

# **A note on the performance of RDP (1996-'98)**

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## Introduction

The Rural Development Programme (RDP) was launched in 1986 by amalgamating the Outreach Programme and the Rural Credit and Training Project (RCTP). Through the RDP the rural poor are organised into village organisations (VOs) and are provided with credit and other human resource development inputs to raise their income and employment opportunities and level of empowerment.

The programme has been extended over different phases. The first phase covered the period 1986-89, the second phase 1990-92, the third phase 1993-95, and the fourth phase (1996-2000) is being implemented now. The five year Phase-IV of RDP, although an extension of the previous phases, has some distinguishing features and is designed to fulfil certain specific goals.

The goal of a project sets its strategic directions and clarifies the decision making process. With this in mind BRAC formulated the following goal for RDP-IV: *The rural poor will improve their lives in a sustainable manner* (BRAC, 1996). Progress toward this goal was indicated by factors such as increasing income levels, better health, more control by women over their income, better protection of rights, more children going to school and more interaction between group members and local institutions (Report to donors January—June 1998).

The strategic directions of the programme envisaged the following key outcomes of RDP-IV:

- The development of appropriate, effective and functional organisations of participating households
- Self-sustaining credit entity functioning
- Increased income and employment generation in poultry, livestock, fisheries, sericulture, social forestry and vegetable production

- Increased knowledge and action by villagers with respect to their legal and human rights
- Increased income for the poorest women in the poverty group
- Improved health of participating households (Husain ed. 1998).

RDP produces a progress report every six months to the donors. The last one presented was for the period January to June 1998. The report showed that overall the programme performed well during the first six months of 1998 without any disruption. But Bangladesh experienced the most devastating flood in living memory both in terms of depth and duration from July to September 1998. BRAC undertook a massive relief programme for the flood victims but it was then difficult for RDP to continue its normal programmes. After the flood RDP resumed its activities. At this stage the programme faced a new challenge. It required to recover the damages from the flood on the one hand and, on the other, to go back on to the usual track again.

The aim of this paper is to present a synthesis of the achievements of RDP-IV against its targets for the period starting from 1996 to June 1998 (before the flood), the performance of the different components of the programme during and after the flood (July to September, 1998 and October 1998 to February 1999 respectively). It is expected that such an exercise will enable one to have an idea on whether the programme will be able to achieve its target set for 2000. In doing this we take recourse to RDP-IV LFA. The following is an extraction of relevant format in the LFA.

| Narrative Summary | Agreed Indicators | Achievement<br>(Period) | Comments and<br>Recommendations |
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The information used in this paper have been collected from RDP MIS, RDP-IV reports to donors, different sector programmes of RDP, relevant personnel in RDP, and different RED research reports on RDP. However, time allotted to prepare this report was less than one month

## **Progress up to June 1998**

As we have seen above, the LFA set overall targets for different indicators to be achieved by 2000. Specific targets were also set for each year of the Phase-IV. RDP-IV report to donors (January to June 1998) showed that the overall progress of the programme was satisfactory till June 1998. Moreover, progress of the previous two years was on the target or often ahead of the target for many indicators (Report to donors, January to December 1996; 1997). From the performances reported in the said report there were reasons to believe that RDP was moving towards realisation of its target. A good number of indicators had reached the targets well before June 1998 while the others were showing signs of realisation in due time.

Village organisation: The performance of this output was very well during the first half of 1998. It was targeted that in 1998 a total of 2,530 new VOs would be established. During January to June, the programme over achieved this target as it established 3,934 new VOs bringing a total of 58,528. However, some IGVD VOs were incorrectly included in the June 1998 report which showed the figure higher. Similarly, during the same period 2,08,312 new members were recruited in the VOs bringing a total of 2.16 million as against the target of 2.1 million at the end of 1998. Ninety six percent of the BRAC members were female. Participation in the monthly issue-based meeting was also satisfactory (78%). Twenty five percent of the female members were accompanied by their husband or male relatives when going to join issue-based meeting.

