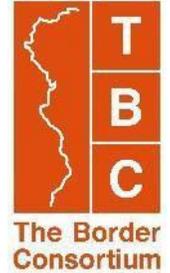


THE BORDER CONSORTIUM

Mid- Year Overview: January to June 2021



CONTEXT

On 1st February 2021, the Myanmar military took power in a coup, announced a state of emergency, and formed the State Administrative Council (SAC) to rule the country instead of the elected parliament. The coup was justified under claims of electoral fraud, which were comprehensively rebuked by independent observers. The coup was widely condemned and millions of protestors took to the streets in protest participating in a Civil Disobedience Movement (CDM). The military response to these protests was increasingly violent, with over 5,500 people arrested and more than 900 people killed since 1st February.

With the brutal backlash against the Civil Disobedience Movement in the urban areas, thousands of people sought shelter in the ethnic controlled areas. The National Unity Government (NUG) established by elected MPs

and civil society leaders took steps to abolish the 2008 Constitution and to create a space for genuine Federal Democracy.

SAC interventions in the Central Bank of Myanmar and restrictions on internet access caused massive disruptions in the financial sector. The lack of cash liquidity constrained the operations of aid agencies alongside all other sectors with premiums increasing to at least 10% in informal money markets. The World Bank and UNDP have projected that the proportion of people living in poverty could double to almost half of the nation's population by the beginning of 2022. This would reverse the gains made since 2005.

Indiscriminate artillery attacks against civilians in northern Karen and Kayah States have been the primary cause of displacement for 170,000 people. School buildings, health clinics and

churches are amongst the community buildings that have been damaged by heavy artillery attacks. Patterns of systematic violence and abuse reflect the “four cuts” counter-insurgency strategies that have targeted civilians for decades to undermine the access of EAOs to food, recruits, intelligence and resources. These military offensives have disrupted access to fields just as upland farmers should be preparing hillside plots for the wet season rice crops, so food security for the coming year will be adversely affected.

More than 8,000 people crossed into Thailand, to be detained at the border by the Royal Thai Army and then sent back to Myanmar after the Thai army considered it safe, only to cross again when the airstrikes resumed but once again were returned back to Myanmar within days.

COVID -19 has surged in Myanmar with over 150,000 cases confirmed and 3,300 deaths exacerbated by the near collapse of the health system, targeting of health personnel, seizure of life saving equipment by the military and a slow roll out of vaccinations, hampered by mistrust of the military regime. By June only 3% of the country was fully vaccinated.

PROGRAMME RESPONSES

Programme interventions were guided by TBC Strategy 2020-2022¹ and adapted to the ongoing COVID 19 pandemic . Mitigation measures in line with Infection Prevention Controls ensured essential services were delivered without interruption in the camps, but the operating environment for partners in

southeast Myanmar deteriorated dramatically after the coup. TBC and local partners responded by scaling up low-profile, community-led emergency responses during a time when the international community's formal humanitarian architecture's reach has been severely curtailed.

STRATEGIC DIRECTION 1: Contribute to meeting the humanitarian needs of displaced communities, with a focus on women, children, older persons, and people with illness or disabilities.

Thailand

Around 8,000 displaced people crossed into Thailand in Mae Hong Son, Tak and Kanchanaburi provinces seeking assistance. UNHCR and INGOs were denied access to the new arrivals along the Salween River, however local partners and Thai networks mobilised to deliver much needed basic food and shelter items. By the end of June, officially all new arrivals had been returned to Myanmar.

A National Inter Sector Emergency Response Working Group was established with UNHCR holding the Secretariat. A scenario for 4,000 new arrivals per month seeking protection in Thailand over a period of six months was used for planning and to launch a joint funding appeal across the sectors for USD 15 million. TBC as the lead for Food and Shelter sectors developed an Emergency Response plan with prepositioned stocks in the border areas at the ready, either in house or with local suppliers through extensive border networks.

Despite Covid restrictions, essential programmes were uninterrupted and Food security for 16,078 households remained stable.

Since the onset of COVID-19 in 2020, household food card values were increased and remained at higher levels to compensate for food price increases, and lack of livelihoods opportunities, ensuring refugees could meet their minimum nutritional requirements and alleviate anxiety around food insecurity.

Supply chains redesigned in line with IPC protocols enabled continuous deliveries of essential food items and charcoal cooking fuel to camps while mitigating the risk of COVID-19 transmission.

