MARKETING AND COMMUNICATION DEPARTMENT

PAT REPORT FOR 2014

CONTENTS

ACRONYMS AND ABBREVIATIONS

BM   :   Branch Manager

BMC   :   Banteay Meanchey

BTB   :   Battambang

CCV   :   Chroy Changva

CEO   :   Chief Executive Officer

CF   :   Community Facilitator

COO   :   Chief Operating Officer

CSES   :   Cambodia Socio-Economic Survey

DBM   :   District Branch Manager

EdM   :   Entrepreneur du Monde

HMC   :   Head of Marketing and Communication

KDS   :   Kandal Steung

KPC   :   Kampong Cham

KPT   :   Kampot

KTH   :   Kampong Thom

KRT   :   Kratie

OPO   :   Operational Office

PAT   :   Poverty Assessment Tool

PCA   :   Phasar Chbar Ampeou

PCC   :   Phasr Chrang Chamres

PCT   :   Phsar Pochentong

PST   :   Pursat

PTK   :   Phsar Takmao

RO   :   Research Officer

RUM   :   Research Unit Manager

SRP   :   Siem Reap

TKO   :   Takeo

USAID   :   United States Agency International Development

WB   :   World Bank

I. Introduction

Chamroeun Microfinance has used PAT tool to track the poverty level of its partners since 2007 by tracking the partners who has applied for loan in the odd cycle such as cycle 1, 3, 5, 7, etc. The PAT tool is designed by Entrepreneur du Monde (EdM) adapted from USAID and internally used by Chamroeun Microfinance Limited to find out the development progress of poverty level from the first cycle of the partners who engage with the institution to the next cycles. Data collected through PAT enables Chamroeun to analyze the poverty situation of partners and fulfill some of other objectives as follows:

- To appraise the partners households' poverty level from a general point of view and ensure that Chamroeun is reaching out to its defined targeted population;

- To provide poverty information for each household on six different levels: housing, assets, education, nutrition, health, and finance;

- To evaluate the partner households' poverty situation evolution in time (by re-administrating the PAT specifically by odd cycle).

II. Scope and Limitation

The data collection and analysis was only conducted to all Chamroeun's partners who have applied for loan in the odd cycles.

III. Roles and Responsibilities

- CEO : To approve the report;
- COO : To review the report;
- HMC : To check the report;
- RUM : To come up with PAT analysis and reporting;
- RO   : To facilitate with the branches to encode the data;

IV. Data Collection and Analysis

LOs are responsible for executing the data collection from partners during the visit for loan assessment and documentation. In the process of data collection, it requires LOs to conduct individually interview with the partners by going through the questionnaire and based on the observation to validate the responses. CF is responsible to encode the data into the WebPAT system. In case branch having no CF, branch teller/ BM/ DBM assists in fulfilling this assignment.

To ensure the quality of data collection, all of the enumerators were getting the training session on PAT filling along with the training on financial service policy and operating procedures. Besides, branch managers and internal audit team are assigned to check the quality of data collected.

The encoders were also equipped with the training on PAT encoding guideline with monitoring and support on regular basis by RO from HO. The analysis is conducted in the quantitative approach in which the analysis is designed in Ms. Excel with data interpretation into chart and table.

V. Challenges and Difficulties

Even though there are ongoing supports and training to the enumerator and encoders, we also faced some challenges with the encoding because the resignation of encoder; especially CF, we need much time to recruit and spend much time on the training session.

Moreover, the encoding system is based on internet usage that the internet speed is slow. In addition, some branches have only one computer that the branches do not have much time to encode the PAT.

VI. Key Findings

6.1 Overall Poverty Scoring

PAT data were collected from 30,034 partners within 40 offices in 16 provinces/ cities in 2014. Per initial data interpretation, 25,545 partners, 85%, were female with average PAT score of 46 compared with average score of male partners which was 47. In overall, average PAT score was **46**.

6.2 Average Score by Branch

Area	Zone	Frequency	Avg. Score	Mode
Phnom Penh Branches	CCV	1,552	50	55
	PCA	1,635	44	49
	OPO	759	50	51
	PCT	3,099	47	48
	PTK	2,166	50	52
	PCC	3,459	46	46
	KDS	1,014	49	46
Provinces	SRP	3,017	44	42
	BTB	1,946	47	42
	KPC	3,023	44	46
	BMC	1,398	49	51
	KTH	2,928	45	46
	TKO	1,180	44	46
	KPT	1,198	38	30
	PST	1,131	47	48
	KRT	539	49	47
Overall		30,044	46	46

