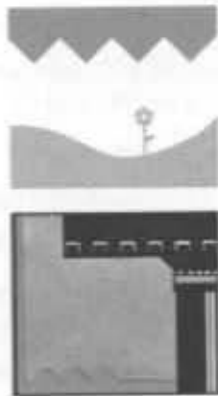


EMPOWERING THE POOR

BRAC
R E P O R T
1 9 9 1



BRAC
REPORT
1991



BRAC
R E P O R T
1 9 9 1

GOVERNING BODY

CHAIRMAN

Syed Humayun Kabir

MEMBERS

F H Abed
Taherunnessa Abdulah
Monowar Hossain
Kazi Aminul Huque
A S Mahmud
Salma Sobhan

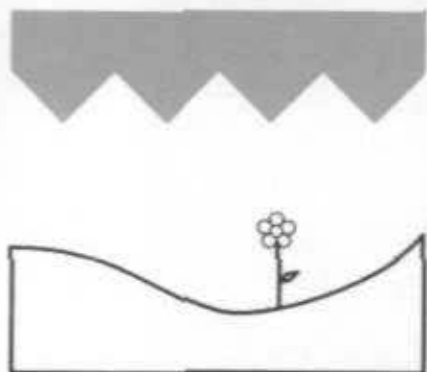
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A NOTE FROM THE EXECUTIVE DIRECTOR

BRAC is an organization which has rapidly evolved over the last two decades. Within this brief time-span it has developed a wide spectrum of varied projects, all directed towards offering a better quality of life to the country's poor. Its aim has been to empower the poor to alleviate their poverty.

The present Annual Report – the second such document – discusses the major activities of 1991. Each programme is treated in its historical perspective, to better describe its evolution and growth. The contents in this report comprise a greater range of programmes than what is generally contained in an annual report, so that readers both at home and abroad will have a more comprehensive idea of BRAC's manifold activities.

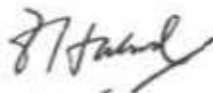


The year 1991 has been an eventful one. During the year BRAC's on-going programmes attained further growth and expansion. In the aftermath of the April 1991 cyclone BRAC launched a programme in Kutubdia integrating health, education, institution building, income generation and credit components. A new comprehensive health programme targeting particularly the women and children under 5 of poorest households was introduced in 1991. It covers around 2 million people.

BRAC finalized a proposal to expand its rural development activities to cover an additional 600,000 landless poor families by 1995. It also plans to open some 50,000 BRAC primary schools by that time. Through these programmes BRAC will be working with some 6 million of Bangladesh's rural poor by 1995.

BRAC's programmes have been recognized as having an important and positive socio-economic impact. For this the credit goes both to BRAC workers, and to various programme participants, whose sincere efforts have helped transform BRAC's manifold innovative ideas into effective actions.

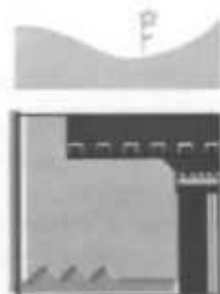
July 1992


F H Abed





BRAC: EVOLUTION AND GOALS



By the end of 1991, BRAC had almost completed its twentieth year of existence. It commenced life as a relief and rehabilitation project, and subsequently grew into an all embracing development organization. Its multi-sectoral programmes have spread across the country. Its ideas have been widely appreciated both in Bangladesh and abroad.

The following paragraphs briefly describe the important contextual variables that have influenced the work of BRAC, its goals, its programmes, its various development strategies.

The Contextual Variables

BRAC works with the rural poor — landless men and women; small farmers and artisans. Poverty, disease and malnutrition dominate the lives of these people. Bangladesh is one of the poorest countries in the world, having a per capita GNP of US \$ 180 and where the rural per capita income is much below the national average. Bangladesh is also one of the most densely populated countries in the world, with nearly 1700 people per square mile. Over 80 percent of the country's population, or 90 million people, live in the rural areas. The rural people are largely dependent on agriculture for their sustenance. Acute man-land ratio and skewed distribution of land is a critical problem for these people. Sixty percent of the rural population has practically no land. They are functionally landless. Twenty percent do not even own their homestead. Rapid growth of population has exacerbated the process of landlessness.

Unemployment is acute in the rural areas. Around 70 percent of the country's labour force is engaged in agriculture. The average daily wage is Tk 30, or less than 1 dollar, which barely supports a family of six at the poverty threshold level of consumption. At least 67.5 million rural poor exist in absolute poverty, judged by the minimum per capita requirement of 2,122 calorie per day. The women hold one of the lowest positions in the rural social strata in terms of health, education, marriage, employment and social equality.

The health situation of the rural poor is staggering. Infant mortality is 120 per 1000 live births which is

ten times higher than in developed countries. Sixty percent of all children below the age of five are malnourished and fifty percent are born underweight. Maternal mortality is about 250 times higher than in Norway or Sweden. Only 30 percent of the population has access to primary health services.

Illiteracy is widespread. Only 15 percent of the females and 31 percent of the male population can read and write. The literacy rate is lower in the rural areas, and is still lower among the rural women. In Bangladesh, 70 to 80 percent of children drop out of school before attaining any meaningful education.

The society in Bangladesh is primarily elitist, dominated by urban and rural elites. Most of the available resources are owned by the upper socio-economic strata. The rural poor, being unorganized and powerless, are the victims of various kinds of exploitation and deprivation. They are the first casualties of flood, cyclone and other natural disasters.

Alleviation of poverty, eradication of illiteracy and a marked improvement of health standards have been important concerns of any Bangladesh government. Various development programmes have accordingly been introduced under the public sector. The problems however in rural Bangladesh are such that there is a definite need for supplementary efforts.

Against this backdrop of rural poverty, BRAC has designed its own interventions aimed at alleviating in positive measures the present situation of the rural poor.

BRAC's Evolution : 1972-1991

Formed in February 1972, BRAC started its activities with the objective of relief and rehabilitation. The task was not only to resettle the thousands of people displaced during the war of liberation, but to bring a measure of normalcy into their lives. BRAC started its first operation in the Sulla area of Sylhet (now Sunamganj) district. Within nine months 14 thousand homes were rebuilt from one million bamboo poles procured from India. Several hundred boats were also built for fishermen. Medical centres were opened and other essential services established.

A. Strategic Evolution

By the end of 1972, with the relief operations being completed, BRAC decided that its main task was to tackle rural poverty at its most basic levels. BRAC realized that for sustainable development the ability of the rural people had to be developed so that they could mobilize, manage, and control local and external resources themselves. For this a long term strategy was necessary.

By 1973, BRAC had already put into effect a multi-sectoral village development programme in Sulla involving different sections of the rural community. The programme included agriculture, fishery, cooperatives, rural crafts, adult literacy, health and family planning, vocational training for women, and construction of community centres. A new approach, that of community development, was tried, but this failed to achieve the desired goal, as it was only the land owners and those who possessed productive assets who mainly benefitted.

As a result, in 1976, BRAC decided to shift its focus on the landless poor. From now on these would be its main targets for development. It defined landless as those who owned less than half an acre of land and survived by selling manual labour. They included small farmers, and women in the lowest economic and social bracket.

B. Programmatic Evolution

In 1975 BRAC began its first experiment with activities concerning women in Jamalpur — a particularly poor area in Mymensingh. This project covering 30 villages served as a pioneer development ground for activities specifically addressed to the needs of women.

In 1976 BRAC moved into the Manikganj area, where new approaches were introduced. The Manikganj Integrated Programme (MIP) covers 250 villages, and is BRAC's key laboratory area for testing out various kinds of development initiatives.

During the 1970s BRAC focused on human resources development activities by setting up its first institutional structure for training and development — the Training and Resource Centre (TARC) at Savar. Presently there are seven TARCs spread over the country with one more being set up in the near future. TARC was initially meant as a training centre for BRAC's own staff and for concerned villagers. Today these centres also cater to the training needs of other development agencies in the country.