Previous training on COVID-19 best practices ensured Food Card System (FCS) vendors, warehouse and other camp staff are knowledgeable about how to mitigate COVID-19 including implementation of no-touch methods of distribution. Temperature checks, hands washing at camp gates and vendors shops, and face-mask distributions all contributed to minimising risk to refugees when food items were distributed.

¹ TBC's 2020-22 strategic plan is available here <https://www.theborderconsortium.org/strategic-plans/strategic-plans-2020-2022/>

The Camp Shelter teams responded to shelter damage affecting 1,144 households resulting from floods, landslides, fires and storms. Special Needs households received bamboo, eucalyptus poles and leaf thatch to ensure all shelters were in an acceptable condition prior to the rainy season. Stockpiles of key construction materials were replenished in all camps. Shelter teams with Camp Committees reviewed post distribution monitoring (PDM) questionnaires, methods, process and annual work plans together at a border wide coordination meeting.

Fire prevention plans were implemented, including construction of fire breaks, distribution of replacement sand and water bags to each house, along with metal hooks for rapid dismantling of roofing to stop the spread of fire. Fire safety messaging to all households

Myanmar

TBC and local partners quickly responded to the complex emergency during the first half of 2021. Development budgets were initially re-allocated for emergency relief before additional humanitarian funds were secured to increase the scale of community driven responses. 100,000 people spread across 15 townships directly benefitted from this humanitarian response. Beneficiaries were primarily civilians targeted by military assaults in northern Karen State and Kayah State as well as those fleeing from the fear of political persecution into other areas.

In kind assistance of food, temporary shelter materials and non-food items including kitchen utensils, personal hygiene materials and blankets were distributed to 20,000 civilians displaced into forests. This life-saving assistance was required because the villagers did not dare to return to their homes due to the imminent threat of air strikes and/or artillery attacks.

highlighted the importance of fire prevention and gave practical prevention tips. The shelter Standard Operating Procedures (SOP) on emergency response were finalised in May following discussions with Camp Committees, Shelter team, KRC and KnRC.

With consultant support, TBC is developing a Food and Shelter Emergency Logistics plan to ensure readiness to provide humanitarian for potential at least 4,000 new refugees crossing the border into Thailand as a result of the military coup.

Due to COVID-19, the 2020 TBC Annual Population Verification (APV) of encamped refugees was provisionally rescheduled for October 2021, together with the initiation of facial recognition.

Cash transfers equivalent to 3 months rice supply (on average USD 25 / person) were distributed for 60,000 civilians who were similarly displaced but could at least occasionally and covertly return home to collect possessions. Cash transfers are the preferred modality for responses with more remote communities and are instrumental in maintaining economic and social links across conflict lines between low-land traders and upland villagers.

Despite restrictions on movement related to both militarisation and Covid-19 pandemic, ethnic health service providers were also able to maintain access to health care for conflict-affected communities. Over 20,000 civilians received medical treatment at Village Tract Health Centers and mobile clinics in Mon, Karen and Kayah States as a result. Procurement and pre-positioning of medical supplies for this curative treatment was supplemented by public health promotion. Operational risks increased

as military attacks targeting health clinics escalated in northern Karen and Kayah States during April, May and June.

STRATEGIC DIRECTION 2: Reinforce food security through improved nutrition and productive livelihoods.

Thailand

Despite the challenges of COVID-19 and concerns around potential food insecurity, shops in camps maintained adequate stocks throughout the period. The results from the Food Security post-distribution monitoring (PDM) in June illustrated the FCS ensured access to diverse, nutritious food with 97% of households reported having an acceptably diverse diet which was a positive trend since early 2020.

In addition, 98% of households reported little to no hunger. The additional nutritional needs for young children, adolescent girls, pregnant women and nursing mothers were met through supplementary feeding and the “Healthy Babies, Bright Futures” Infant and Young Child Feeding Programme (IYCF) Programme, with approximately 2,000 children enrolled monthly.

Myanmar

Despite military offensives and restrictions on movement, over 20,000 civilians benefitted from enhanced agricultural productivity, nutrition promotion or improved access to water, sanitation and hygiene (WASH). This highlights how recovery and development initiatives are still possible if targeted in, and sequenced during, pockets of relative stability.

7,000 individuals in communities across Kayah, Karen and Mon States as well as northern Tanintharyi Region benefitted from enhanced agricultural productivity due to improved community-driven natural resource management, market access and awareness of

This programme provides IYCF education alongside the fortified feeding supplement BabyBRIGHT to ensure infant malnutrition is alleviated.