The table above described the score by branch which administered in 2014 by all odd cycles. The branches were classified by region: Phnom Penh and its surrounding areas and provinces. The average score for branches in Phnom Penh and its surrounding areas was **48** higher than in provincial branches in which the score was only **45**. There was 3 score different between Phnom Penh areas and provinces. Highest average score was 50 in CCV, OPO, and PTK branches whereas lowest average score was 38 in KPT branch.
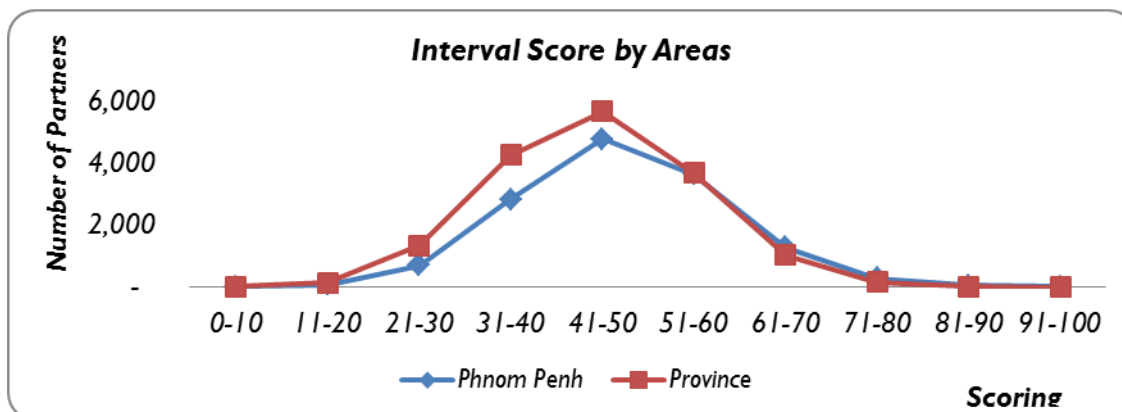

6.3 Indicators for Poverty

Composition of Households

From the interviews in 2014, the composition of household was as follows:

- ➢ All households composed of **4 members**, the result was mostly the same as the previous year result (2013);
- ➢ The average number of income earners per household was **3** as same as previous year result.

Family Situation

From PAT data 2014, it showed that percentage of family who had one adult[1] was in the lower rate. There were 9% for the families as adult with one or more children and 5% for the families as adult with only one child. The percentage of household[2] with 4 or more children was equal to 20% whereas household with 3 children was 16%, and other answers (such as the adult without children, households without children or households with 1 or 2 children) equaled to 50%.


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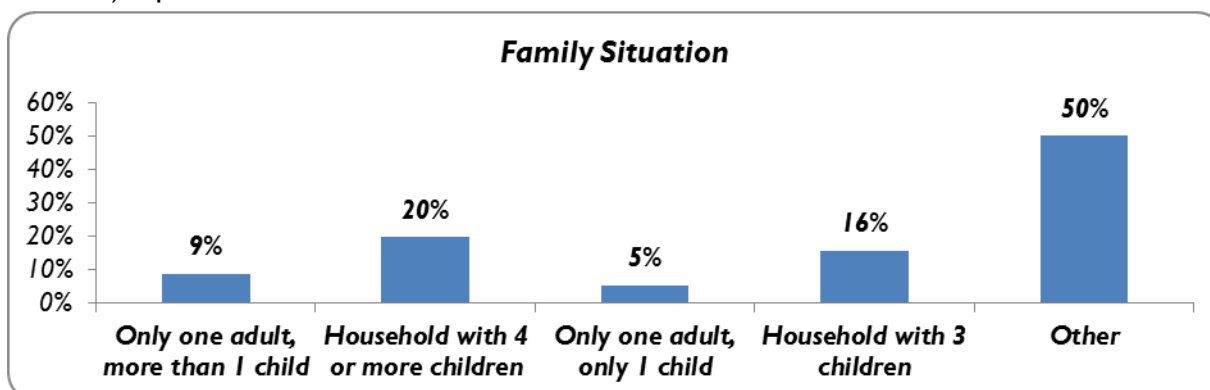
[1] Adult refers to the household had only one breadwinner which could be husband or wife (one of the spouse died or separated)

[2] Household refers to household who have both bread winner and the spouse.