In 1990 BRAC introduced a new Management Development Programme (MDP) directed towards the development of managers, as BRAC firmly believes in the necessity of professional management in the supervision of its programmes. Apart from BRAC, the MDP helps provide an useful service to other organizations, both government and non-government.

A research and evaluation unit was also set up in 1975 to help identify the underlying constraints to rural development and to define development strategies. The unit has grown into a full fledged division with 26 core researchers, 60 field researchers and 22 support staff.

In 1978 the first of what are now six marketing outlets in three cities, the Aarong shops, was established in Dhaka to market the products of BRAC assisted artisans, mostly rural women.

In 1979 BRAC decided to expand and develop its health programme in a major way. It established the nationwide Oral Therapy Extension Programme (OTEP) which was to reach the oral rehydration message to every village home in the country. In 1984 some 1,300 workers were involved in this programme, and by 1990 this goal was largely achieved. About 13 million women were taught how to mix oral rehydration solution from home ingredients. By 1986, before the conclusion of OTEP, BRAC undertook a more comprehensive Child Survival Programme (CSP) working with the government on immunization and other primary health care activities. In 1991, with the successful completion of CSP, BRAC introduced a more concentrated intervention in the health sector named Women's Health and Development Programme.

In 1985 an innovative Non-Formal Primary Education (NFPE) programme was begun with 22 schools. The number increased to 6,003 in December 1991, with over 180,000 students who have either already graduated or are in the process of doing so. Women are a special target of the programme, and girls make up over 80 percent of the students body.

BRAC Organogram

In 1986 BRAC introduced its Rural Development Programme (RDP), a well designed strategy aimed at uplifting the economic level of the rural poor through functional education, training, extension of credit and new methods of income generation. In 1990 the ground work for a BRAC Bank was founded. It introduced a self financing credit project, formally known as Rural Credit Project (RCP). The idea behind the project was to take over a RDP branch when it is capable of generating enough interest from lending to meet its operational expenses. By the turn of 1991, the number of RDP and RCP branches stood at 90 and 30 respectively. Together these two programmes have covered nearly 600,000 landless poor, 68 percent of them being women.

BRAC's Philosophy and Goals

The development strategies of BRAC pursue two major goals :

1) alleviation of poverty; and 2) empowerment of the poor. With these aims in mind BRAC's main priorities are people and their participation in the development process. BRAC believes that the rural poor can be empowered both by changes in their living conditions and by developing their capabilities. All BRAC programmes reflect this philosophy. The basic assumption is that it is the people themselves who can bring about changes in their conditions, through individual and cooperative action. BRAC's role is to respond in a flexible manner to the development needs identified by the people themselves. BRAC's programmes, therefore, are not determined by any rigid set of strategies and can be adjusted as and when required to encourage the development of an infrastructure and long term sustainable self-reliant growth.

One of the main features of BRAC strategy is to operate as capacity initiators, by 1) making the target group members aware of their own problems, 2) giving them the tools to unite in homogeneous class and interest groups, and 3) increasing their capability to secure their legal and civil rights. BRAC also acts as a demand creator for its group members to enable them to enjoy their legitimate share of the services and supplies provided through the public sector.

Management of BRAC

A Governing Body is vested with the management of BRAC. Mr F H Abed, the founder and Executive Director of BRAC is its Chief Executive Officer.

At the top, mid and field levels, BRAC is managed by development managers with years of professional experience. BRAC pursues a system of participatory and decentralized management. BRAC programmes



are planned through the participation of workers at all levels. Within the framework of any programme plan, each level of management is encouraged to exercise its appropriate authority, to embrace creative solutions and to generate innovations. BRAC thus provides its managers freedom to take initiatives that stimulate participation and involvement in its various projects.

Since BRAC demands a high level of work ethics and performance standard its management cadre is selected from within the organization. A policy of recruiting young people with high educational qualifications for placement at the field level of programme operation has been pursued over the last two decades. This policy exposes potential managers to the workings of grassroots mobilization and to the potential problems that might occur with any particular project. BRAC thus has a well trained management cadre to carry on future expansion plans within the organization itself.

Placing women at top management levels is a matter of policy with BRAC. This not only ensures gender equality but helps promote a balanced development of society.

Cooperation with Public Sector

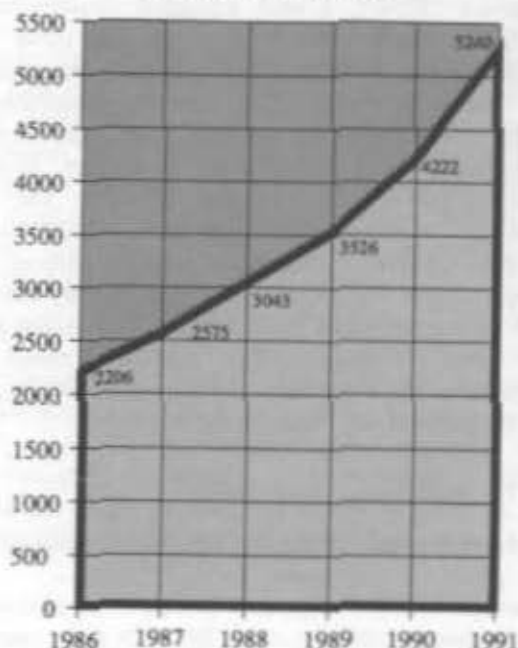
BRAC considers it important to develop a system of effective partnership with the public sector. BRAC feels that such cooperation can enhance the process of development. Thus BRAC has established linkages with various ministries such as health, relief and rehabilitation, livestock services, education, etc. This cooperation has been also helpful for the government to both strengthen its existing programmes and increase their effectiveness. A few cases are cited below.

BRAC assisted the Ministry of Health and Family Welfare in achieving its goals in its Expanded Programme on Immunization (EPI) in 115 upazilas of Bangladesh. BRAC provided training to the government staff on programme management. Evaluation studies done by BRAC and other external agencies have shown that the highest coverage of EPI in Bangladesh was in those areas where BRAC has lent its assistance.

BRAC's poultry development programme provides another example. BRAC has trained several thousand destitute women on poultry rearing and vaccination of birds. They have been linked to the department of livestock which supplies free vaccines. These women now provide vaccination services to the villagers for a small fee. By cutting the poultry mortality rate, the programme has ensured increased production of eggs and birds.

Education and sericulture are two other areas of cooperation. BRAC strongly feels that such partnership

BRAC Personnel



with the public system can help strengthen the process of sustainable development for the poor.

Current Programmes

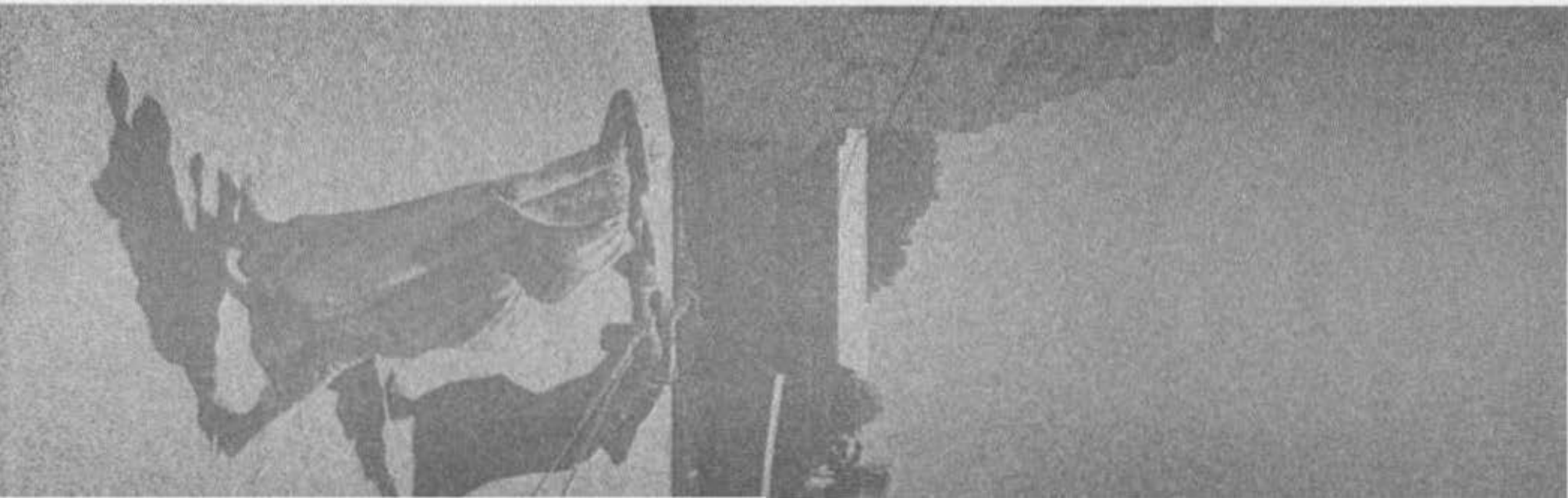
BRAC presently runs six categories of core programmes and a variety of support services directed towards socio-economic uplift of the rural poor :