An important reason for over achieving the targets was that RDP identified a large group of poor and vulnerable people who were not served by any development organisation. The programme focused especially on these poorest of the poor who also showed their interest to join BRAC. IAS-II findings had revealed that only 47% of the TG households were covered by BRAC (Husain ed. 1998). Therefore, RDP planned to increase its number of VOs including the poorest and for that it speeded up its operation. The initiative showed very encouraging outcomes. The projection for RDP-IV was that there would be 330 area

offices (AOs) with an average of 6,000 members in operation at the end of December 1998. But by the end of June 1998 RDP attained 330 AOs with an average of 6,532 members. During the above period four general issue based meetings per month per VO was conducted and this was on the target. Sixty five thousand VO orientation workshops were held during January to June 1998 against the revised target of 2,50,000 workshops during 1996-2000.

Credit operation: One of the objectives of the RDP-IV was its financial sustainability. It was stated in LFA that all costs for credit services were to be covered by interest income by the end of the fourth year of operation. By the end of June 1998, the costs for credit services of the fifth year or older branches were covered by interest income.

The functioning of other components of the credit programme was also satisfactory till the first half of 1998. Amount of loan disbursed during the first half of 1998 was more than half of the yearly target for 1998 (Taka 3.5 billion against the target of Taka 6.1 billion). It would be worth mentioning here that that average loan size for a RDP member was Taka 4511—about 2% higher than the target. The other area where the programme performance went beyond the target was the percentage of VO members covered by credit facilities (81% at the end of June 1998 against 80% for the period 1996-2000). Ageing of principal outstanding was 91% against the target of 92% and overdue outstanding ratio was only 2.5% against the target of 5%. Closing savings balance was Taka 2 billion—very close to that projected (Taka 2.1 billion). Again, 80% of the VO members contributed their savings regularly. On time realisation (OTR) target was no less than 95%, and during January—June OTR was 91% which was only slightly less than the target. The achievement of higher average amount of loan, and savings was due to the increase in the number of new members mentioned earlier. Moreover, during the first half of the year drop out rate was 3.5%— below than the target (5%).

The above findings revealed that performance of credit programme was quite satisfactory.

Income and employment generation: Overall performance of EIG programme was also satisfactory during the first half of 1998. A total of 82,096 new jobs were created during the above period against the target of 99,796 for the whole year. Percentage of women in the job (99%) was well above the target. Other areas where the programme surpassed its target were perennial fisheries, horticulture nursery, grafting nursery and vegetables. In poultry and livestock rearing the programme already crossed the half of the target and was moving towards the yearly target. The average loan size for poultry rearing was Taka 4,100. But in agroforestry no new job was created against yearly the target of 1,500. In sericulture only 193 jobs were created against 551. It must be mentioned that all the new participants completed training. The reason for higher participation in the fisheries and horticulture sectors was due to the need of less time commitment and higher return in these sectors compared to other sectors. Moreover, there is higher demand in the market for these products.

It must be mentioned that the targets for the previous two years were achieved successfully (RDP reports to donors, January—December 1997; 1996).

RDP established two poultry farms with one of it producing 2,52,419 chicks, and two feed mills where 4,378 MT feed was produced. Moreover, three prawn hatcheries were established producing 1.13 million post larvae during the first half of 1998 against the annual target of 1.3 million. However, seven more prawn hatcheries are yet to be established by 2000. No silk reeling centre was established against the target of 10 by 2000. But during January—June 1998, 1.15 million DFL were produced in 7 grainage centres.

Human rights and legal education: This component of the programme also performed well during January—June, 1998. During the above period the programme trained 1,30,641 VO members about their rights and responsibilities. Sets of materials used by trainers and volunteers, number of workshops for community leaders in RDP areas were as per the target. Fifty percent of VO members demonstrated understanding of basic land law, family law, and citizens' rights against the target of 80%. Again, 93% of marriages involving a

VO member were registered officially against the target of minimum 50%. Similarly 57% divorces were official against the target of 50%. Fifty percent of the brides in VOs were above 18 years at marriage which was above the target. It was targeted that by 2000 there will be no new cases of polygamy among VO members. Since most RDP group members are women, they are the victims of polygamy and not the initiators. Therefore, it has been suggested that in case of polygamy the indicator should be changed. The programme has proposed that the indicator '*By 2000, no new cases of polygamy among VO members*' be changed to '*By 2000, 90% or more members express opinion against polygamy*' (Reports to donors, January—June 1998).

However, the programme has initiated a new pilot project called Popular Theatre which has been implemented in Comilla and Mymensing regions. RDP prompted the idea among its members and their friends to present short dramas. The drama which is full of entertainment, contains social messages—often real life experiences, and takes place in the evening in an open space in the village and are open to everyone (Reports to donors, January—June 1998).

