ENTREPRENEURS du Monde

Socio-Economic Performance Report - April 2017

Sont Oo Tehtwin Program
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Introduction

Mission
Entrepreneurs du Monde was created in 1998 and, during the last decades, has been working with the local communities in many developing countries with the aim of improving their difficult living conditions. In Myanmar, Entrepreneurs du monde opened the Program Sont Oo Tehtwin whose mission is:

“Support low income families to improve their living standards by providing financial services, trainings and others services to develop their income generating activities and access to basic services”

Entrepreneurs du Monde is committed to fulfil this mission through the focus on three main areas: Social microfinance, Social entrepreneurship and the Creation of very small businesses (VSB) and Access to employment in the formal sector.

The underlying conviction of Entrepreneurs du Monde is that through supporting people’s economic initiatives, it is be possible to grant them significant health, economic and environmental benefits and thus pursue an economic and social progress.

Sont Oo Tehtwin (SOO) was formed by Entrepreneurs du Monde to promote a social and inclusive microfinance program targeting vulnerable populations. For this reason, SOO is focused on areas identified as having: i) a vulnerable population currently underserved by financial and other basic services; ii) need for business training to support socio economic development; iii) scope for economic and demographic growth; particularly on rural villages and urban wards.

Area of intervention

In 2010, Entrepreneurs du Monde carried out a feasibility study to determine a priority region for the launch of a new microfinance program and Southern Yangon was identified as a suitable area. Urban, peri-urban and rural areas in Southern Yangon, indeed, resulted to have inadequate access to water, energy, health services and financial services. Moreover, the small number of other MFIs operating in this area did not focus on the poorest micro entrepreneurs and had common barriers to entry such as guarantees, collateral and joint liabilities.
Thanks to the partnership with French NGO Première Urgence – Aide Médicale International on a project for the support and strengthening of Self-Help Groups (SHGs)\(^1\) in Dala Township, EdM, between 2011 and 2014, has been able to gain key insights into the economic and social realities of vulnerable populations in the area. After being granted an official microfinance license, EdM launched in August 2014 its programme called Soo Oo Tehtwin (SOO), which in Myanmar means “Entrepreneur”. SOO’s coverage area was initially Dala Township, where the program has now two branches and its Head Office. A third branch office was opened on the island of Seikyikanaungto in January 2016 given the absence of any other MFI in the area. More recently, two more branches have been opened in Twantay Township to meet the needs of a vast population, predominately rural.

As of April 2017, SOO has overall XXX beneficiaries, XX are from rural areas, XX are women and XX are Bamar, working in the informal sector, where typical businesses include snack selling, grocery selling, clothes making/selling, hawkers, fishing, and motorbike/rickshaw drivers; and low income paddy farmers and other seasonal crop farmers.

**Methodology**

The methodology used to redact this Socio Economic Report is based on the collection of questionnaires completed by 1863 SOO partners, with the help of the Community Development Officer of the area. The data considered are those collected between the 1\(^{st}\) of July 2016 and the 31th of January 2017, in order to give continuity with the previous SEP Report realized by SOO in June 2016.

For the first part, only partners at their first loan have been considered while, for the second one, both those at their first and third loan have been included.

Incorrect, inaccurate or mistakenly encoded data has been eliminated in order to preserve the reliability of the information and without compromising the accuracy of the analysis, paying attention to maintain a statistically meaningful sample.

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\(^1\) Self-Help Groups are community-based structures whose role is to provide some basic services to be managed directly by the community. This includes but is not limited to: management of ponds, savings and loan services, emergency funds, construction of schools and health centres, etc.
Although in the second part no causal relation can be drawn, an analysis of the average situation lived by the majority of SOO partners has been carried out with the aim to provide useful and reliable insight of SOO impact on the community.

A comparison with the previous *Socio Economic Performance Report from June 2016*, produced by Entrepreneurs du Monde utilising the same methodology of questionnaires collected among the partners of Sont Oo Tehtwin, has been used as a benchmark. Moreover, when considered insightful, more branch specific charts and comments have been presented.