Education

a. *Children Attending School from 6 to 16 Years*

Based on the CSES 2012, there was 89% of children attended school from 6-14 year. In PAT 2014, amongst the interviewed households, there were approximately 71% who have sent some or all of their children to school. At least 50% of households enable to send all or more than 50% of the children to school.
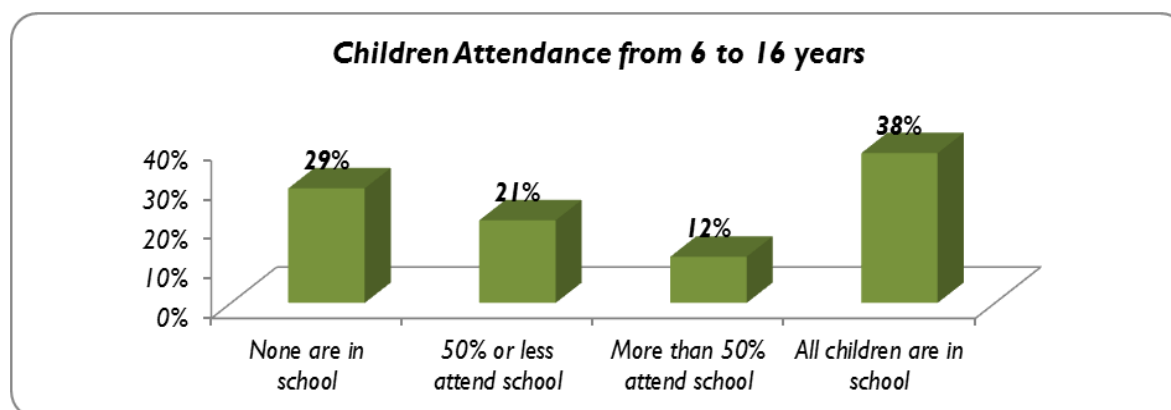
Anyway amongst of the interviewed partners, at least 20% did not have any children from the age of 6 to 16 years old.

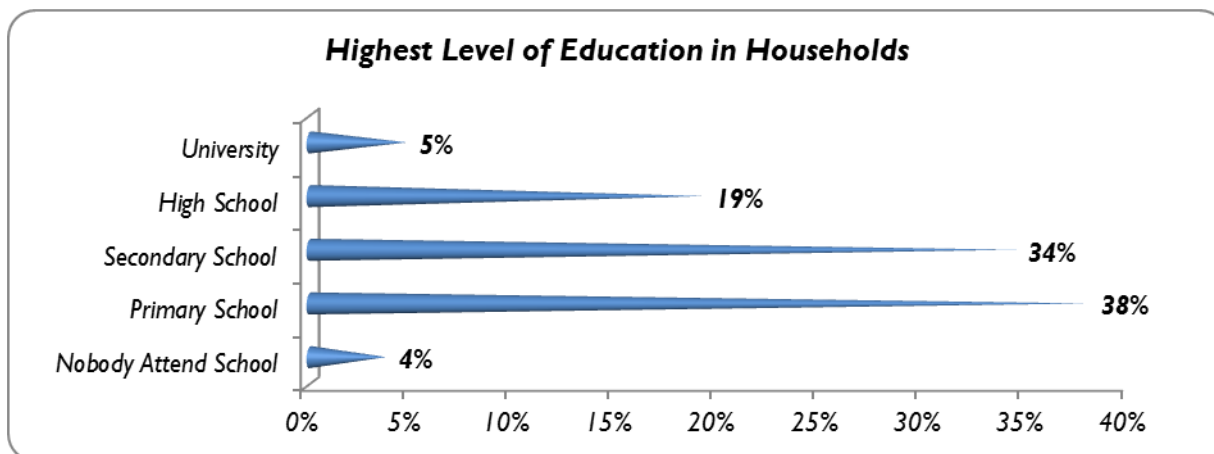| Children Attended School	Urban	Rural
None are in school	19%	27%
50% or less attend school	17%	21%
More than 50% attend school	8%	11%
All children are in school	31%	24%
Not applicable	24%	17%

All children who enable to access to school equals to 31% (urban area) and 24% (rural area); in contrast, the percentage of children are not in school and less than 50% attend school were in the higher rate for the partner who are living in urban areas that have more chance to get higher education than the rural households.

b. *Highest Level of Education in Households*

Majority of households that have members attended primary school and secondary school (or primary + technical studies), 38% and 34% respectively.

At least 4% of households have no members attended school, as comparison with CSES 2012 about 3% was in pre-primary school. As the overall, there were 58% of households got the education upper-primary school.

There were 19% of households attended high school and 5% attended university compared with CSES 2012, 11% was in upper-secondary school and 6% was in the university level.

Highest Level of Education in Households

Education Level	Percentage
University	5%
High School	19%
Secondary School	34%
Primary School	38%
Nobody Attend School	4%

Base on the interview, there were 13% of partners said that they have at least two members of their households can get the education up to high school level, and other 87% cannot reach to high school education.

Assets

a. Business Capital for Partners

Business Capital	PAT 2014	PAT 2013
Less than USD 50	13%	13%
Between USD 50 and USD 99	28%	37%
Between USD 100 and USD 200	39%	38%
More than USD 200	20%	12%

Compared with the PAT report 2013, the demand on business capital amount was remarkable increased. There were 20% of household needs capital more than USD 200; it increased 8% whereas 39% need business capital between USD 100 to USD 200. The demand on business capital from USD 50 to 99 decreased by 9% compared with 2013, there were only 28% need capital within this rank, and business capital less than USD 50 equal to 13%.

b. Household Assets

In PAT questionnaire, we have defined the several assets such as bicycle, mobile phone, and motorbike.