Health: This programme also ran well against most of the indicators. The number of households using slab latrines and contraceptives increased steadily. IAS-II findings had revealed that 97.9% of RDP households used safe water for drinking, 84.9% for cooking, and 75.1% for washing plates (Husain ed. 1998). Thirty four percent used slab latrines (Reports to donors, January—June 1998). Modern contraceptives use rate among the eligible couples was 59.1% (Ahmed et. al., 1998). Ninety percent of the children aged less than one year and 87% of the pregnant mothers were immunised against the target of 90% and 95% respectively. Although the result of use of safe drinking water was encouraging for the programme, a large number of tubewells were found to be arsenic contaminated. The programme responded in two ways. First, it has been training all the EHC POs and the SS in managing arsenic contamination, who are, consequently, briefing the group members and the community on decontaminating such water and preventing the health hazards caused by arsenic poisons. At the same time, the programme incorporated a standard

practice of testing the ground water before sinking any new tubewell. If arsenic is found, the tubewell is installed at a different site (Report to donors, January-June 1998).

Other specific outputs which were realised before the stipulated period were the use of revised health education curriculum, diagnosis and treatment of common diseases by Shebikas and availability of essential drugs, contraceptives, slab-ring latrines, vegetable seeds to meet demand. For example, vitamin-A was distributed to 94% of children aged less than six years.

Vulnerable group development: Due to late signing of the contract with GOB, the IGVGD programme was started in March instead of January 1998 and loans were disbursed from April. In 1997 the programme also started delayed 7 months for the same reason. Nonetheless, there were 5,964 groups functioning by the end of June 1998 against the target of 5,950 during 1998 and 5,889 members received loan during April—June 1998. In 1997, a total of 62,316 members received loan (Reports to donors, January—December 1997). However, the target for 2000 is 3,00,000. A cumulative number of 1,04,821 VGD women were trained against the target of 3,00,000. Average monthly income for this period was not available (Reports to donors, January—June 1998).

Organisation and management capacity of BRAC: Planning, implementation, monitoring and evaluation of RDP are, where possible, based on the Logical Framework. During the first half of 1998 it initiated a process to develop a new staff format. As per the requirement organisational structure of RDP was reviewed. By the end of 1997, Regional Managers were given the authority to approve disbursement per day per Area of up to Taka 2,50,000 in loans and to recruit PAs without reference to headquarters. Retaining the staff also got attention. By the end of June 1998, 43% of POs had more than 2 years of service, 89% AMs more than 4 years of service, and 62% RMs more than 8 years of service. More than 80% of POs received training packages within 2 years of commencing service.



BRAC is actively looking for ways to improve its organisational and management capacity. As a result, the programme upgraded the status of PAs through re-designating them as POs. They were also made regular staff. Previously they were treated as project staff. Since July 1998 BRAC recruited only POs. POs who would perform the task of PAs were recruited at level 5 and other regular POs were recruited at level 7. This change has been aimed at enabling the PAs to receive more benefits and a sound career path within BRAC. In this regard, in the future reports to the donors, the programme proposed that all indicators using the word 'PA' would be changed to 'PO (level 5)' (Reports to donors, January—June 1998).

The programme has also given special attention to increase gender parity and sensitivity. At the end of June 1998, 18% of senior RDP positions (Regional Manager and above) were occupied by women. On the other hand, 26% of PAs and 23% of POs were women. The number of female AMs increased to only 8%, which was 1% more than that of the end of 1997. The achievement was low because after recruitment a large number of female staff dropped out, as they were not able to endure the rigours of fieldwork. The programme has been trying to address this by recruiting larger number of females (this caused a slight over expenditure) and by creating a better work environment for them through programmes like GQAL.

Contribution of partner NGOs: During January-June 1998, six NGOs were selected and trained to work with BRAC as partner NGOs. From those NGOs 16 staff were trained on savings and credit and also 16 on accounts management. A total of Taka 3,400,000 was disbursed as credit during the above period.

#### **Programme performance during the flood (July to September 1998)**

During the devastating flood normal functioning of the programme came to a halt. The areas where the immediate effects of the flood occurred were the functioning of the credit

programme, income and employment generation, vulnerable group development and health and sanitation situation.