The tools used to organize the collected data have been SMS, a program developed by Entrepreneurs du Monde to facilitate the elaboration of large database, and, when more useful, Excel. For any inquiries on the data collection, write to greta.mancassola@gmail.com.
A periodical review, investigating the compliance of SOO activity with the stated mission, is essential to ensure that SOO is achieving its strategic objectives and, importantly, is serving the targeted partners. SOO decided to position itself as an MFI that offers financial and training services to “low income families”. In order to assess if the current partners of SOO match this definition, a range of indicators analysing the community served is presented and discussed.

In order to provide the most accurate proxy for the types of clients assisted by SOO, different areas have been covered. For each area, a general analysis of all the branches of SOO is presented, differentiating among rural and urban partners with the aim of taking into account the intrinsic differences exiting between the two categories of SOO partners. Moreover, when relevant, snapshots of each branch’s situation are added.

1. Households

The first analysis regards households ‘data with the aim of providing information on the characteristics of SOO partners and their family unit.

**Location of Partners**

The socio-economic survey on SOO finds the urban population in the first cycle of loan to be 61% of the total population, while the corresponding figure for the rural population is 39%. Accordingly, the urban and rural partners’ population in all the branches consists of 674 and 438 people, respectively, for a total of 1112 respondents taking their first loan.

![Location of All Partners](image)
When analysing the specific branches, it is clear that a various distribution exists among the four areas. The branch of Twantay serves only urban partners and it does not have, so far, any rural partners, since rural disbursements for Twantay (branch 4) began in March 2017, which falls outside the data set being analysed in this report. A similar situation can be seen in branch DM where 97% of clients are urban. Contrarily, in Dala branch, the majority of the clients in loan 1 are rural partners. Finally, the branch of SK has a balanced composition with about half of the clients urban and half rural.

Regarding the size of the different branches’ portfolio, Dala, TW and DM have a similar number of clients at their first loan ranging between 150 and 170 approximately. The branch of SK, instead, registers 623 clients, as during the data period analysed this was the fastest growing branch so had many partners on loan cycle one.

**Gender of partners, by location**

The graph, considering all branches, shows that SOO partners are mainly women with only 26% of partners being males. A significant difference exists among urban and rural areas. The percentage of the female population in urban households is 83%, while the male population is 17%. The percentage
of females, despite being still higher than the figure of males, decreases to 60% in the rural areas due to the higher number of male farmers in this context.

When considering the data by single branch, DA and SK show a similar gender and location distribution, in line with the general chart. A different situation exists in Twantay branch, where 99% of partners (only urban) are female. DM has different distribution with a higher percentage of females in the rural area and a lower one in the urban areas, where only 63% of the first cycle partners are females.

It is possible to conclude that, in general, the percentage of female is higher in urban context than in rural areas. This information is supported also by analysing the location of SOO partners by gender. Indeed, the chart below shows that among all the female partners, 68% of them live in urban areas while among all the
male partners 61% of them live in rural areas. This distribution is valid for each branch with the exclusion of Twantay branch, where there are no rural partners and DM that has only 3% of rural population.

To conclude, SOO has more female partners located in urban areas and more male partners located in rural areas. This pattern can be explained by the higher request, from the rural areas, of loans from people engaged in farming activities, that generally are males. Moreover, despite a lack of systematic gender strategy focusing on women, most of the target population of micro entrepreneurs at the bottom of the pyramid are women.

Comparing this information with the SEP Report of June 2016, it is possible to see an overall reduction of females partners by 22% and a correspondent increase of male partners. The reason resides in SOO’s further expansion, over the period of data being analysed in this report, into rural areas where more male partners live.

