

Country Situation Overview



The second COVID wave in Myanmar started in August 2020, with cases rising in three major hotspots around the country (Rakhine, Yangon, Bago). In response to the rise in cases, Financial Regulatory Department (FRD) released a directive (27. 10. 2020) to postpone repayments for clients in these areas from November and December to end of April 2021.

In spite of these difficulties, VisionFund Myanmar (VFM) has been continuing to provide services to communities affected by the pandemic. Also, VFM continued its mobile agent roll out across its operational footprint. Using mobile technology improves the ease, convenience, and security of transactions for clients.

Yangon and Rakhine Regions

In compliance with the directive from the FRD, VFM stopped all collections in November and December 2020 for all clients from Yangon and Rakhine branches. These areas were the most affected areas from the second wave of the COVID-19 pandemic. However, VFM adapted its policies in order to make disbursements to clients who had only one or two remaining payments with good credit history who needed to take out another loan for business activities during these months. By January, clients could resume repayments for their January schedule, although November and December repayments were still postponed until May 2021.

In spite of not being able to make collections, VFM continued to disburse the total amount of 4,157,100,000 MMK through branches in these areas during November and December as can be seen in the table below.

	Amount Disbursed	Clients
Nov 2020	688,295 USD 908,550,000 MMK	1,025
Dec 2020	2,498,884 USD 3,248,550,000 MMK	3,696

Innovation During COVID

U Naing, his wife, Daw Aye Win and two children live in Thapyay Kone village, Bilin Township. The couple does rice trading as a family business, which is linked to a small grocery shop where they sell some snacks, juice, salt, and garlic, etc.

Before U Naing took a loan from VFM, he worked as a casual worker. Despite having the enthusiasm and plans to start their own business, the couple didn't have any financial resources. His neighbor introduced U Naing to VFM in 2018, and he has been a VFM customer ever since. He took the opportunity to start a rice selling business. With the loans he received, he stored more packs of rice and invested in purchasing goods.

With the profit, he fixed the uneven ground of their house which used to flood on rainy days. The couple could also buy school uniforms and healthy food for children and cover healthcare expenses.

However, when the COVID-19 pandemic hit U Naing's business, client demand decreased. He responded by offering door-to-door delivery service and started selling rice to neighboring villages. At the same time, VFM's constant financial support helps him manage his cash flow during the pandemic.

After the pandemic ends, U Naing wants to keep growing his business as he dreams to become the main rice distributor in his village and neighboring villages.

“The loan definitely helps my business, me and my family so for the next time, I hope to get a larger loan amount because I want to invest more and extend the business”

U Naing, Bilin



Interview with Yi Yi Myint

Please introduce yourself.
I am Yi Yi Myint, Senior Credit officer in the South Dagon branch. I have worked here for over four years.

restricted because some markets were closed. And then purchasing storing to store is a big expense for families.

How does COVID-19 impact on you and your family?

Due to the restrictions on travel, my daughter could no longer sell flight tickets, which led to a decrease in our household income. Additionally, it is difficult to even visit a clinic when we are not feeling well during this pandemic.

What challenges do you face in the field operations during this pandemic with clients?

Some challenges include working with clients to reschedule their repayment dates, not being able to visit client homes and businesses, and managing different repayment schedule.

Could you let us know how you manage your stress caused by the pandemic?

I try to stay my best to follow the guidelines published by the Head Office and the Ministry of Health and Sports. In terms of communication with clients, I try to communicate



via phone and face to face, if possible. Otherwise, I manage my stress by doing meditation, praying, and discussing with my branch manager and colleagues.

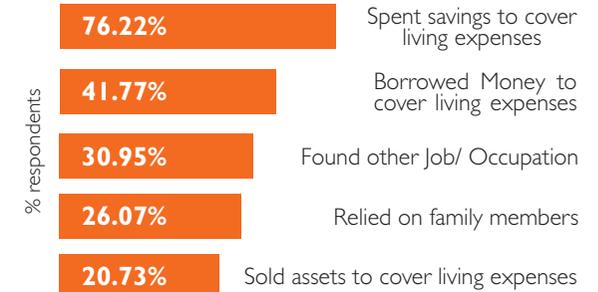
Do you want to add anything?

I pray that the pandemic ends soon and look forward to the day we can return back to normal operations.

Coping Mechanisms during COVID-19

VFM and IPA (Innovations for Poverty Action) surveyed VFM clients to better understand how VFM clients are coping during the COVID-19 pandemic. The majority of the participants (76%) reported having to use their savings to cover living expense. The report was released in October 2020.

In the last 60 days, have you or anyone else in your household had to do any of the following?



Agent and Mobile Payment Roll Out



Starting in September, mobile payments through MPT agents and mobile wallets were launched in Yangon, Mandalay, Sagaing, Magwe Kachin, Kayah, Karen, Shan, Mon and Thanintharyi. Roll out in Rakhine is still pending due to limited internet connection across the different townships.

As of January 2021, 24,178 (14%) clients out of a total of 171,337 clients made loan repayments through mobile money.

Branch Donations

VisionFund Myanmar branches donated Personal Protective Equipment (PPE), face masks, and some funds to quarantine centers and emergency rescue teams.