Village organisation and credit operation: During July to September 1998, 2,906 new VOs were formed and 1,27,806 new members were recruited. Amount of loan disbursed was Taka 1,865 million and average loan size was Taka 4,432—slightly lower than the pre-flood figure. Amount of net savings mobilised was Taka 184.89 million. It can be said that these components of the programme performed well during the flood. An important reason for this is that the programme continued to expand rapidly in one-third areas of the country unaffected by the flood. In those areas the programme opened new branches. By the end of December 1998 there were 212 RCP and 118 RDP branches which managed to cover all costs for credit operations by interest income.

However, in the flood affected areas, 60% of the VO members had repaid loan instalment and 63% deposited savings totally or in most of the occasions (Ahmed, 1998; Abolokon, 1998).

Income and employment generation: During the flood majority people lost their employment and consequently income opportunities. A limited number of them earned from alternative occupations like ferrying people by boat (2.9%) and catching fish (8.1%). Those who could not manage any alternative source of income tried to meet family needs by borrowing from money lenders (32.6%) or relatives (15.9%), borrowing daily necessities from grocery shops or well-off neighbours and advance sale of labour and crops. Only 3.3% managed to sell their wage labour (Ahmed, 1998). In such a situation the performance of the programme in creation of new jobs can be said to be satisfactory. A good number of jobs were created in poultry (3,230), livestock (5,214), agroforestry (5,338), horticulture nursery (280) and grafting nursery (175). In sericulture only 21 new jobs were created. It must be mentioned that all those employed were women.

The programme supplied 16,06,327 chicks during the flood period. During July—September 280 nurseries were set up. In sericulture, 38 MT of cocoons and 6,51,996 DFL were produced. Average monthly income of those employed in sericulture was Taka 400. For other sectors, income data for the above period are not available.

During the period 4 silk reeling centres and 11 grainage centres were operated. Two seed production centres were established. In the feed mills 1,634 MT feed was produced. But due to flood production was low and for lack of communication distribution of feed was severely hampered. A total of 280 grafting nurseries were in operation during the period.

Vulnerable group development: RDP tried to continue its IGVGD programme in spite of the difficulties caused by the flood as suggested by the following information. A total of 676 new groups were formed in the above period with 20,286 women enrolling in VOs. There were 21,725 loanees during that period.

Health: During the flood, most of the tubewells were inundated. But 84% of households managed to drink flood free tubewell water (Abolokon, 1998). In many places submerged tubewells were raised and water was pumped for few minutes before collection. In other places, women used to collect drinking water from far away places where the tubewells were not inundated. However, for washing utensils and other domestic activities they used flood water. Sanitation posed a serious problem for the flood affected people, especially women. Men used to go by rafts or boats to distant places for defaecation. Women had to wait till dusk to respond to nature's call (Ahmed, 1998). Eighty seven percent people went by rafts or boats for defaecation (Abolokon, 1998). However, during the above period 58,822 slab latrines were installed. Number of households per tubewell was not possible to estimate for that period.

### **Programme performance after the flood (October 1998 to February 1999)**

After the flood the programme resumed its normal activities. However, information on some of the indicators up to February 1999 is not yet available. In those instances, information of Reports to donors (July—December 1998) has been used.

Village organisation: During October 1998 to February 1999 the programme formed 4,942 new VOs and also included 2,07,373 new members bringing a total of 2.84 million. This happened because RDP increased its geographical coverage and also for extending coverage of the poorest of the poor. Information from eight randomly selected VOs by RDP showed that in 1998 there were 81% members with membership length of at least 2.5 years and average loan size at of least Taka 7,500. Percentage of members accompanied by husbands or other male relatives at each issue-based meeting increased marginally (29%). Overall performance of this output shows that the programme has withstood the effect of flood.

Credit operation: This component was mostly affected by the flood and as a result the programme, after the flood, failed to achieve the target in some cases. The only area where the programme reached the target was the amount of loan disbursed (Taka 7.1 billion against 6.1 billion). Average loan size decreased to Taka 4,200—lower than that during the flood, closing savings balance (Taka 1.93 billion) was less than the target (Taka 2.1 billion). However, at the end of February 1999, average loan size decreased further to Taka 3,832. During October 1998 to February 1999 net savings mobilisation was Taka 151.17 million and amount of loan disbursed Taka 1,856 million. On time realisation decreased to 84% in December 1998. There are several reasons for this poor performance. Due to the flood RDP extended a large number of Taka 500 loans for house repairing which pulled the average down. Moreover, RDP relaxed its rules for savings withdrawal as members needed their savings for recovery from the effects of the flood. This resulted in a high savings withdrawal rate during the last quarter of 1998. On time realisation rate also

dropped for the flood. However, 78% of VO members were covered by the credit facilities against the target of 80%. But the drop out rate of VO members increased to 7%.

