work compared to 58% of SME owners.\textsuperscript{362} Ensuring that SME owners have access to credit during the crisis is key for their resiliency and eventual recovery.

\textsuperscript{357} Clarke, “The Issues of Migrant Workers in Dagon Myo Thit (Seik Kan) Township, Yangon. – Women For The World.”
\textsuperscript{360} Osada, “An Embryonic Border: Racial Discourses and Compulsory Vaccination for Indian Immigrants at Ports in Colonial Burma, 1870-1937.”
\textsuperscript{361} Wallace, “Early Employment Impacts of COVID-19 in Myanmar.”
\textsuperscript{362}Wallace.
Building resilience into any plans to jumpstart the economy will be key. Getting the urban economy back to work will be dependent on the COVID-19 transmission patterns over the coming months and in the longer-term future. Resiliency measures include provisions such as production of PPE for domestic use and export at garment factories; keeping rice mills open or reopening them quickly to continue to provide rice for domestic consumption and export to neighboring countries whose supply chains may be more affected by the virus; and extending credit to SMEs and farmers. Public works projects improving access to water and sanitation will be key in both fighting the virus and returning people to work. A housing finance market that is inclusive of the urban poor will allow people to return to work in their own neighborhoods improving their own homes or the home of a neighbor.

Food and hygiene product donations to Yangon’s urban poor and informal settlements have raised awareness of the dire need for affordable housing. At a time when central and peripheral Yangon townships are experiencing ‘semi-lockdown’ during monsoon season and residents are advised to shelter-in-place, the need for safe, secure, and sanitary shelter is amplified. CSOs supported by local politicians and government officials have called for attention to the healthcare and housing of the urban poor, linking housing quality to cycles of poverty.363

“When business was down in Hong Kong, the government implemented the MRT project. After that, a lot of people got jobs. We must create an economy when the economy is down. Developing housing projects is a way to revive small and medium construction.”
– General Secretary of CSO active in COVID-19 relief, Yangon364

Recommendations

Communications
- Extend the deadline for SIM card registration so that no residents have the risk of having their cell service turned off during the pandemic.
- The government should work with donors and telecommunications providers to provide a universal basic data allowance by sending monthly data allowances to active users. This would increase communication about the virus, especially about government regulations and responses.

Manufacturing
- Repurpose closed garment factories to make PPE for the Myanmar market and to export (Myanmar has already exported PPE to the United Kingdom). This will put garment workers back to work quickly and provide local supply chains for healthcare needs.
- Cash-for-work programs can also be used for tailors making reusable cloth facemasks as prices for disposable surgical masks make wearing masks safely and hygienically nearly impossible for urban poor communities.

363 CSO General Secretary, interview.
364 CSO General Secretary.
Relief and Aid
- Streamline relief efforts by coordinating with private health providers, *parahita* groups and civil society organizations.
- Extend food donations to migrants/residents without a household registration list for the township where they are living.
- Extend social security benefits by lowering the age of eligibility for social pensions and lengthening the period of support for pregnant women and mothers of young children.
- Collaborate with CSOs, local volunteers, *parahita* groups, and relief workers who have made close links with urban communities during the COVID-19 response to work on post-COVID urban infrastructure upgrading and urban livelihoods programs.

Urban Infrastructure
- Organize localized cash for work programs for basic infrastructure provision in low-income urban areas, particularly for water, drainage, and sewage.

Credit and Lending
- Increase credit available from Myanmar’s largest creditor, MADB to agriculturalists to increase food security and keep supply chains running.
- Secure financing for MFIs supporting agriculture to keep the agricultural labor and supply chain running and ensure food security.
- Support microfinance lenders so they can extend repayment periods, cut interest rates on existing loans, and provide low-interest, interest free, or forgivable loans to families, housing communities, and SMEs in need.

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