1. Rural Development Programme — a multi-sectoral programme working for poverty alleviation, employment and income generation, and mobilization of the landless poor.
2. Rural Credit Project — a self-financed credit project.
3. Women's Health and Development Programme — a comprehensive health project, targeting the poorest sector, particularly women and children.
4. Non-Formal Primary Education — a life-oriented education programme for the children of poorer households who have never been to any school.
5. Handicrafts production and marketing — sericulture industry, Ayesha Abed Foundation and Aarong.
6. Income generating commercial enterprises — printing press and cold storage.
7. Training, Research, Rural Enterprises, Monitoring, Management Development etc — support services to core programmes and projects.

BRAC introduced a post-cyclone rehabilitation and development programme in Kutubdia island this year following the April 29 cyclone. BRAC played a pioneering role in initiating Essential National Health Research (ENHR), a new initiative in health research in Bangladesh, which came into operation in 1991.

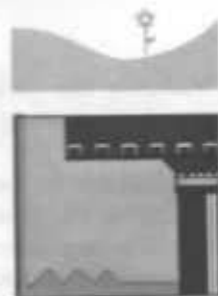
Personnel

BRAC personnel in 1991 comprised 5,240 regular staff and over 5,300 para-professional teachers for its non-formal primary education (NFPE) schools.





RURAL DEVELOPMENT PROGRAMME AND RURAL CREDIT PROJECT



Rural Development Programme (RDP) is the largest of all BRAC programmes and forms the core of all its activities. It organizes the rural poor into men and women groups who work as instruments for development of human resources and occupational skills, for income generating activities facilitated by credit, and for various social programmes.

Process of Programme Development

The organization and other activities of RDP start at the village level. These functions are performed by a small field unit identified as an Area Office. A male or female programme organizer (PO) of the field units goes into a village and initiates a survey to identify the households of the target group. The target population, according to BRAC's definition, consists of people who do not own more than 0.5 acre of land including homestead and who earn their livelihood by selling manual labour.

The PO then holds discussion with this target group of men and women about the measures that may be

undertaken to tackle their problems. These particular groups are then encouraged to form separate organizations on a gender basis at the village level. Once a village organization (VO) is formed, each member begins a savings programme, depositing a minimum of two taka every week. The next major joint activity is the "functional education" (FE) programme which is meant for all members. It is conducted by a FE trainer who is specially trained at one of BRAC's training and resource centres (TARC). As the FE course progresses, the VO selects three/four able and interested members for training in leadership, human development and planning at the TARC.

Gradually the members are encouraged to take on income generating activities that are facilitated by BRAC's credit programme. As the village organizations further develop, they elect a management committee comprised of 5-7 members, including one chairman, one secretary, and one cashier who maintains the society's financial records and resolution books. These positions are rotated every year.

There are two village organizations in each programme village, one for men and one for women. Each VO comprises 50 to 60 members.

RDP-RCP Relationship

The RDP was introduced in 1986. The BRAC banking project, formally called the Rural Credit Project (RCP) was introduced in January 1990. The activities of the RDP are complementary to those of the RCP. The RCP was devised as a mechanism to expand and sustain the RDP activities. In any chosen area the RDP operates for a period of four years, developing the base for a viable institutional framework after which it is taken over by the RCP. The stages of transition to RCP are as follows.

- a. Phasing out of direct BRAC support to a given RDP branch after approximately four years of operation, thus enabling the RDP to operate in new areas.
- b. Establishment of a new and self-supporting credit institution in the phased out RDP branches.

The Rural Credit Project is a continuation of RDP initiated activities with emphasis on credit operations. The transfer of a branch from RDP to RCP takes place when the outstanding loans made to village organization members in a given branch are sufficiently large, approximately Tk 7 million, so that the income generated at the present rate of interest (20 percent) covers the ongoing operating costs. This enables BRAC to sustain its efforts to alleviate poverty and empower the poor.

Evolution of RDP

Since its inception BRAC has experimented with several approaches to find out a viable and replicable model targeted at the development of the rural poor. The Outreach and the Rural Credit and Training Programme (RCTP) were two such experimental ventures pursued by BRAC in the 1970s. Both the programmes used a similar approach, emphasizing mobilization and empowerment of the poor. The difference between the two was primarily the addition of credit as a major component in RCTP. Review and analysis, however, indicated that these two

programmes, implemented in isolation, could not bring about a significant change in the lives of the rural poor. BRAC realized that better results could be achieved through their integration. A merger was, therefore, effected. The RDP grew out of the integration of these two independent strategies in 1986.

Organization and Management

The nucleus of the RDP and the RCP is the area or branch office (BO). For management and implementation, the whole programme is divided into a number of regions. Each region contains a cluster of BOs. A branch office is generally staffed by one manager, 3 programme organizers (PO) and 12 village cadres known as "gram sheboks/shebikas" (GS). As the activities gain strength, special purpose POs or GSs are deployed in a branch to promote sector programmes such as education, sericulture, poultry, etc. A branch covers 120 village organizations — 50 for landless men and 70 for women — with a combined membership of 6,000 to 7,000. The number of RDP branches was 90 and RCP 30 in December 1991. These programmes together have covered 5,337 villages spread over 81 upazilas of 28 districts of Bangladesh.

Major Activities

The RDP and RCP incorporate four major types of activities : a) Institution building including functional education and training, b) Credit operation, c) Income and employment generation, and d) Support service programmes. Each activity encompasses a number of sub-activities. The main thrust of RDP is to develop a viable grassroots organization for the landless to make them critically aware of the environment in which they live, and to initiate measures of changes that will improve the condition of their life and work, while the emphasis of RCP is to sustain the efforts of RDP and to enhance credit support without subsidy.

Institution Building

The RDP works for institutionalizing the entire process of landless development. The process involves organizing the landless into groups, development of village organizations, imparting functional education and training to group members, holding group meetings, and encouraging savings and group fund formation.

Village Organizations

The coverage of villages, formation of VOs and growth of membership are presented in the following table. It includes the number of village organizations involved and indicates the growth of membership in these two organizations.

Table I
Village Organizations and Membership : December 1991

| Information | Cumulative upto Dec'91 | | | Increase over '90 (%) | | |
|-----------------------|------------------------|---------|---------|-----------------------|---------------|-------|
| | RDP | RCP | Total | RDP | RCP | Total |
| Village covered | 3,651 | 1,686 | 5,337 | 43 | Insignificant | 26 |
| Village organizations | | | | | | |
| Total | 7,704 | 3,687 | 11,391 | 54 | 13 | 38 |
| Men | 2,626 | 1,284 | 3,910 | 31 | 1 | 19 |
| Women | 5,078 | 2,403 | 7,481 | 69 | 21 | 50 |
| Membership | | | | | | |
| Total | 397,007 | 201,318 | 598,325 | 43 | 9 | 30 |
| Men | 129,457 | 62,714 | 192,151 | 28 | (1) | 17 |
| Women | 267,570 | 138,604 | 405,974 | 52 | 14 | 7 |

The higher growth rate for women groups and their membership in 1991 over the 1990 period reflect BRAC's policy of emphasizing women's development.