Ongoing education and capacity building trainings designed to equip refugees with income generation skills took place throughout the reporting period to increase their ability to secure their livelihoods upon eventual return to Myanmar.

nutrition-sensitive agriculture. Initiatives included the construction/ repair of motorbike roads and bridges, the extension of irrigation canals and micro-dams and intensive trainings in organic gardening and climate-smart agriculture. Longer term impacts will be realized through land demarcation and registration in KNU areas and on a smaller scale in NMSP and KNPP administered areas as well as strengthened management systems for community forests and fish conservation zones.

Another 7,000 people benefitted from efforts to mitigate malnutrition in conflict-affected communities through training for ethnic health

service providers, integrated management of acute malnutrition and behavioural change promotion relating to maternal, infant and young child feeding (M-IYCF). Due to travel restrictions, nutrition awareness trainings at both the basic and advanced level were facilitated online rather than in person with community health workers. Similarly, the escalation of military offensives largely limited public awareness campaigns promoting breastfeeding as well as screening for acute malnutrition to clinical settings, rather than visits to surrounding villages.

4% of children screened under 5 years of age (90/2,341) were identified with severe or moderate acute malnutrition and admitted to supplementary and/or therapeutic feeding

programmes. However, constraints on assessments of children in remote villages likely understates the severity of acute malnutrition.

An additional 6,000 people were assisted with improved access to water and sanitation facilities and hygiene awareness. Gravity flow water supply systems and shallow wells were constructed to improve access to domestic water in Dawei, Ye, Belin and Loikaw Townships. This was complemented by the installation of sanitary latrines and public campaigns about personal and environmental hygiene. These awareness campaigns were also adapted to include guidance about risk communication and community engagement (RCCE) in preventing the transmission of Covid-19.

STRATEGIC DIRECTION 3: Promote protective environments and safe and dignified futures for displaced and conflict-affected communities.

Thailand

Since the outbreak of COVID-19 in early 2020 and the subsequent border closures, formal voluntary return was postponed. Go and see visits took place in January last year but were subsequently put on indefinite hold. Additionally, the likelihood for future returns has been significantly impacted negatively by the military coup, which has drastically reduced human security and the ability for potential returnees to secure their livelihoods upon return to Myanmar. The exploration of legal pathways for refugees into migrant communities, and local work options, were also on hold due to the third wave of COVID 19 with resultant restriction in movement and the forcing of many factories to close temporarily while others are under lockdown.

TBC planning figures assumed the camp population would decrease on average by 7% year on year through returns to Myanmar, third country Resettlement and people seeking work opportunities in Thailand. This has not happened due to both COVID-19 and the coup. The camp population remained relatively static at 80,046², compared to last year's population of 81,586

Most trainings and meetings took place virtually, reaching over 1,000 people including programme staff, Camp Committees and security staff to ensure all staff were up-to-date on TBC policies and procedures. including Code of Conduct, Child Protection and Prevention of Sexual Exploitation, Abuse and Harassment (PSEAH). The workshops also highlighted the

² Figures according to TBC's Verified Caseload June 2021

importance of social inclusion, gender sensitivity and equality. Support for local camp governance builds safe and protective environments in the camps, run by community members who have knowledge of social inclusion and gender equality principles.

TBC and Partners presented at a wide range of webinars and panel discussions on the evolving

humanitarian crisis to raise awareness of the unfolding situation, highlight the need for assistance to address the exponential needs of thousands of displaced people and to advocate for entry into Thailand to access safety and protection, in line with Thailand's long-standing tradition of offering sanctuary to those in need.

Myanmar

Social safety nets were reinforced and supported over 5,000 vulnerable persons in conflict-affected communities during the first half of 2021. These mechanisms included seed and rice banks, early childhood development, protection monitoring and responses to sexual and gender-based violence.

Rice banks mitigated short-term food shortages for over 2,000 households in Hpapun, Dawei and Shadaw Townships. Utilizing networks of trust as collateral for borrowing rice at low interest rates remains one of the key food security mechanisms for disaster-risk reduction. This was complemented by seed banks which have longer term benefits related to saving indigenous seeds and protecting biodiversity.