**Household size**

According to the Myanmar Poverty Profile 2010 Report, it is possible to find an association between poverty and the size of households as poor families are usually larger than “non-poor”. The national averages, measured by Myanmar Poverty Profile 2010, set around 6 members for “poor” households and 4.7 for those considered “non-poor”. The general national average household size is 5 people. In the case of SOO, the overall average dimension is around four members for each family unit which appears to be lower than the Myanmar
benchmarks. Moreover, there is little variance among rural and urban areas and also registered among the four SOO branches.

This data is in line with the finding of the previous SEP Report from June 2016.

Household Head Information

A new section of this report focuses on household head information. The reason for the inclusion of this analysis resides in the desire to give a broader picture of the social composition of the household social structure of SOO's partners. The details of the household heads, indeed, are useful to have a hint of familiar conditions in which the respondents are embedded.

Household head Gender

First, it is clear that there is a significant prevalence of male household heads. Overall, in roughly 88% of interviewed partners’ families, the head of the household is male while, in around 12% of them, is a female. This percentage allocation is reflected in all the four branches with a minimal variance.
Household head status

Considering the marital status of the household head, 85.6% of the people are married while 12.5% are divorced or widow and only around 1.9% are single. The same distribution applies to all SOO branches. The explanation of such social family composition resides in the typical Myanmar culture, which is still a highly male dominated, patriarchal society on many levels.

Average age household head

The average age of the household head, considering all the partners of SOO Myanmar, is around 45 years old with a slight difference among rural and urban areas. In the first, household heads are generally 46 years old while they are 45 in the urban context.
**Weekly Household Income**

The mission of SOO is to support the development of income generating activities that allow low-income families to improve their lives. Therefore, it is fundamental to check if the current income status of SOO clients mirrors the stated recipient’s target.

Considering the totality of the branches, it is useful to make a distinction between rural and urban areas. The rural families have an income distribution characterized by a time lag between the period of crop planting, when income is lower/non-existent, and the harvest season that allows farmers to sell their products and thus have a cash inflow. In the urban areas, instead, there is a smoother income distribution with smaller fluctuations across time.

![Household Weekly Income, by location](chart)

Despite the different time distribution of income between rural and urban areas, it is possible to see that the weekly household income can be classified based on four income categories ranging from a minimum of 0 and 20.000MMK and a maximum above 100.000 MMK.

The distribution among the different income category is similar for all SOO partners. The smallest percentages of partners falls in the lowest income category: only 2.1% of rural and 6% of urban people have an income lower than 20.000 kyat per week. Considering the income range between 20.000 and 50.000, it results that 29.6% of rural clients belong to this category compared to only 23.3% of urban people. A similarity exists among rural and urban people having an income ranging from 50.000 and 100.000 whereas 28.6% of urban earns more than 100.000 kyat outstanding the 22.9% of rural clients. Overall, the income situation is
not extremely polarized and different among the locations. The national poverty line, in 2010, was 35.710$^2$ MMK per households based on the definition of *Myanmar Poverty Scorecard* and our re-elaboration. Considering the benchmark, 37.3% of actual SOO partners at their first loan are under this level.

When analysing the singular branch situation, DM notably registers the highest percentage of partners with an income lower than 20.000 MMK in Urban area, while in the other categories it follows the same trend. SK branch has a consistent proportion of people earning among 50.000 and 100.000 MMK in both areas. It is interesting to notice that in TW branch, remarkably, 52% of people (only urban clients) have an income higher than 100.000 MMK. Notably, in Dala seems to live the wealthier SOO partners since no one has an income level lower than 20.000 for both rural and urban areas. Moreover, even 77.8 % of people earn more than 100.000 in urban area.

\[\text{Weekly Household Income Branch SK}\]
\[\text{Weekly Household Income Branch DM}\]
\[\text{Weekly Household Income Branch TW}\]
\[\text{Weekly Household Income Branch DA}\]

\[\text{2 The weekly household poverty line has been calculated multiplying the national poverty line by 7 and by the average household size. The national poverty line, indeed, is considered per day, per person.}\]
**Weekly Household Net Income**

In order to have a clearer picture of the household economic situation, an analysis considering the net amount of income, on a weekly temporal span, is presented. When considering also the outflows, the percentage of people in the lowest category, corresponding to a net income lower than 20,000 MMK, increases significantly to roughly 43.3% and 41.6% of rural and urban people respectively. In addition, around 30% lives with a net income between 20,000 and 50,000 MMK in both areas.