Functional Education

Functional education (FE) is a key element in the process of institution building. An FE course is obligatory for all group members. It is also a prerequisite for the entitlement of credit. It plays a crucial role in making the target people aware of

their hidden potential and shows them ways to tackle their daily problems. The following table shows the numbers of VO members covered under functional education.

Table II
Functional Education : December 1991

| Information | Cumulative upto Dec'91 | | | Increase over '90 (%) | | |
|--------------------|------------------------|--------|---------|-----------------------|-----|-------|
| | RDP | RCP | Total | RDP | RCP | Total |
| Learners graduated | | | | | | |
| Total | 241,243 | 91,814 | 333,057 | 74 | 53 | 68 |
| Men | 70,436 | 18,263 | 88,699 | 78 | 22 | 63 |
| Women | 170,807 | 73,551 | 244,358 | 73 | 64 | 70 |

Group Meetings

Consciousness raising of group members is facilitated through VO meetings at the village level. The members meet once a week. Credit, savings and other issues affecting the lives of the landless are discussed in these weekly meetings. An issue based meeting is held once a month where various social and economic issues are discussed and analysed. These meetings make a direct contribution to the institution building process.

Growth of Membership



Savings and Group Trust Fund

BRAC encourages its group members to generate their own funds through regular savings and group trust fund accumulation. Every member deposits at least two taka a week as savings. The system helps members develop the habit of savings. The group trust fund is generated by deducting 4 percent from loan disbursement.

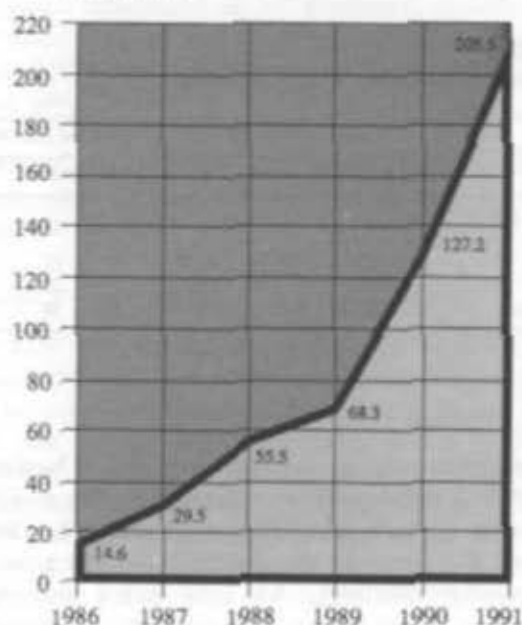
The following table shows the savings and group trust fund status as of December 1991.

Table III
Savings and Group Trust Fund (Tk in million) : December 1991

| Information | Cumulative upto Dec'91 | | | Increase over '90 (%) | | |
|------------------|------------------------|-------|--------|-----------------------|-----|-------|
| | RDP | RCP | Total | RDP | RCP | Total |
| Savings | | | | | | |
| Total | 109.10 | 96.41 | 205.51 | 75 | 49 | 62 |
| Men | 34.03 | 26.73 | 60.76 | 69 | 38 | 53 |
| Women | 75.07 | 69.68 | 144.75 | 78 | 53 | 65 |
| Group Trust Fund | | | | | | |
| Total | 26.12 | 24.60 | 50.72 | 124 | 73 | 96 |
| Men | 8.54 | 7.11 | 15.65 | 124 | 57 | 88 |
| Women | 17.58 | 17.49 | 35.07 | 124 | 81 | 100 |

Growth of Members Savings

Tk in million



There has been a substantial increase in the savings deposited by the group members in 1991. The cumulative savings rose to around Tk 205 million in 1991 against Tk 127 million in 1990. The group trust fund position also attained a high performance in 1991. There was a 96 percent rise in the group trust fund of the members in 1991 over the year 1990.

Training

Training plays a crucial role in enhancing the capacity of the VO members. BRAC arranges various kinds of training to enable members to socio-economically uplift themselves. The seven Training and Resource Centres (TARC) of BRAC provide continued support in training group members.

Two types of training are arranged for group members : 1) Human resource development, and 2) Occupational skills development. The former includes functional education, consciousness raising, leadership development, project planning and management. Occupational training helps the members in upgrading their existing skills or acquiring new skills for carrying out employment and income generating schemes.

A total of 635,668 VO members were provided with human and skill development training. This presents

an increase of 70% over the previous year. More women members participated in training in 1991 than the male members, the number of women being 203,435 out of the total 261,803.

The following table shows the training performance.

Table IV
Training of VO Members : December 1991

| Information | Cumulative upto Dec'91 | | | Increase over '90 (%) | | |
|---------------------------------|------------------------|---------|---------|-----------------------|-----|-------|
| | RDP | RCP | Total | RDP | RCP | Total |
| Total | 432,607 | 203,061 | 635,668 | 84 | 47 | 70 |
| Human Development | 302,595 | 121,491 | 424,086 | 77 | 56 | 70 |
| Occupational Skills Development | 130,012 | 61,570 | 211,582 | 100 | 35 | 70 |

Credit Operations

Credit is a major component of the RDP and RCP activities. Credit is provided for various activities to enhance the employment and income generating opportunities of group members.

The loans are collateral-free and subject to intensive monitoring and supervision. The loans are provided at 20 percent interest, calculated at reducing balance and are repayable in weekly instalments. Credit is facilitated through a Revolving Loan Fund. The overall realization rate is around 97 percent.

There are certain basic rules which serve as a guideline for granting loans. A borrower needs to follow the guidelines to qualify for the credit. These include a) completion of a functional education course, b) regular participation in the weekly meetings, c) savings deposit, i.e. minimum savings equivalent to 5 p.c. for the first loan, 10 p.c. for the second and 15 p.c. for subsequent loans, d) compulsory deposit in group trust and insurance funds, etc.

Loans are of three types depending on duration : i) short term, repayable within one year, ii) medium term, repayable within a period of 3 years, and iii) long term, the duration of which depends on the schemes. The smallest loan is Tk 500 and the largest Tk 7,000 per member.

Credit Disbursement

From its inception till December 1991, a total of Tk. 1,471 million has been disbursed through RDP and RCP branches. This amount was issued to 858,484 group members to finance 140 types of income and employment generating activities. The following table provides details.

Table V
Credit (Tk in million) : December 1991

| Information | Cumulative upto Dec'91 | | | Increase over '90 (%) | | |
|---------------------|------------------------|-----|-------|-----------------------|-----|-------|
| | RDP | RCP | Total | RDP | RCP | Total |
| Disbursement | | | | | | |
| Total | 733 | 738 | 1,471 | 95 | 50 | 70 |
| Men | 263 | 248 | 511 | 80 | 31 | 53 |
| Women | 470 | 490 | 960 | 104 | 62 | 80 |
| Outstanding | | | | | | |
| Total | 320 | 287 | 607 | 100 | 38 | 65 |
| Men | 117 | 86 | 210 | 134 | 30 | 80 |
| Women | 203 | 201 | 397 | 85 | 42 | 58 |

During 1991, a total amount of Tk 604.6 million (70 p.c. of the cumulative disbursement) was disbursed to 279,846 borrowers. Among them 93,224 were men and 186,622 women. Seventy percent of this amount was issued to women members. This reflects BRAC's policy of laying emphasis on women's development.

Short, medium and long term loans constituted 73 percent, 17 percent and 10 percent respectively of the cumulative disbursement. Outstanding loan now stands at Tk 607 million. This presents a 65 percent increase over 1990.