2,100 children in 45 nursery schools spread across KNU administered areas continued to receive lunches in support of early childhood development. Most of the nursery schools reopened after closures due to Covid-19, but some in Hpapun Township closed again after the airstrikes. This initiative managed by the Karen Women's Organisation (KWO) was complemented by the Karen Teachers Working Group's (KTWG's) support for education in emergencies across 100 communities. Apart from subsidising teachers stipends, support was also extended for parents and care givers to

enable home-based learning to continue studying despite the circumstances.

Human rights defenders compiled and published a total of 54 human rights reports including situation updates, field reports, news bulletins, incident reports and commentaries. These addressed a range of protection issues including summary executions, arbitrary arrests, indiscriminate attacks against civilians, landmines, displacement and sexual abuse. These reports were shared with duty bearers during private briefings and in some cases amplified by public advocacy with other stakeholders including media, diplomats and UN agencies. The documentation of violence and abuse was complemented by human rights education to mobilise community-based protection strategies.

Women's organisations continued to manage safe houses and provide referral services in response to sexual and gender based violence. However, capabilities were undermined by deterioration in the general security situation and increased obstacles to accessing justice. Campaigns about women's empowerment and gender equality were mobilised in Mon, Karen and Karenni communities, but constrained by restrictions on travel and public gatherings.

STRATEGIC DIRECTION 4: Reinforce accountability, partnership, and local ownership to ensure responsible transitions

Thailand

Local ownership was strengthened as COVID-19 related travel restrictions and limited access to the camps meant TBC and refugees were mainly communicating remotely. However, dialogue with Camp Committees was on a daily basis; co-ordination meetings with Karen and Karenni women's organisations and other key CBO partners happened on a weekly basis. This regular flow of information ensured camp staff were kept aware of major developments and were able to effectively coordinate programme responses while TBC staff were regularly apprised of the challenges faced by the refugee communities.

While immediate return planning has been placed on hold due to COVID-19, long term preparation continues. During this period partners strengthened computer and office skills and techniques on building bamboo furniture and construction of cement blocks. Remote capacity assessments through consultation with local staff, identified the needs of our partners to enhance their

Myanmar

Given restrictions on travel and public gatherings, the organisational and technical development schedule was adapted during the first half of 2021 to include online training as well as face-to-face workshops. The most common needs in terms of organizational management were related to strategic planning and the development of organisational policies and procedures. While financial management systems are generally sound, many partners requested support in consolidating accounts for multiple donors and project expenses. TBC staff primarily responded to the requests through coaching, which was primarily conducted online.

organisational capacities prioritising nutrition, WASH and data analysis trainings alongside technical and financial support.

TBC received 14 complaints through the Beneficiary Complaints and Response Mechanism (BCRM). The most common complaint was about rising food prices and food assistance allowances. All complaints were resolved within 30 days and, as previously noted, TBC continued to provide an extra allowance on the Food Card to all households to compensate for price increases.

Camp Information Teams disseminated COVID-19 related information to refugees including best practices in COVID-19 mitigation, updates on the pandemic and its impact on the resettlement process. The Camp Information Teams used a variety of methods to safely share this information, including socially distanced film screenings, public forums, home visits and loudspeakers.

In the health sector, two Pharmacy Management Trainings and two Traumatic Care and Basic Surgical Skills Trainings were conducted with ethnic health service providers in person. TBC's Public Health Officer facilitated the former while physicians and surgeons who had fled to ethnic administered areas after the coup facilitated the latter.

In the nutrition sector, the Leveraging Essential Nutrition Actions to Reduce Malnutrition (LEARN) project was engaged to facilitate elements of their Basic and Advanced workshops. While TBC's Standardised Nutrition Curriculum remains the primary teaching

resource, the LEARN curriculum has been adapted for online training and so provides added value as refresher courses.

In the agriculture sector, a Seed & Rice Bank management training was conducted by TBC's Agriculture Officer for Karenni partners. The training topics included harvesting, sun drying, paddy drying, rice storage, preserving/ storing grains, developing rules and regulations, and

delegating roles and responsibilities of committee members.

Given the challenging circumstances of COVID-19 and the coup, the local capacity and adaptability of our partners were of vital importance in ensuring continued programme activities and humanitarian assistance during this period.