Income and employment generation: Like the first half of the year, more jobs than the target were created in perennial fisheries, horticulture and grafting nursery during 1998. But in poultry, livestock, sericulture, agroforestry and vegetables number of jobs created was less than the target. Due to flood these sectors was not able to achieve the target. However, during October 1998 to February 1999, a total of 9,227 new jobs were created in poultry, 9,694 in livestock, 4,519 in agroforestry, 1,027 in horticulture and only 75 in sericulture. According to the monitoring report, for the year 1998 average monthly income from poultry was Taka 613, from sericulture Taka 497, from fisheries Taka 1,772 and from agriculture Taka 1,946 all of which were above the target.

Health: At the end of 1998, 96% of RDP households used tubewell water for drinking. There were about 35% households per working tubewell against the target of 20 households per working tubewell by 2000. Percentage of families using slab latrines increased to 42%. During October 1998 to February 1999, 1,06,198 ring slab latrines were installed.

Vulnerable group development: This component performed well after the flood as it did before the flood. During October 1998 to February 1999, 122 new groups were formed and 3,672 women enrolled in VOs. 48,137 members received loan. In 1998, average monthly income of 71% VGD women were more than Taka 300. During the period April—December 1998, 39,825 VGD women were trained.

### **Overall progress**

The ultimate objectives of BRAC are poverty alleviation and empowerment of the poor. Programme achievement in the outputs discussed earlier does not necessarily imply

improved socio-economic condition of the poor participants. Research findings on some selected socio-economic indicators can shed light in this regard.

BRAC households increased their household assets by 33.5% against the target of 50%. A good number of members (11.6%) of those who were previously in the target group graduated to the non-target group after joining BRAC against the target of 20% (Husain ed. 1998). Report to the donors for January to June 1998 showed that 89.2% of primary school age children of RDP members attended school which was higher than the target of 80%. But analysis of recently collected Watch data on the national level shows that 76.9% such children of RDP members attended school (Unpublished education Watch data, 1998).

Women were continuously being involved in different IGAs. Only 20% of women were previously involved in IGAs which increased to about 42% after joining BRAC. They gained voice in the family decision making which they did not have before joining. There are reasons to believe that women are now also being involved in community level decision making. For example, in the recently held Union Parishad election nearly 4,000 BRAC members contested of which 1,415 were elected.

Proportion of severe malnutrition in the children aged less than 5 years was significantly lower among BRAC member households (12%) than those in the control households (21%) (Khatun et. al., 1997). Findings of RED Watch project shows that neonatal and infant mortality rates were 48.13% and 79.3% per 1,000 live births respectively against the target of 74% and 90% respectively to be achieved by 2,000 (Nath and Hadi, 1994).

Research findings on institution building are not satisfactory. Of the VOs, 51.5% adopted resolutions in meetings, 16.3% rang bell, 36% started meeting on time, 74.5% recited 18 points, 43.5% have small groups, 42.7% followed proper sitting arrangement and 19.2% followed appropriate loan reimbursement procedures. VO members, irrespective of year of joining BRAC, showed higher loan repayment rate than savings (Kamal et. al., 1998).

Findings from another research shows that with the ageing of the VOs the members started believing or became conscious about the fact that their effort in enacting the responsibilities would not bring any personal gain to them. They increasingly started believing that the only purpose of their participation in the VOs was to receive credit from the RDP office (Rafi et. al., (1997).

## **Conclusion**

It can be said from the above discussion that the programme performed very well till the first half of 1998. During the flood although the credit and savings component of the programme were more seriously affected, the effects were seen in their post-flood performance. Water and sanitation indicators were down during the flood, but very soon after the flood they moved up to the previous level. Income and employment generation was on or ahead of the target except for some of the sectors. IGVGD programme ran well during and after the flood but before the flood the performance was not much satisfactory due to late signing of the contract with GOB both in 1997 and 1998. However, overall performance of the programme can be said to be satisfactory. After the flood all the components of the programme except the credit and savings one came back to its normal course withstanding the difficulties posed by the flood.

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