Activitywise Operations

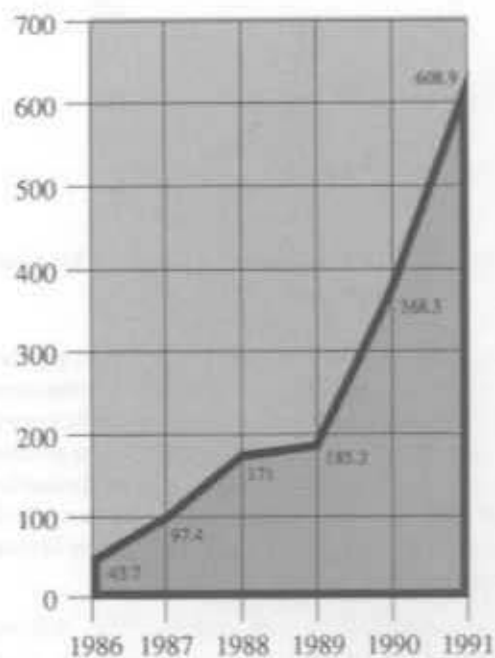
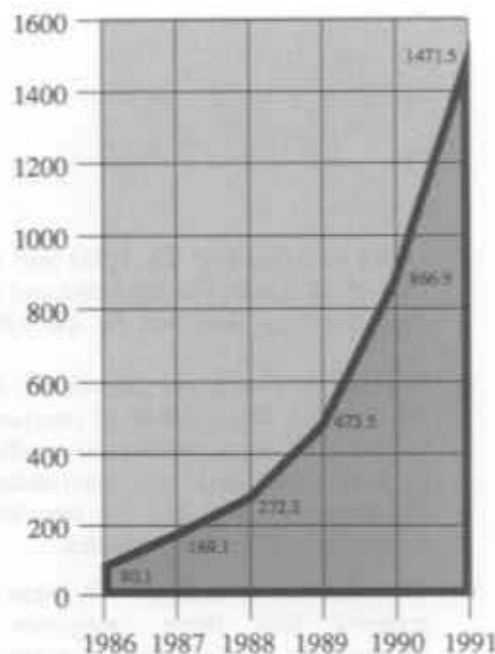
BRAC provides credit for various kinds of economic activities. Activitywise, the highest amount of credit was absorbed by the Rural trading sector (48 p.c.). This was followed by Livestock (19 p.c.), Irrigation (9 p.c.) and Food Processing (9 p.c.) and other sectors (pie chart). Details of these "sector programmes" have been discussed at the end of this chapter.

Changes in Credit Operation During 1991

In 1991, BRAC introduced some important changes in the credit operations of the RDP and RCP respectively. Adoption of these changes is expected not only to help sustain these programmes, but also

Loan to VO Members

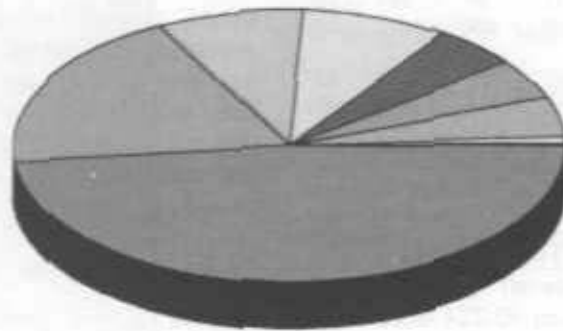
Tk in million



■ Loan Disbursed

■ Loan Outstanding

Sectorwise Distribution of Loan



Disbursement

| | |
|---------------------------|---------------------------|
| ■ Rural trade (48.16%) | ■ Rural transport (4.75%) |
| ■ Livestock (18.92%) | ■ Rural industry (4.73%) |
| ■ Food processing (8.74%) | ■ Fishery (0.88%) |
| ■ Irrigation (8.56%) | ■ Health (0.07%) |
| ■ Agriculture (5.03%) | ■ Miscellaneous (0.15%) |

to help them achieve their goal of creating long term benefits to group members. These are :

- Borrower per Household :** In order to promote a more equitable distribution of resources, BRAC has limited the number of borrowers (group members) per household to two persons. Maximum amount of loan that a household (i.e. two borrowers from the same household) can now get stands at Tk 10,000. This is lower than previous ceiling of Tk 14,000.
- Loan Ceiling :** Loan ceiling for different schemes has been removed. In its place a new policy has been introduced which limits the amount of the first, second, third and subsequent loans. The amount of the first loan (i.e. one borrowing for first time) has been

raised and fixed at Tk 3,500 and the second loan at Tk 5,000. For the third and subsequent ones the loan limit will be Tk 7,000.

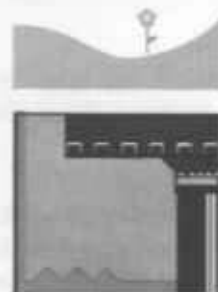
- Number of Loans per Borrower :** BRAC has also limited the number of outstanding loans for the borrowers. No borrower will be eligible to have more than two outstanding loans at any point of time and the two loans should be for two different activities.
- Classification of Loans :** All loans have been grouped into three categories: general, collectively implemented enterprises, and housing. Repayment period of the general loan is preferably one year and cannot exceed two years. The repayment period of the other two categories remains unchanged, i.e., 5 years.





THE SECTOR

PROGRAMMES



BRAC has learned through experience that credit is an important tool in alleviating poverty. BRAC realizes that to cope with the magnitude of rural poverty and to meet the need of the rapidly increasing rural poor, it is necessary to widen the scope of income and employment generating activities. A number of sector programmes have been developed to address these issues. The following sectoral activities have been considered potential and viable in terms of employment and profitability possibilities for the rural poor.

- Irrigation
- Sericulture
- Poultry and livestock
- Fishculture
- Rural trading
- Rural transport
- Rural industries
- Food processing
- Social forestry, and
- Income generation for vulnerable group development (IGVGD)

The sector programmes are facilitated by BRAC's credit, training and technical support services. All of these activities are integral part of the RDP and RCP and are implemented through them.

The following is a brief account of activities during 1991.

Irrigation

BRAC organized landless groups who entered the irrigation sector in the late 1970s, originally experimenting with shallow tubewells (STW) and low lift pumps (LLP).

In the mid 1980s, several groups had deep tubewells (DTW) which the groups would buy, manage and operate by selling water to farmers. BRAC has worked out a tubewell ownership method in which individual members (female members must be involved) of village organizations buy shares, then the shareholders form an irrigation group with an elected operations committee whose members receive management training. The irrigation groups take two kinds of loans from RDP/RCP, capital loan to buy the tubewells,

and operating loan to pay for fuel and wages. They usually collect 25% to 30% of the crop from the farmers as payment, for the irrigation water.

Since its inception, the programme has expanded considerably. In the year 1991 the irrigation groups operated 626 DTW. These equipments together brought 25,498 acres of land under irrigation.

The DTW programme is expanding fast. By the end of December 1991, the number of DTWs in operation increased to 626 from 136 in December 1990. Area under DTW has increased from 6,095 acres in 1990

Table VI
Irrigation Programme : December 1991

| Information | Cumulative upto Dec '91 | | | Increase over '90 (%) | | |
|----------------------------|-------------------------|-------|--------|-----------------------|-----|-------|
| | RDP | RCP | Total | RDP | RCP | Total |
| A. Equipments : | | | | | | |
| DTW | 404 | 222 | 626* | 621 | 177 | 360 |
| DTW (area covered in acre) | 16,197 | 9,301 | 25,498 | 645 | 137 | 318 |

* In addition, 16 DTWs were installed during 1991 which will go into operation in 1992-93.

to 25,498 acres in 1991. A total of 626 drivers and drainmen were involved in operating these irrigation equipments.

Up to December 1991, a total credit of Tk 126 million was advanced in this sector. This represented 9 percent of the total disbursement made for all sectors. Recovery rate stood at 90 percent. The volume of investment in this sector has gone up, this reflects the expansion of this sector.

The irrigation programme has created a process for affecting changes in the resource distribution pattern and power structure. It has improved the income earning capacity of the landless poor through creation of employment in the season.

Sericulture

BRAC occupies a distinct place in the promotion and development of sericulture in Bangladesh. BRAC conducted a sericulture programme in the Manikganj area in 1978 on an experimental basis with assistance from the Bangladesh Sericulture Board. The programme has now expanded to different parts of the country. The RDP and RCP are providing necessary institutional, credit, training and technical support in implementing this programme.