TBC FINANCIAL REVIEW

A summary of TBC financial position as of 30 June 2021 is presented in the following table:

Item in THB (Millions)	Original Budget	Updated Projections	Variance
Income	651	985	334
Expenses	-544	-695	151
Net Movement in Funds	107	290	183
Opening Fund Balance	192	192	-
Closing Fund Balance	299	482	183
Restricted Funds	211	387	176
Designated Funds	59	60	1
General fund	28	35	7
Total fund Balance	299	482	183
Balance Sheet:			
Net Fixed Assets	1	1	-
Receivable from Donors	198	336	138
(Payable) to Suppliers	-50	-60	10
Bank Balance	150	205	55
Net Assets	299	482	183
Liquidity	100	145	

Income

TBC started the year with income projection of THB 651 Million (M) and currently plans to end the year with THB 985M (51% increase). The increase stems from three major causes: 1) the largest grants accruing at higher Foreign Exchange (FX) rate than originally expected; 2) additional funds secured to address the continued affects from the COVID pandemic; and 3) support to those affected by the ongoing fallout from the coup in Myanmar since February.

Government contributions make up for 97% of total portfolio with the US government, via BPRM, remaining the largest donor at 61%. BPRM primarily supports the bulk of the cash

assistance for food, and the charcoal needs in all the camps.

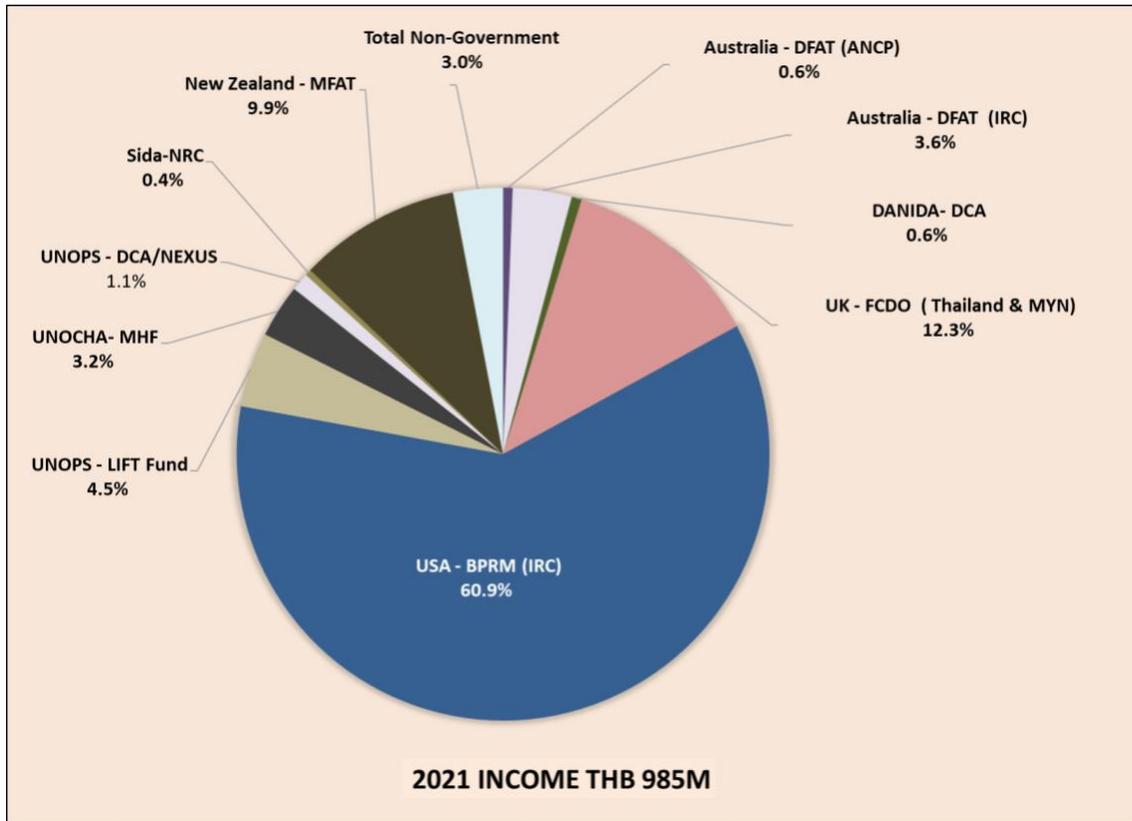
The UK (FCDO) government makes up for 13% of the overall portfolio and covers a broader scope of TBC programs. Other government support comes from Australia (ANCP/DFAT), Denmark (DANIDA), LIFT (UNOPS) New Zealand (MFAT), Sweden (Sida) and UNOCHA.

Non-governmental support comes from Caritas Australia, Church World Service, and ICCO. These combined funds make up 2% of TBC portfolio.

Approximately THB 256M, or 27% of 2021's annual income will support emergency responses in both Thailand and Myanmar.