Generally, the distribution among the four identified category, seen previously in the chart of income level, overturns when taking into account the weekly expenses.

![Household Weekly Net Income, by location](chart)

Focusing on the singles branches, Twantay has a balanced distribution of partners among the four net income categories with a slight majority of partners earning between 50,000 and 100,000 MMK. In SK branch, notably, 50-55% of partners living with a net income lower than 20,000 kyat in both rural and urban areas. Again, Dala results to have the better economic situation since there are small number of partners living with less than 20,000 kyat in both rural and urban areas. On the contrary, here, the greater percentage of people with a weekly net income higher than 50,000 is shown in urban area. Also DM shows a high percentage of people living in rural areas in top category with 30.8% of partners earning more than 100,000 MMK.

To conclude, it is necessary to point out that some biases and inconsistency could affect the reliability to information presented due to the difficulty form many partners to properly calculate their income.
2. Education

The mission of Entrepreneurs du Monde is to strengthen, through the provision of financial services, the access to basic services. Education, indeed, is recognized as human right by the *International Covenant on Economic, Social and Cultural Rights* that sets the right to access primary education and the obligation to promote higher education for all human beings. Therefore, in order to study if SOO’s actual recipients correspond with the targeted partners, it is fundamental to check the level of schooling of the clients of SOO who are on their first loan cycle.

**Children in primary education**

The data show that, overall, the urban percentage of enrolment in primary education is higher than in rural area, for both males and female children respectively. When considering the gender specificity, it appears that males are more likely to be in primary education than females. While comparing SOO situation with the Myanmar averages, the percentage of enrolment of males, in rural areas, is higher than the “Poor” average, set at 81%, whereas the female counterpart and the males of urban zones are below this line. The National average is settled at around 88% and the “Non-poor” average is 90%. Overall, it is possible to conclude that the level of schooling of the children members of the households served by SOO services is in line or lower than the poor average, showing a compliance between SOO mission and the partners targeted.
The particular situation of each branch is slightly different from the general one. While in the branches of Dala and SK the urban percentage of children enrolled in primary education is higher in urban location, the branch of DM registers a slightly higher educational rate in rural area. Twantay does not fit any analysis since no rural partners are among beneficiaries. Regarding the balance among genders, DM and SK follows the same distribution of the general programme whereas in Twantay and in the rural villages of Dala, males are less likely to enrol in primary education.

**Children in Secondary education**

When analysing the percentage of children enrolled in secondary education, the figures decline for both genders and areas of around 20-25 percentage points. However, the disparities among male and female children flatten reaching roughly the same percentage of enrolment. Interestingly in urban areas, more female
children are in the secondary education than males. At this higher educational level, all the children partners of SOO result to be far below the “poor” average level of people enrolled in secondary education set at 88%.
Also at the branch level, it is possible to notice a significant reduction of the enrolment percentage when analysing the secondary education cycle, with the exception of the Dala branch. Again, the gap of enrolment between males and females is reduced at the higher level of education. Notably, in the branch of SK the children in secondary education in the rural areas are half the number in the urban areas, suggesting a very polarized situation between the two typology of beneficiaries.

**Household head level of education**

The education level of household head is an important information to understand which type of social groups generally SOO addresses. First of all, it is possible to notice a consistent variance between urban and rural partners’ data. Particularly, there are twice as many household heads in secondary school in the urban area as in the rural area. Secondly, it is clear that there is a predominance of household heads that detain a primary education level, followed by a 15-37% of people with a secondary education and 10-4% that studied in a monastic school (the first percentage is for rural and the second for urban). Only between 13 and 8% of SOO household heads received a higher education and a very small percentage did not receive any education.