Household Assets	Average number	Families with 0 unit	Families with 1 unit	More than 1 unit
Number of bicycles owned	0.8	28%	65%	7%
Number of mobile phones	1.2	5%	72%	23%
Number of motorbikes	0.7	34%	61%	6%

Number of mobile phones worth > USD 60	**0.1**	**95%**	**4%**	**1%**
Number of motorbikes worth > USD 500	**0.5**	**56%**	**41%**	**2%**

The table above showed that 72% of households have the bicycle at least one or more. There were up to 95% of households have mobile phone, and only 5% of them purchased the phone with the price more than USD 60. There were 67% of households have motorbike, and amongst of those partners, 43% purchased the motorbike with the price more than USD 500. For PAT 2013, only 38% enable to purchase motorbike with more than USD 500.

Housing Conditions

a. *Roof and Housing Conditions*

Majority of Chamroeun partners have improved their roof condition from leaves, thatch, or tarpaulin. From the observation of enumerators, there were 96% living in the improved roof, and only 4% remained living in the roof made from leaves. This percentage is slightly different if compared with the previous year result. Majority of PAT data collection, there were 95.5% of partners were living in the legal area which was in the higher rate.

b. *Toilet Facility*

As the overall picture, there were 29% of partners did not have access to concrete toilet, 7% share concrete toilet, and other 64% own concrete toilet.
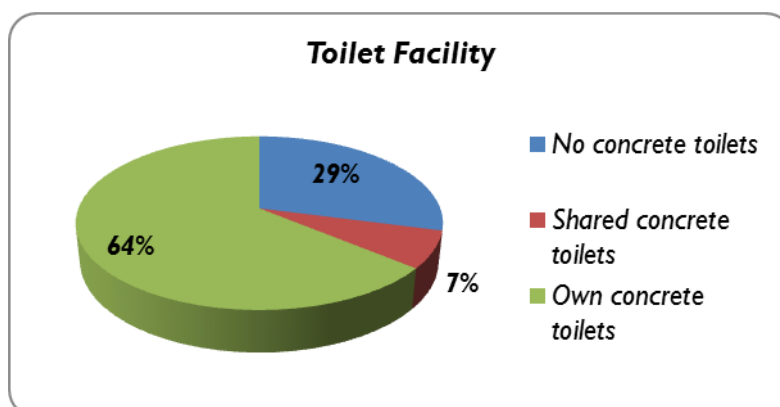
As compared with the PAT 2013, the percentage of household own concrete toilet was improved from 55% to 64%. The gap of partners owned concrete toilet in Phnom Penh areas was higher than 16% compared with the rural areas.
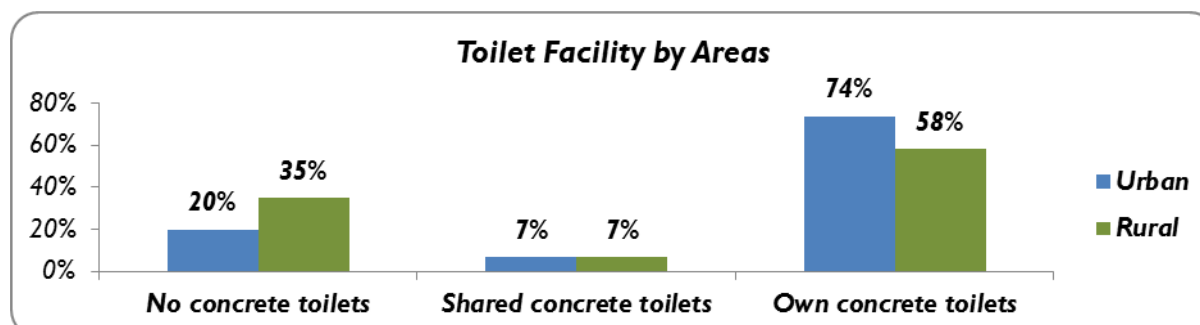
Food Habits

Considering food habits, most of the households, 90%, took 2 or 3 meals every day whereas 9% of households always and definitely take 3 meals every day. There were only 1% of households eat meal 1 or 2 times every day. This percentage is regardless with the quick meal or snack.