Sericulture is a labour intensive industry which involves a series of activities; plantation and care of mulberry trees, rearing of silkworms, cocoon production, reeling, etc. BRAC group members are involved in all these activities. The following table gives a brief view of the number of silkworm rearers, trees planted, etc.

Table VII
Sericulture Programme : December 1991

| Information | Cumulative upto Dec'91 | | | Increase over '90 (%) | | |
|--------------------|------------------------|--------|--------|-----------------------|-----|-------|
| | RDP | RCP | Total | RDP | RCP | Total |
| Silkworm rearer | 1,165 | 976 | 2,141 | 43 | 14 | 28 |
| Chaki rearer | 63 | 31 | 94 | 152 | 41 | 100 |
| Reeling worker | 190 | 5 | 195 | 53 | 25 | 52 |
| Cocoon production* | 16,458 | 14,454 | 30,912 | 163 | 70 | 109 |

* Represents the performance for the year 1991 only.

There has been an all round significant increase in the activities in this area. By the end of December 1991, over 2.71 million mulberry trees have been planted. Around 2,141 silkworm rearers, 94 chaki rearers and 195 reeling workers were involved in sericulture. During 1991, BRAC's group members produced 30,000 kg of cocoons. Per capita income of cocoon rearers ranged between Tk 2,000 to Tk 8,000

per year. Involvement of credit in this programme is not significant as silkworm rearing and cocoon production do not require heavy investment. Till December 1991, a total of Tk 3 million was advanced to 2,156 group members. The credit demand will be much higher as the programme is undergoing fast expansion.

Poultry Programme

BRAC's poultry programme is designed to generate employment and income opportunities for the rural landless, particularly women. Starting in 1979 on an experimental basis in the Manikganj area, BRAC designed a viable model for poultry development in 1983. The model includes eight specific activities : 1) training of cadres as poultry workers, 2) regular vaccination, 3) establishment of day-old chick rearing units, 4) development of key rearers, 5) establishment of feed sales centres, 6) egg collectors, 7) credit and 8) follow-up on a regular basis.

The programme has grown considerably in recent years and has expanded to almost all the RDP and RCP areas. The following table shows the performance of poultry programmes in overall and periodic terms.

Table VIII
Growth of Poultry Programme

| Information | Cumulative upto Dec'91 | | | Increase over '90 (%) | | |
|---|------------------------|--------|--------|-----------------------|-----|-------|
| | RDP | RCP | Total | RDP | RCP | Total |
| Poultry worker | 5,281 | 1,719 | 5,000 | 44 | 11 | 30 |
| Poultry rearer | 58,324 | 36,676 | 95,000 | 71 | 19 | 47 |
| Chick rearer (units) | 1,076 | 284 | 1,360 | 162 | 18 | 109 |
| Vaccination supplies (doses in million) | 10.9 | 5.8 | 16.7 | 127 | 122 | 125 |

By the end of 1991, over 100,000 poor rural women were actively participating in the programme. BRAC's intervention in poultry development has made significant contributions in raising the income of these disadvantaged women who would otherwise have been left out of the formal sector. The poultry programme is a package programme involving several activities — training, credit, supply of vaccines and day-old chicks, marketing of eggs, etc. Strong linkages have been developed with various departments and agencies to support the programme.

Poultry and livestock together represent the second largest sector receiving BRAC loans. As of December 1991 a cumulative total of Tk 278 million was disbursed to 103,168 members. This brings the per capita loan size to Tk 2,698 which is the second highest among the sectoral activities. The recovery rate is 98 percent.

Income Generation for Vulnerable Group Development

The Income Generation for Vulnerable Group Development (IGVGD) is an independent programme. Activitywise, it is closely linked with BRAC's poultry programme. The IGVGD is specifically targeted at women of vulnerable families. The programme is run in cooperation with three other organizations: World Food Programme (WFP); the Directorate of Relief and Rehabilitation (DRR), and the Department of Livestock (DOL) of the Government. The objective of the programme is to improve the income earning potentials of the women VGD card holders who are recipients of 31.25 kg of free wheat per month (WFP) for two years. Through this programme, BRAC provides skills training, inputs and other support to the selected card holders so that the women can earn an income equivalent to their monthly ration, after the food support is withdrawn.

The IGVGD was initiated in 1988 with the assistance from DRR in 22 upazilas on an experimental basis. Its overwhelming success and spontaneous response led to a large-scale expansion which is being implemented in 36 upazilas, benefiting around 75,000 women. The following table shows the performance of IGVGD.

Table IX
IGVGD Programme : December 1991

| Activity | Achievement (Number) |
|--------------------------------------|-------------------------|
| Upazilas covered under IGVGD | 36 |
| Unions under the programme | 332 |
| VGD card holders trained | 57,929 |
| Trained as poultry workers | 5,867 |
| Trained as key rearers | 54,684 |
| Trained as chick rearers | 609 |
| Poultry mortality rate (during 1991) | 9% |
| Disbursement (Tk in million) | 61 |
| Number of loanee | 52,358 |

So far a total of Tk 61 million has been disbursed to 52,358 card holders. Disbursement during July 90 to December 91 amounted to Tk 47 million and the number of recipients stood at 37,229, i.e., an average of Tk 1,267 per person. The recovery rate is 100%. Available information suggests that the average monthly income of a poultry worker is Tk 263 and that of a rearer is Tk 250.

Livestock Development Programme

Livestock development is another sectoral undertaking under the RDP and RCP programmes which has widened the scope of income generation for landless group members. The programme consists of five specific activities: 1) the training of paravets, 2) the

training of livestock rearers, 3) vaccination, 4) the upgrading of local breed through artificial insemination, and 5) fodder extension.

Paravets are the main activists of the livestock programme. They are selected from group members and are given training in two phases, each comprising 15 days. After training each paravet is responsible for the vaccination and health services of livestock in 5-6 villages. The paravet charges Tk 1 per cattle for vaccination. Introduced in all the RDP and RCP areas, the programme is supported by veterinary graduates who offer services to the paravet and livestock rearers. Assistance is also received from the Department of Livestock in conducting the insemination work by BRAC.

The following table gives a brief picture of the progress of the programme.

Table X
Livestock Programme : December 1991

| Information | Cumulative upto Dec'91 | | | Increase over '90 (%) | | |
|---------------------|------------------------|--------|--------|-----------------------|-----|-------|
| | RDP | RCP | Total | RDP | RCP | Total |
| Paravet | 569 | 307 | 876 | 42 | 33 | 39 |
| Cattle rearers | 31,412 | 33,957 | 65,369 | 378 | 42 | 115 |
| Insemination centre | 34 | 24 | 58 | 0 | 0 | 0 |
| Animal inseminated | 8,320 | 21,042 | 29,362 | 125 | 132 | 130 |

The programme attained a phenomenal growth in 1991. The number of paravets, cattle rearers and animals inseminated increased substantially during the year. Livestock development is a package programme which includes not only extension services but also credit. Through December 1991, almost 19% (Tk 278 million) of total loan went to this sector. Per capita loan size (Tk 2,698) is also high in this sector.

Fish Culture

BRAC started its pisciculture programme in 1976 with the re-excavation of 16 ponds in Manikganj, Jamalpur and Sulla area. Over the years, the programme which now encompasses many other activities has established linkages with several agencies—the World Food Programme, DANIDA, Mennonite Central Committee, and the government's Fishery Department. The objective of this programme is to increase the productivity and availability of fish in order to improve the nutritional status of the rural population. A second and corollary objective is to develop the infrastructure for the expansion of fishery and fishery related activities.

The programme includes establishing hatcheries, nursery ponds, shrimp-carp polyculture, leasing and restocking open water resources such as beels and

baors, and giving training and credit support to group members. BRAC has established a modern fish hatchery with 14 ponds for fish culture and 18 tanks for fish hatching. The objective is to produce spawn, fry and fingerlings of Thai Sarputi and carp species to meet the increasing demand of fish fry as well as provide necessary training and technical education to the group members involved in fish culture.