Comparing the current data with the previous report of June 2016, the distribution of the education level of the household head can be defined as similar with the only exception of a sharp increase of urban partners in the primary level.
3. Health

SOO aims at improving the access to basic services for its partners and an adequate health service is considered to be a strong indicator of good socio economic status. The aim of this analysis is to understand which typology of health facilities our partners can access based on their economic and financial situation.

Healthcare facilities visited in the last 30 days

This graph shows the percentage of partners reporting to have used health facilities and the different types of structures visited in the 30 days preceding the questionnaire compilation. It can be seen that the majority of respondents did not visit any health facility in the month prior to the investigation. Given the availability of public structures in the proximity of SOO partners’ location (Yangon General Hospital) it is reasonable to conclude that they did not have any physical problem motivating the visit to a medical structure. Concerning the other category, there is no great difference between the percentages between rural and urban people, except when considering private hospitals and clinics, which are accessed mainly by urban partners.

If compared with the SEP Report of June 2016, it is possible to see a similar distribution of access to health facilities.

<table>
<thead>
<tr>
<th>Health Care facilities visited in the last 30 days, by location</th>
</tr>
</thead>
<tbody>
<tr>
<td>Did not visit any</td>
</tr>
<tr>
<td>-------------------</td>
</tr>
<tr>
<td>56.61%</td>
</tr>
<tr>
<td>46.92%</td>
</tr>
</tbody>
</table>
**Food consumed in household**

A detailed analysis had been carried out focusing on the type of food consumed by SOO partners. In line with the typical Myanmar diet, a high share of respondents consume rice, noodles, vegetables, fish and food containing oil. Noticeably, there is a low consumption of dairy products and tubers. There are few differences between rural and urban area. However, the consumption of meat, considered an expensive item, in the urban areas is almost double compared with rural areas.

![Food consumed in household previous day, by location](image)

### Household Dietary Diversity Score

The information gathered in the previous section allows the calculation of the Household Dietary Diversity Score. This index provides an indication of household economic access to food, thus items that require household economic resources to be purchased. The ratio measures the average number of food groups consumed by SOO households and compares it to the national average of 5,34 points, as set by *LIFT baseline Survey Report of 2012*. In both locations, SOO partners have a HDDS lower than the national average, showing a dietary situation below the national standards. These negative results show a high level of compliance between the actual selection of partners and the targeted customers.
The only change with respect to the situation analysed in SEP Report 2016 is constituted by a decrease of 0.38 points for the rural area and 0.67 points for the urban one. Notably, the HDDS is higher in the rural areas than in the urban zones.

4. Living conditions

The standard of living condition can be measured observing the quality of the house where partners live, taking in consideration the construction material of the roof, the typology of the sanitation and the sources of light.

**Main construction material of rooftop**

In particular, a good proxy for determining the housing condition is represented by the material of the roof. A high quality roof is made by tine, tiles or metal with wood or cement structures, as described by the *Myanmar Poverty Profile Report 2012*. In SOO case, it is possible to notice an imbalance among rural and urban areas: almost 60% of the rural population has a roof of tin, tile or metal with a wood structure while, in the urban areas, only 43% has it. Notably around 15% and 36% of respondents have a roof made by thatch, leaves, palm, dhani or bamboo in rural and urban zones respectively. Only a residual percentage lives in house with a roof made by wood shingles or metal and cement. When calculating the access to quality roofing, a significant difference emerges: 64,% of rural SOO clients have a roof of high quality compared to only 46% of the urban partners. If both areas have a higher roof quality levels than the “poor” line, the urban area has, notably, a score lower than the national and “non poor” average.
Comparing with the previous SEP study, a great improvement regarding the access to quality roofing has been achieved in the rural areas where the percentage has increased by around 30%.