Food Habits

- 1 meal every day: 0%
- 1 or 2 meals a day: 1%
- 2 or 3 meals a day: 90%
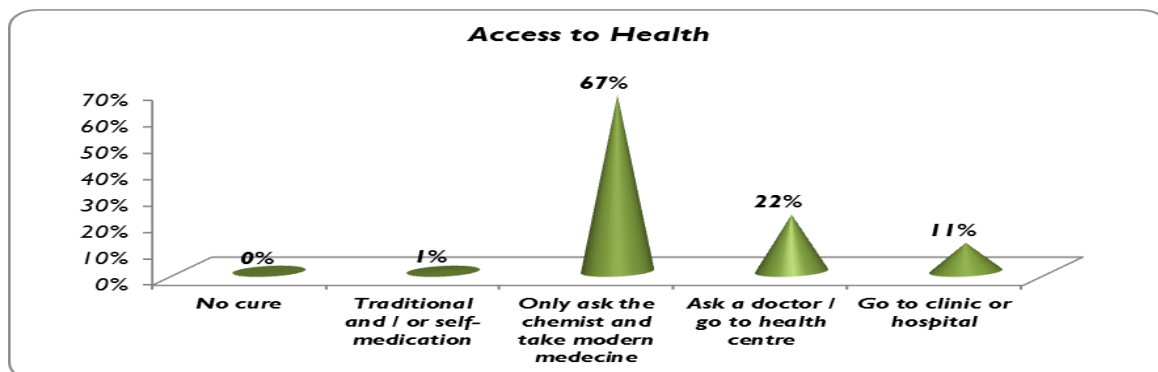- 3 meals every day: 9%
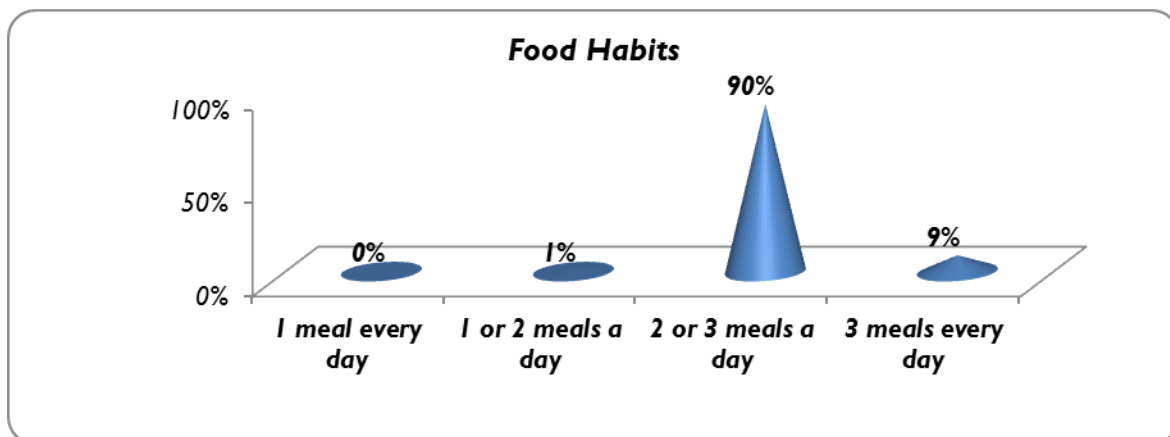
The percentage of partners who enables to purchase the big bag of rice (50 KG) equal to 26%, and they always do so in every time of the purchase; other 45% said that sometimes they have purchased the big bag of rice, and other 28% never purchase at all.

Buy Big Bag of Rice

- Never: 28%
- Sometimes: 45%
- Usually: 26%
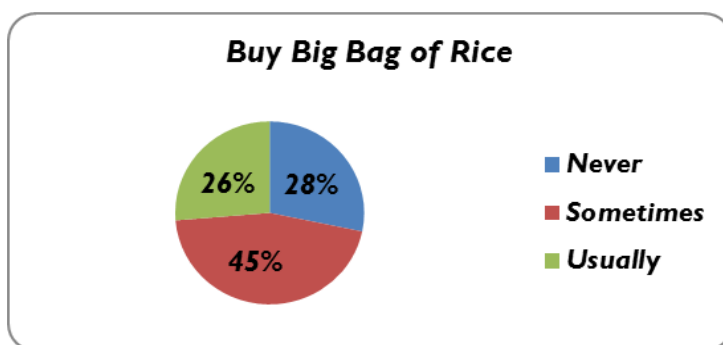
Access to Health

The chart below shows the mechanism for serious health treatment. There were 4 main ways that partners can access to health treatment such as traditional/ self-medication, ask chemist or take modern medecine, ask a doctor/ go to health centre, go to clinic or hospital. Most of partners used to go to the chemist/ take modern medicine for the first approach to treat the health as the first aid. There were 67% selected this approach, 22% ask a doctor/ go to health centre, 11% go to clinic or hospital, and 1% used traditional/ self-medication.