The contributors to the emergency in order of amount size in Thai Baht are MFAT-New Zealand (THB 97M), BPRM-USA (THB 54M), FCDO-UK (43M), UNOCHA-MHF (THB 24M), EU-

UNOPS-NRM via DCA (THB 11M) , World Vision (THB 9M), COBA (THB 6 M), Caritas- Australia (THB 4M), and Sida via NRC (THB 4M)



Expenditure

January through June programme expenditure totalled THB 312M (44% of budget) and the revised year-end forecast could reach as much as THB 695M. The amount of expenditure is dependent on how soon TBC will need to deploy the emergency funds for a potential influx into Thailand. TBC budgeted for activities to resume similar to pre-Covid pandemic levels but this is not the case. Travel restrictions in border areas are likely to continue until the end of the year, thus related cost-savings may be

reallocated to other needs such as shelter and other camp needs.

Key Notes:

- Due to COVID pandemic and risks around supply chain shortages or delays, TBC continues to stockpile additional charcoal.
- Supply shortages in a few goods resulted in higher prices but not to the extent that was originally anticipated. TBC will continue to monitor local markets and costs of goods purchased by the refugees to ensure they have the buying power that they need for sufficient food.
- 2021 budget projections assumed food assistance would reduce to pre-COVID levels in July, but it will now remain the same through to year end.
- Myanmar program will make up approximately 25% of TBC's overall budget in 2021 compared to 11% in previous years with most expenditure allocated to emergency response.

Figure 3: Expenditures by Strategic Objectives 2020-2022:

Strategic Objectives	Original Budget	Updated Budget
1 Humanitarian Needs	367,652,000	518,750,000
2 Food Security & Nutrition	30,015,000	30,015,000
3 Protective Environment & Safe Futures	36,093,000	36,093,000
4 Accountability & Partnerships	25,000,000	25,000,000
Organizational Costs	81,500,000	81,500,000
Cost of Generating Funds	900,000	900,000
Governance	2,250,000	2,250,000
FX Loss	1,000,000	1,000,000
Grand Total	544,410,000	695,508,000

All the additional funds for the year are going toward activities that fall within the Humanitarian Needs Objective and primarily emergency response to the Myanmar Crisis and the ongoing COVID pandemic.

OTHER FINANCE RELATED NEWS

As a strategy to hedge better against FX losses, TBC implemented a revised donor reporting policy in 2021. Instead of reporting to donors at the accrued income rate for the full duration of the project, TBC now uses the monthly average rate from the Bank of Thailand website.

Finally, TBC is in the process of trying to resolve an unexpected banking issue. TBC's bank of

almost two decades, Standard Chartered Bank, will close our accounts in both Thailand and England. These bank accounts have been a key factor for TBC to manage FX fluctuations of advances from the biggest donors, BPRM and FCDO. Although currently limited capacity to travel and foreign banks unwillingness to take on new clients, TBC is hoping to open an account with another bank in UK.

Financial Outlook 2022

TBC will consider the following variables as it plans the operational budget for 2022:

- Population to remain at around 80,000 in existing camps for the indefinite future.
- Food card values and charcoal prices will include a 4% inflation factor and remain the largest expenditure item.
- COVID 19 restrictions will limit income opportunities for refugees
- TBC will assume similar funding levels from all current donors for its regular programmes in the camps.
- FX rate fluctuation will continue to play a major factor in TBC budget.
- Emergency response capacity will need to be maintained.

FUTURE OUTLOOK

Given the crisis in Myanmar, it is more important than ever to broaden options for refugees' futures beyond the camps as hopes of return have diminished. However, until there is significant roll out of COVID-19 vaccines in both Thailand and Myanmar, movement of refugees outside of camps will be severely curtailed.

As military escalation in Myanmar is likely to continue, balancing the safety of our partners and meeting the humanitarian needs of displaced populations will be a priority.

TBC remains committed to our 2020-22 strategy but acknowledge it will likely take place on a much-increased timeline requiring longer term commitments and flexibility from donors as TBC and partners must adapt to the ever changing realities. We are likely to see increased numbers of internally displaced people in Myanmar who will seek protection either in Thailand or in ethnic administered areas along the border in Myanmar. Whether they remain as IDPs or become tomorrow's refugees, it is certain that there will be a growing need for humanitarian assistance if there is to be stability in the region.

TBC would like to thank its Donors and Members for their generous contributions and support



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