Sanitation

Sanitation is an important aspect that defines the quality of people’s lives. It has been showed that good practices of hygiene and sanitation lead to an improvement of the socio-economic situation of populations: investments in sanitation can reduce diseases, increase family income, preserve the environment and enhance human dignity. The data collected through the questionnaires show that a vast majority of SOO partners uses covered pit latrine as toilet. In the urban context, 30% also has a pour flush toilet with a water seal while only 17.31% of rural people have one. A very tiny minority reported to have a bucket/pan or a surface/hanging latrine. Again, the Myanmar Poverty Profile Report 2012 set the averages of the access to improved sanitation.

It seems that all SOO partners have a higher access to improved sanitation than the national rates. It can be concluded that, despite some slight differences between rural and urban areas, the sanitary situation of the four branches of SOO is good compared with the Myanmar context.
Source of lighting

The source of lighting in the household is also an important socio economic indicator. Based on the 2014 Myanmar Census, only 32% of households across the country has access to the national grid (this is not thought to have increased significantly since this time). First, among the rural partners, a large share use a big or small battery or a petrol lamp as primary source of light and they do not have any other secondary sources or they use candles. They also make use of other source of energy, typically solar power. The urban partners, instead, can rely also to a greater extent on the connection to the national grid of electricity and, again, the main secondary source is absent or represented by candles.

5. Ownership of Assets

A good proxy for measuring poverty can be obtained by tracking the ownership of some assets by SOO partners. Overall, it can be seen that there are no significant discrepancies between rural and urban areas, except for the ownership of bicycle and trishaw that is more likely in the urban area as well as the fan. However, for some items analysed, SOO partners tend to have less assets than the national average.
Part B - Change Indicators

The second part of the Socio Economic Report of Soo Oo Tethwin focuses on the analysis of the social and economic situation of the partners at their first and third loan. The ratio behind this comparison resides in the desire to observe which impact the services offered by SOO have produced on our partners’ lives. At the moment, it is not possible to conduct econometric longitudinal studies on the available data since the partners at their third loan are not the same of those surveyed at their first loan. Therefore, the difference between indicators constitutes a proxy of the situation of partners at their first loan and third loan cycle. It has not been possible to show any statistical causation, but we believe it is equally meaningful to compare the average condition lived by the people at their third loan with SOO and those who just had access to our financial and training products.

Among the indicators presented in the Part A- Outreach Indicators, only the most relevant and meaningful measures have been selected and presented in this second part. The aim, indeed, is to give the most accurate possible picture of the impact that the services offered by SOO had on the lives of our partners.

It has to be said that offering multiple and subsequent loans is not the objective of SOO that, on the contrary, aims at providing the needed and useful financial services to their partners, taking in consideration their singular situation and necessity. This second part does not intend at all to claim that the situation of SOO partners would improve as long as they receive further loans. Instead, it is a study to check if the average situation of the people who have subscribed for their third loan, and thus are involved in an entrepreneurial change or investment, is positively different from the condition of the new SOO partners.

1. Households
   
   Households Weekly Income

   The observation of the difference between the weekly household income level of the people at their first loan and those at their third one shows a clear improvement of the income situation through the different loan cycle. The decrease of people with an income lower than 100.000 MMK is fully absorbed by a correspondent increase in the percentage of partner earning more than 100.000.
The situation of the different four branches is various. The DM branch shows a significant decrease of the people with less than 50,000 Kyat of weekly income and a correspondent increase of those with a higher income level. Unfortunately, the analysis has not been possible for the branch of Twantay which, opened recently, does not have any partners at the third loan stage. A problematic pattern, similar to the general situation, is shown by the SK branch that registers a slight increase in the percentage of people living with less than 20,000 Kyat of income and a decrease of people having higher incomes. The branch of Dala has the lower percentage of people living with less than 20,000 kyat as income. In addition, it is possible to see a clear improvement in the income situation between the two loan cycles.