Access to Health

- No cure: 0%
- Traditional and / or self-medication: 1%
- Only ask the chemist and take modern medecine: 67%
- Ask a doctor / go to health centre: 22%
- Go to clinic or hospital: 11%

Access to Insurance

Even if Chamroeun has the partnership agreement with PKMI to provide microinsurance to its partners on voluntary basis, the rate of partners has purchased the micro insurance was still in the lower rate. There were only 4% of household applied with health insurance. This percentage slightly increased if compared with the previous year 2013 in which only 2.7% used the health insurance. Partners can access to health insurance through ID poor card and PKMI.
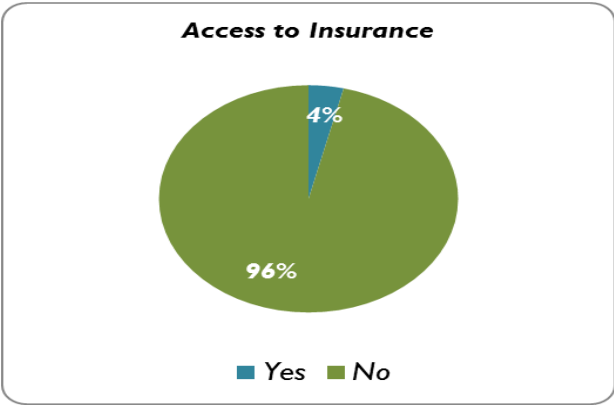

6.3 Evolution of Partners between Loan Cycle

6.3.1 *Average Score by Cycle*
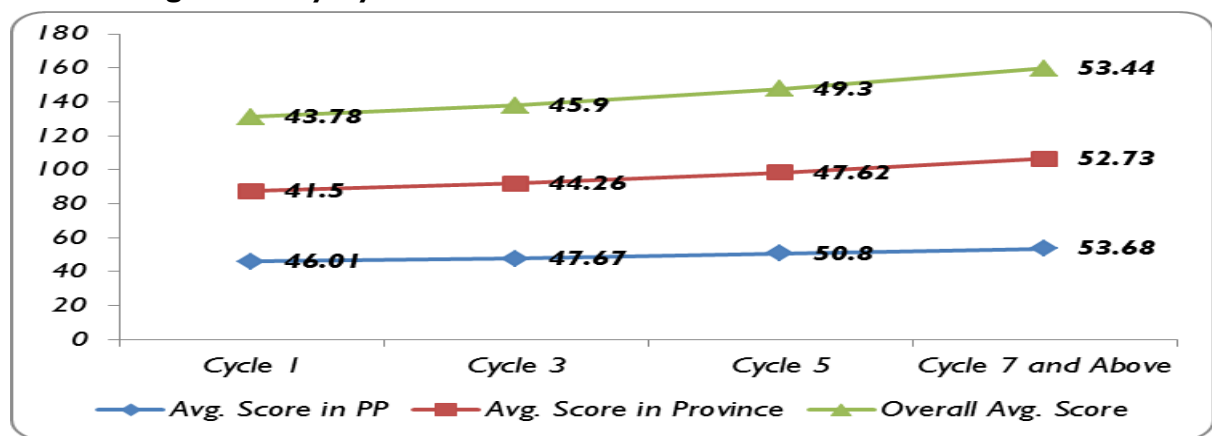
The poverty likelihoods of Chamroeun's partners from cycle 1 to 7 were in the significant progress rate starting from 44 scores in 1st cycle to 53% in the 7th cycle and/ or above. It is logic that the average score of partners living in Phnom Penh areas was higher rate compared with the rural ones.

6.3.2 *Children Attending School (6 -16 years old)*
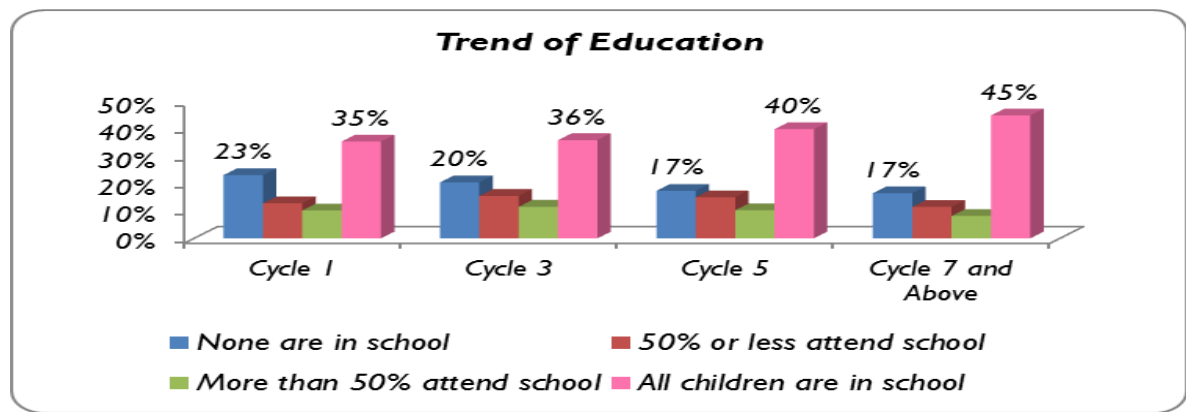
The progress of partners has sent all their children to school were remarkable increase from 35% in 1st cycle to 45% in 7th cycle. At the same time, the rate of none children in school slightly decreased from 23% in the 1st cycle to 17% in 7th cycle.