Nursery ponds, 20-30 decimal size, are selected for growing hatchlings and fry to fingerling sizes for restocking and sale. Spawns are collected from either BRAC's or other private hatcheries. They are grown to a size measuring 3" to 5" size. Bangladesh is blessed with large areas of flood plains, lakes, oxbow lakes and an extensive network of rivers and canals. BRAC has began a programme to rent these water bodies from the government and to give landless groups the control of the fishing rights. Altogether 36 baors have been identified for development. In the Baor Development Programme the government is responsible for the infrastructure development (eg roads, electricity etc) while BRAC is responsible for training, credit, the selection of target groups and operation activities.

The following table shows the overall performance of the programme upto December 1991.

Table XI
Fish Culture Programme : December 1991

| Information | Cumulative upto Dec'91 | | | Increase over '90 (%) | | |
|-------------------------------------|------------------------|-----|-------|-----------------------|-----|-------|
| | RDP | RCP | Total | RDP | RCP | Total |
| A. Number of Ponds : | | | | | | |
| Carp | 864 | 411 | 1,275 | 180 | 14 | 91 |
| Sarputi | 1,411 | 396 | 1,807 | 1,219 | 300 | 777 |
| Nursery (for fingerling production) | 164 | 115 | 279 | 37 | 155 | 69 |
| B. Area (acre) under pond : | | | | | | |
| Carp | 289 | 164 | 453 | 170 | 13 | 80 |
| Sarputi | 112 | 40 | 152 | 833 | 208 | 508 |
| Nursery | 53 | 35 | 88 | 71 | 21 | 47 |

The programme has utilized a good number of unused and underutilized ponds in the rural areas. Uptill December 1991, a total amount of Tk 13 million has been disbursed in this sector. Recovery rate is 89 percent.

Rural Trading

Rural trading covers a variety of activities which are mainly seasonal, but nevertheless have potentials for income and employment generation for the rural poor. A large number of group members under the RDP and RCP programmes are involved in these activities. These offer quick returns and widen trading activities

in the rural area. This is the largest sector receiving BRAC loans. Till December 1991, a total of Tk 709 million has been advanced to 404,302 group members. Over 64 percent of the borrowers are women. The recovery rate is 98 percent.

Rural Transport

This is a rapidly expanding sector which has created employment and income earning opportunities for a large number of the landless poor organized by BRAC. Presently the programme includes provision of credit for 16 items (rickshaw, country boat, push, cart, van, etc). Till December 1991, a total of Tk 69 million has been disbursed to 19,499 borrowers in the RDP and RCP areas. The per capita loan size is the highest in this sector (Tk 3,588), recovery rate is also quite high (over 98 percent).

Rural Industries

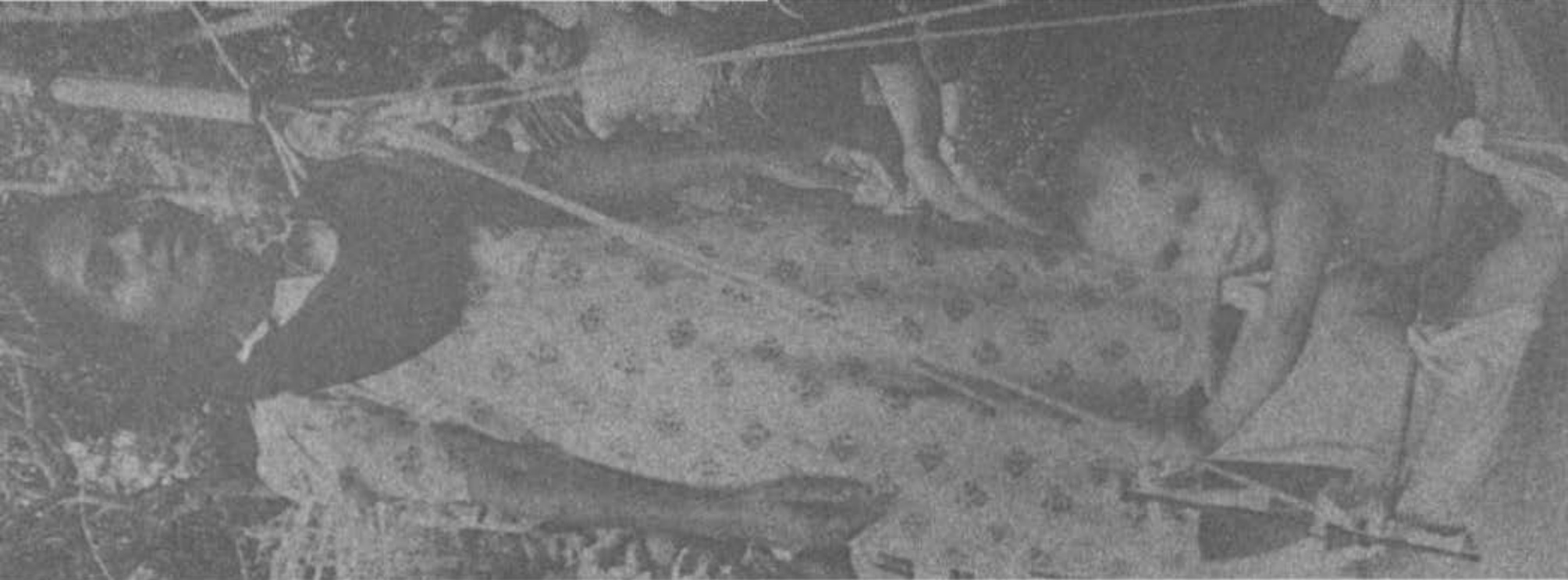
An increasing number of the group members are undertaking rural industries activities as a means of livelihood. The industries include handloom, rice mills, ice plants, brick kilns, bamboo and cane crafts, etc, which involve both traditional and modern skills. Till December 1991, a total of Tk 70 million has been disbursed against 25 items. The recovery rate of this sector stands at 96 percent.

Food Processing

This sectoral programme includes a variety of activities such as husking of paddy, pulses and oil seeds, preparation of fried and puffed rice, date juice, chick and cattle feed, etc. This is mainly a women dominated sector. Till December 1991 a total of Tk 128 million was issued to 98,045 women and 5,296 men members. The recovery rate was 97 percent.

Social Forestry

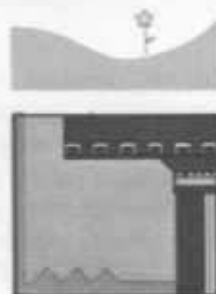
Social Forestry is a relatively new programme which has a two-pronged approach : a) restoring ecological balance through afforestation and b) generating income and employment opportunities for the rural poor. Under this programme, group members are benefitted through producing seedlings in nurseries, and by plantation and maintenance of trees. A good number of nurseries have so far been established, mostly by women, in different RDP/RCP areas, BRAC supplies seeds to the nursery workers and also provides training. They raise seedlings of various forest and horticultural plants which are then sold to growers. According to one estimate, the average income of a nursery worker was Tk 6,036 a year.





H E A L T H

P R O G R A M M E S



Health is an important sector among BRAC's development interventions. Over time, BRAC has designed several health strategies and also changed its approaches to improve health programming. The Women's Health and Development Programme (WHDP), introduced in July 1991, is a comprehensive health development intervention of BRAC. To begin with, a brief overview of BRAC's earlier strategies in health development is given below. This includes the objectives components, and performance of the WHDP.

Evolution of BRAC's Health Strategies

BRAC's involvement in the health sector started from its very inception and expanded over time.

During 1973-75, along with BRAC's strategic changes from relief to community development, its health programmes were further defined. The activities that were introduced during this period included health care, nutrition, family planning, mother care and provision of health insurance. These activities were an integral part of BRAC's multisectoral village development programme in the Sulla villages. BRAC selected volunteers and trained them to work as paramedics.

In 1975, under BRAC's Manikganj Integrated Programme, health care became an important component of rural development. Health was integrated with sericulture, income employment generation and women's development etc.

In 1977, with the change in BRAC's approach from community development to 'target group', the health strategies were further redefined. BRAC decided to train village health workers, known as shasthya shebok/shebika, from among the target group to render basic preventive and curative health services.