Despite the biased data, thanks to a constant direct monitoring and dialogue with SOO partners together with the collection of personal success stories and the provision of microfinance services, SOO is generally contributing to improve the income situation of the people through time.
Household Net Weekly Income

The general trend regarding the level of household weekly net income of people in different loan cycles is clear. On one side, there is an important decrease in the percentage of people having a net income lower than 20,000 Kyat and, on the other, a correspondent increase can be seen among those who have more than 20,000 Kyat of weekly net income. Therefore, it is possible to claim that a clearly people in the third loan have a better income situation than those at their first loan.
When analysing the single branch situation, a trend of improvement regarding the net income level of partners in subsequent loan cycles can be observed. Both in SK, DA and DM branch, the number of people with a net income lower than 20.000 goes down when passing at the third loan, while the number of those having more than 50.000 Kyat of net income increases. This suggests an amelioration of the household living conditions that, although not causally connected to SOO intervention, can be reconnected to SOO financial sustain to the local entrepreneurship. Again, no data are available for Twantay branch.
2. Education

Children in primary education

As presented in Part A-Outreach Indicators, one basic service that Entrepreneurs du Monde wants to ensure for all the recipients of its programmes is education. Therefore, it is interesting to see if the children of SOO families at their third loan cycle are more likely to be enrolled in primary education than those belonging to SOO families at their first loan. The graph shows highly positive results: the percentages increase for both males and females when considering children of third loan’s households. Notably, at the third loan stage, 100% of male children are enrolled in primary schools. The educational situation remains slightly problematic for females that, in both loan cycle, register an enrolment percentage lower than the “non poor” and “national” average. The difference existing among sexes is in line with the precedent study conducted in June on SOO partners suggesting the need to intervene to settle down educational disparities based on gender and thus promote gender equality.

![Graph showing % of children in primary education, by loan cycle](image)

Considering each branch separately, the picture of the educational enrolment level is more confused. If for the Dala branch, the percentages of male and female children in the primary level of education follow roughly the trend of the general situation, the DM and SK branches follow a completely different pattern. In both cases, the number of children in primary education decreases and with a larger extent for male children. No information is available for Twantay branch.
The percentages of enrolment at the secondary level of education are considerably lower than the ones regarding the primary level. At the first loan, more female are enrolled in secondary education whereas, at the third loan, more males are. Similar results are observed during the previous research conducted in June 2016. However, it seems easy to identify a clear positive trend passing from the first
to the third loan since both male and female register higher enrolment rates. Generally, the children of SOO families receiving their third loan are more likely to receive a higher level of education than the children of the SOO families beneficiaries of their first loan.

As for the primary level of education, only the male children of households at third loan are above the “poor” lines while the other categories fail to overcome such targets. These data reinforce the conviction that financial and training services can improve the social situation of the people. Notwithstanding, further efforts are needed in order to ensure that SOO partners reach the national educational averages.

The data of every single branch have more variability. The branch of Dala registers similar percentage of enrolment for both males and females either at the first or third loan. Moreover, these percentages are
notably higher than those seen at the general level, similarly to the figures of the primary education. The higher educational level of Dala is a surprising element.

SK branch have the lower number of children attending a secondary level of education and dramatically only 20% of female children of third loan household are enrolled in it. The situation is more equilibrated in the DM branch even if it seems that, for partners at the third loan, the investment in education regards only male children. The opposite situation is true for SK branch.

3. Health

Healthcare facilities visited in the last 30 days

Even though it is not possible to identify a connection between the number of financial services received by SOO partners and their health conditions, it is interesting to check the change in the average situation of people at the first and at the third loan. A decrease of around 43 points percentage can be seen among those who did not visit any health care facilities in the past 30 days. This decline is mirrored by a correspondent increase among those who entered a public or private hospital or clinic. This trend may suggest an improved capability to access higher quality health care structures or a general better health situation of SOO partners.
Household Dietary Diversity Score

The Household Dietary Diversity Score is a proxy to measure the quality of people’s diet. It is possible to notice an improvement of the score passing from the first to the third loan suggesting an improvement of the dietary situation of SOO partners when advancing with the service provision. However, the HDDS registers lower rates compared to the figure of last SEP report of June 2016.