6.3.3 *Highest Level of Education in Households*
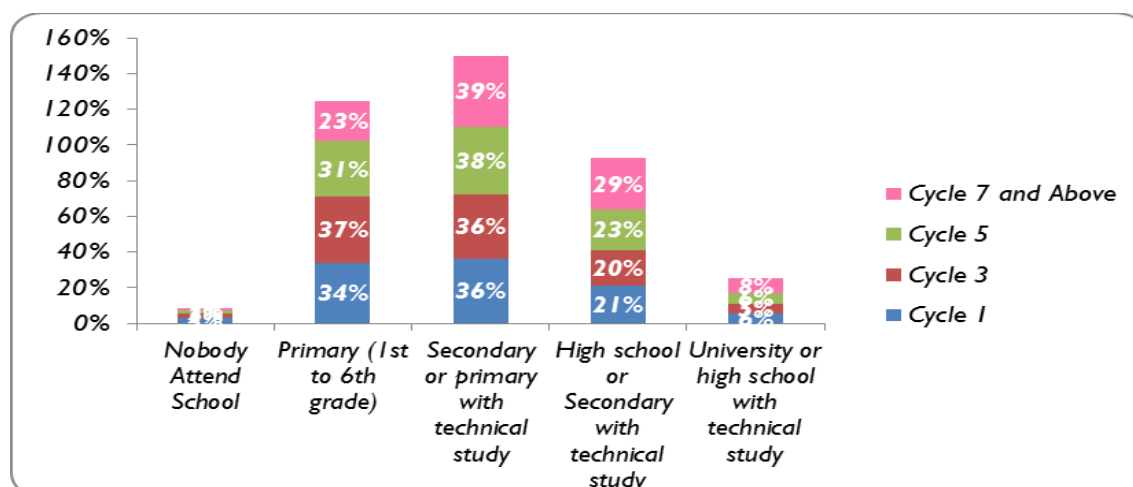
From secondary school to university level, the percentage of were slightly increased from the first cycle to the seventh cycle accordingly. It showed the participation of household member with the formal education.

6.3.4 *Assets*

Business Capital

The higher demand for capital investment for the partners in over USD 100 was remarkable increased from 1st cycle to 7th cycle. At least Over 20% of partners need capital more than USD200 for whom has borrowed from 5th cycle and above.

Business Capital	Cycle 1	Cycle 3	Cycle 5	Cycle 7 and Above
Less than USD 50	19%	10%	6%	3%
Between USD 50 and USD 99	40%	35%	23%	19%
Between USD 100 and USD 200	28%	38%	49%	51%
More than USD 200	12%	17%	22%	26%

Household Assets

The percentage of households who had the ownership on motorbike was remarkably increased from cycle 1 to 7 with the percentage growth from 58% to 81%. The partners who were affordable to have the ownership on motorbikes with the price more than USD 500 also increased up to 56% in cycle 7 and above.

Table 1: Percentage of Asset Ownership by Cycle

% of Asset Ownership	Cycle 1	Cycle 3	Cycle 5	Cycle 7 & Above
Number of bicycles owned	71%	75%	72%	62%
Number of mobile phones	84%	92%	96%	97%
Number of mobile phones worth > USD 60	4%	3%	4%	8%
Number of motorbikes	58%	63%	72%	81%
Number of motorbikes worth > USD 500	34%	39%	48%	56%

6.3.5 Toilet Facility

The overall improvement of own concrete toilets was increased from the 1st cycle 56% to 84% in the 7th cycle. With this result, it showed the progress of living conditions as well as the understanding of people on sanitation.

Toilet Facility	Cycle 1	Cycle 3	Cycle 5	Cycle 7 and Above
No concrete toilets	33%	30%	19%	8%
Shared concrete toilets	11%	9%	8%	8%
Own concrete toilets	56%	61%	73%	84%

6.3.6 Food Habits
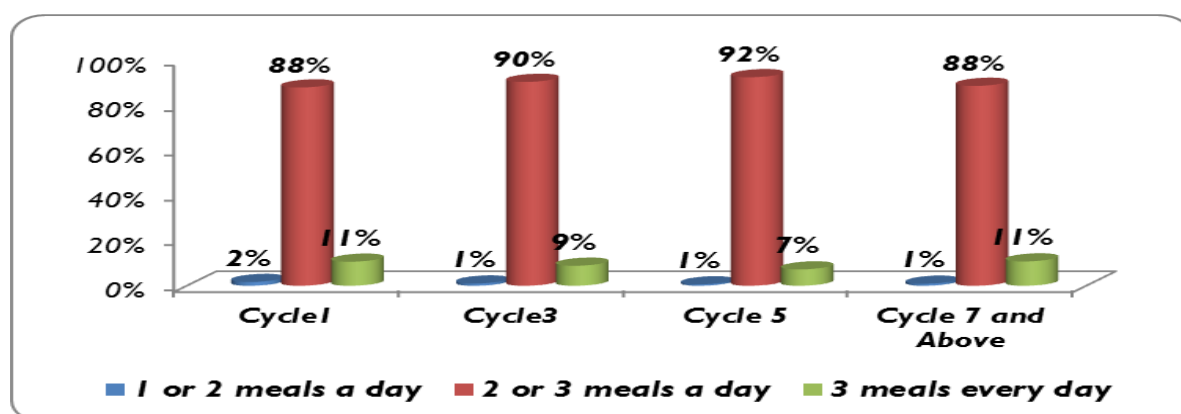
The progress of food habit by households was slightly changed; mainly, people prefer to eat 2 or 3 meals a day: over 80%. There were less than or equal 11% of household who always have 3 meals every day.

6.3.7 Access to Health

Access to Health	Cycle1	Cycle3	Cycle 5	Cycle 7 and Above
Traditional and / or self-medication	1%	1%	0%	1%
Only ask the chemist and take modern medicine	72%	73%	71%	63%
Ask a doctor / go to health center	16%	19%	20%	23%
Go to clinic or hospital	10%	7%	8%	13%

The first approach for health treatment, asking the chemist and take the modern medicine, there were over 60% partners expressed. Besides this approach partners can go to meet with doctor/ go to health center, and go to clinic or hospital. Anyway, based on the results, it also showed the progress of partners in both ability and awareness on health treatment as there was an increase in formal health treatment mechanisms and decrease in self-medication despite the changes was not much significant.

VII. Conclusion

As the overall analysis from 30,044 PAT in 2014, it showed the differentiation of PAT results between branches surrounding Phnom Penh areas and provincial areas. In terms of living conditions, households surrounding Phnom Penh were with 48 score on average, which were higher than those who were in provinces, score was only 45. As the overall by all branches, the PAT score was 46.

With general trend analysis from cycle 1 to 7, score also increased by almost 10. This result showed the improvement of living conditions of Chamroeun's partners in which the variance strongly occurred in Phnom Penh areas from 44 in cycle 1 to 53 score in cycle 7.

In terms of poverty indicators, the results also found some aspects which significant increase from 1st cycle to 7th cycle:

- ✓ The percentage of all children attend school from 6-16 year old was significant increased from 35% to 45% (cycle 1 to 7);
- ✓ The growth of capital for business investment more than USD 200 increased by 8% compared with PAT 2013. The comparison from cycle 1 to cycle 7, it also increased for the partners who need the capital from USD 100-200 by 23%, and for partners who need the capital more than USD 200 USD by 14%;
- ✓ The percentage of partners who have the motorbike was remarkably noted from 58% in the 1st cycle to 81% in the 7th cycle;
- ✓ The percentage for whom had own concrete toilets also increased from 56% in cycle 1 to 84% in cycle 7;
- ✓ The health treatment approach through going to meet with the doctor/ go to health center was increased from 16% in the 1st cycle to 23% in the 7th cycle, and for whom go to clinic or hospital increased from 10% in the 1st cycle to 13% in the 7th cycle;

In overall, PAT 2014 showed that there was no indication of changes in targeted segmentation as the average PAT score for 1st loan cycle was not much different compared to PAT 2013 result. Besides, in terms of livelihood progress, there were significant changes in several ways amongst Chamroeun's partners as such health, education, household assets, financial capital investment, and sanitation.

VIII. Validity

This Report will be formalized for implementation from the date of signature and approval by CEO.

IX. References

- Cambodia Socio-Economic Survey, CSES 2012.
- The World Bank "Where Have All The Poor Gone? Cambodia Poverty Assessment 2013" Sunway Publishing May 2013.

X. Annex

- FM-FS-007-03 Poverty Assessment Tool.
- PAT Data Analysis (Excel File)

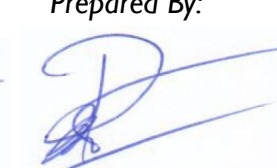## XI. Acknowledgement

Phnom Penh, 29 June 2015

Approved by:	Verified by:	Checked by:	Prepared By:
Mr. SUON Sophea	Mr. PHENG Raksa	Mr. HUOT Sokchea	Mr. HAK Norin
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