![Household dietary diversity score, by loan cycle](image)

4. Living conditions

Main construction material of the roof

Among the indicators measuring the living conditions, the material of the roofing better suggests if the average living condition of partners are improved when compared to the average of those recently become SOO partners. The situation seems improved since there is an increase of 15% in the use of more resistant materials such as tin, tiles, metal and a wood structures and a correspondent decline in the usage of less resistant materials. Overall, partners subjected to the latest survey have a better roofing quality, both at the first and third loans, compared to the partners surveyed for the previous SEP report. These conclusions are backed also by the analysis of the indicator of roofing quality that passes from 53% at the first loan to 69% at the third, doubling the results observed in June 2016.

![Roof construction materials, by loan](image)

![Access to high quality roofing, by loan cycle](image)
Sanitation

Secondly, the type of toiled present in partner’s houses is an indicator of the general living conditions. Considering the different types of sanitation, it is not possible to conclude any clear indication on the switch to a more advanced toilet system. Notably, people in the third loan are 15% more likely to have a covered pit latrine but 6% less likely to own a pour flush toilet with water seal. However, when taking into account the access to improved sanitation, it is possible to notice an increase of around 6% between the two loans ‘group.

5. Ownership of assets

The ownership of assets is a useful proxy to measure the level of poverty of SOO partners. The aim of the provision of financial and training services is to sustain the recipients’ entrepreneurship and thus contribute
to improve their livelihood. Following this logic, it would be beneficial to see an increase of the assets owned by the interviewed partners. However, this could also carry the risk of a misuse of the financial resources made available by SOO. In conclusion, it is positive to notice that the increase of the assets’ ownership percentages is modest, between the two different loan cycles. Moreover, no big differences exist with respect to the previous socio-economic report.

**Concluding Remarks**

After having meticulously analysed the collected data is it possible to claim that SOO is serving the intended people and thus the vulnerable low-income families. This statement is sustained by the following general results identified in Part A-Outreach Indicators:

- SOO has more female partners located in urban areas and more male partners located in rural areas.
- Overall, 37.03% of the partners served by SOO have an income which is below the national poverty line and a total of 69.7% of households earn an income between 20,000 and 100,000 per week;
- When considering the Net Income, the percentages of people living with less than 20,000 MMK per week are 44.9% for rural areas and 31.9% for the urban ones;
- The figures of children enrolled in primary education are lower than the “national” and “non-poor” average for both locations. The number further decreases when considering the secondary level of education when SOO partners’ rate of enrolment is even below the “poor” line;
- The Household Dietary Diversity Scores for rural and urban areas fail to reach the national average;
- The living conditions in terms of roof quality, sanitation and lighting of SOO partners are in line with the national averages;
- SOO partners tend to own less assets than the national standards.

It is also possible to notice that, despite the impossibility to attribute the improvement of the livelihood conditions directly to the services provided by SOO, this report demonstrates that the average condition of
the people in the two loan cycles is different. More specifically, a SOO partner at his/her third loan is more likely to have a better living condition than a partner in his/her first loan.

- Both the average income and net income level of the people at their first loan and those at their third one improves through the different loan cycle;
- Children of SOO families at their third loan cycle are more likely to be enrolled in primary education than those belonging to SOO families at their first loan, for both males and female. The same improvement can be seen at the secondary level of education, even if regards a smaller percentage of children;
- Despite the impossibility to claim a causal relation, a positive trend can be identified and it may suggest an improved capability to access higher quality health care structures. Another conclusion could be the melioration of the general health situation of SOO partners, showed also by the growth of the Household Dietary Diversity Score;
- In conclusion, the living conditions are on average better at the third loan than at the first one.

The Socio Economic Report of April 2017 presents positive results with regards to SOO outreach and ability to make a difference on its partners’ lives. However, it has to be taken in consideration than further improvements concerning the quality of data, the data collection practices and, not less importantly, the ability to draw causal relations are highly desirable. Sont Oo Tehtwin will work hardly to improve these pitfalls and enhance even more the level of socio economic analysis of the implemented activities.