In the late 1970s diarrhoea was identified as the main cause for the high rate of infant and child mortality in Bangladesh. To combat diarrhoea, BRAC initiated a pilot experiment in three upazilas of greater Sylhet district. Through this programme, BRAC devised an alternative method of making ORS which was safe, cheap readily available and could be prepared at every home with local ingredients — water, common salt, and molasses.

In 1980, based on the experience gained through its pilot experiment, BRAC began its pioneering nationwide Oral Therapy Extension Programme (OTEP). It was a gigantic effort. By the end of 1990,

BRAC workers reached some 13 million rural households, teaching one woman in every household through face-to-face sessions. Local leaders and local institutions (union parishad, school, mosque, etc) were involved in the process. Mass media (radio and television) were also used for wider impact of OTEP. To reinforce the ORT education, BRAC introduced a special programme in 150 unions where some additional elements were combined with the OTEP. These elements include training of TBA and village health workers, health and nutrition education, sanitation, supplementary diet and tetanus toxoid vaccine for women.

In 1986, BRAC introduced its comprehensive Child Survival Programme (CSP) based on the experiences of the nationwide OTEP. The programme covered a third of Bangladesh. The CSP included three project components: 1) selective primary health care, 2) comprehensive primary health care, and 3) facilitation. Each of the project had several sub-components. The CSP concluded the last phase of its work in June 1991 with a high degree of goal attainments. An evaluation of this comprehensive programme revealed the following:

- Universal child immunization was achieved for all vaccines in the BRAC working areas.
- A contraceptive prevalence rate of 51% was achieved after 6 months versus a national average of an estimated 30%.
- The regularity and performance of the government satellite clinics at the village levels were improved in the 6 upazilas with the PHC programme.
- The mothers' club established by BRAC had well attended monthly meetings. These proved to be useful forums for increasing awareness of health and nutrition issues.

The Women's Health and Development Programme

BRAC's current development intervention in the area of health is the Women's Health and Development Programme (WHDP). The programme has been developed to counter the appalling health situation in the country, particularly the health status of vulnerable groups. Launched in July 1991, it involves some new dimensions and strategies. The WHDP targets the poorest sector of the society, and more specifically vulnerable groups, such as women and children under 5 of these households, who suffer the most from the lack of health services.

The WHDP is based on the paradigm of integrating the components of education, community organization, credit and income generation which are an essential

part of an overall rural development programme. These components are also vital for the realization and support of a sustainable health status. Through this intervention BRAC aims to integrate its major developmental activities in a programme area. As a part of its strategy, health and education will be the entry point of BRAC's intervention into the community, followed by income generation, and credit through its Rural Development Programme. Finally the BRAC banking programme, formally known as Rural Credit Project, will be instituted within the community, to remain as the lasting BRAC presence.

Components of WHDP

The WHDP incorporates the following five individual but interrelated projects :

- a. Comprehensive Health and Development Programme (CHDP), in 10 upazilas of Bogra, Dinajpur and Mymensingh district;
- b. EPI Facilitation, in 30 upazilas outside the CHDP area;
- c. Child Survival Programme - Primary Health Care (CSP-PHC), in 27 RDP areas;
- d. Non-Formal Primary Education (NFPE), in 10 upazilas where the CHDP will operate; and
- e. A Health Resource Centre (HRC), in Dhaka.

All of these projects with the exception of the HRC have been implemented. The corresponding progress has been detailed in the following pages.

Comprehensive Health Development Project (CHDP)

The CHDP is a major project of the WHDP. It has two goals. The first relates to improving the quality of life in terms of health and nutritional status among the most vulnerable and neglected section of the society, i.e. women and children. The second is concerned with developing capacities at the community level among village participants to sustain the health and development activities initiated in the CHDP. Both these goals have to be achieved for the CHDP to be successful. The strategy followed in the CHDP combines all of BRAC's previous experiences in addressing the complex problems facing the rural poor.

The CHDP is designed to cover a total population of 1.70 million, nearly half of them being the target population, i.e., the rural landless poor and vulnerable groups. The following table provides the details.

The approach is community based, responding to the most pressing needs of the target population and providing the target group the means of improving their lives and simultaneously, their health status. The programme relying heavily on the services of women,

Table XII
CHDP Profile : Area and Population

| Informations | Bogra Region | Dinajpur Region | Mymensingh Region | Total |
|--------------------------|--------------|-----------------|-------------------|-----------|
| 1. No. of Upazila | 3 | 3 | 4 | 10 |
| 2. No. of Village | 502 | 415 | 486 | 1404 |
| 3. Total Population | 530,076 | 434,692 | 729,492 | 1,694,260 |
| 4. Total TG Population | 261,090 | 213,914 | 355,640 | 830,644 |
| 5. Women (15-49 yrs) | 125,623 | 89,431 | 151,171 | 366,225 |
| 6. Children under 6 yrs | 89,396 | 67,326 | 136,409 | 293,131 |
| 7. Children under 1 year | 14,057 | 11,864 | 23,874 | 49,795 |

directs a significant portion of its services to women. Particular emphasis is placed on improving ante and post-natal care, sanitized delivery practices, immunization, nutritional care services and programmes to identify and treat ARI at the community level. The CHDP thus aims to reduce the high maternal, child and infant mortality rates in Bangladesh.

The CHDP Activities

By the end of 1991, the CHDP was implemented in the planned 1404 villages of the 10 upazilas from the Bogra, Dinajpur and Mymensingh regions. The baseline survey showed the total population to be 1,694,260 of which, the target population (i.e. those having less than 50 decimals of land and at least one household member selling 100 days of manual labour) is 830,644. Approximately 40% of this population is women and about 30% children under 5.

With the aim of developing institutional capacities within the villages, total number of planned 1637 Gram Committees have been formed. These have a membership of 17,554 women. At the same time, a total number of planned 3372 Mohila Sobhas have been set up. Membership of these Sobhas is currently 178,650. A total number of 2308 attendants out of the envisaged 2321 Traditional Birth Attendants have been provided training on safe birth practices. The aim is to have at least one trained TBA for every village. Accordingly 1620 women from the villages have been trained as Shasthya Shebika, or voluntary health workers (SS). The envisaged target for this training was 1640. The trainers for these cadres received the TOT through the TARC.

Statistical details concerning the formation of the Gram Committees and Mohila Shavas are given below. Also included are the TBAs and Shasthya Shebikas trained in the three regions.

| | |
|---------------------------|---------|
| Gram Committees Formed | 1,637 |
| Membership | 17,554 |
| Mohila Shavas Formed | 7,691 |
| Membership | 178,650 |
| TBAs Trained | 2,308 |
| Shasthya Shebikas Trained | 1,620 |

To improve the health and nutritional status of the vulnerable group through accessibility and availability of health services, the CHDP staff has been successful in regularizing and improving the quality of services of 189 government satellite clinics in villages within the BRAC catchment area. The CHDP has targeted 523 satellite clinics for improvement of services. In addition, BRAC has also set up 489 ante-natal care centers in villages not served by satellite clinics. These centres are manned by BRAC programme organizers (POs), trained TBAs, and Shasthya Shebikas (SS). Growth monitoring centres have been opened in 798 of the NFPE schools run with the assistance of the NFPE teachers and adolescent girls. Eighty seven of the 240 planned sputum collection centres for community diagnosis and treatment of tuberculosis are currently functional. These centres have been set up with the collaboration (staff training) of the National TB Control Programme.

The following table shows the number of NFPE schools in the three CHDP regions by the end of 1991.

Table XIII
NFPE (adolescent girls) Schools in CHDP Areas

| Informations | Bogra Region | Dinajpur Region | Mymensingh Region | Total |
|-----------------------------|--------------|-----------------|-------------------|--------|
| Number of Schools opened | 315 | 285 | 400 | 1,000 |
| Number of Students enrolled | 9,450 | 7,550 | 12,000 | 29,000 |

As mentioned before, the EPI facilitation programme work is ongoing in 8 districts through 30 upazila teams. And finally, 1000 of the planned 1500 NFPE schools for adolescent girls have been opened with an enrollment of 29,000 students.

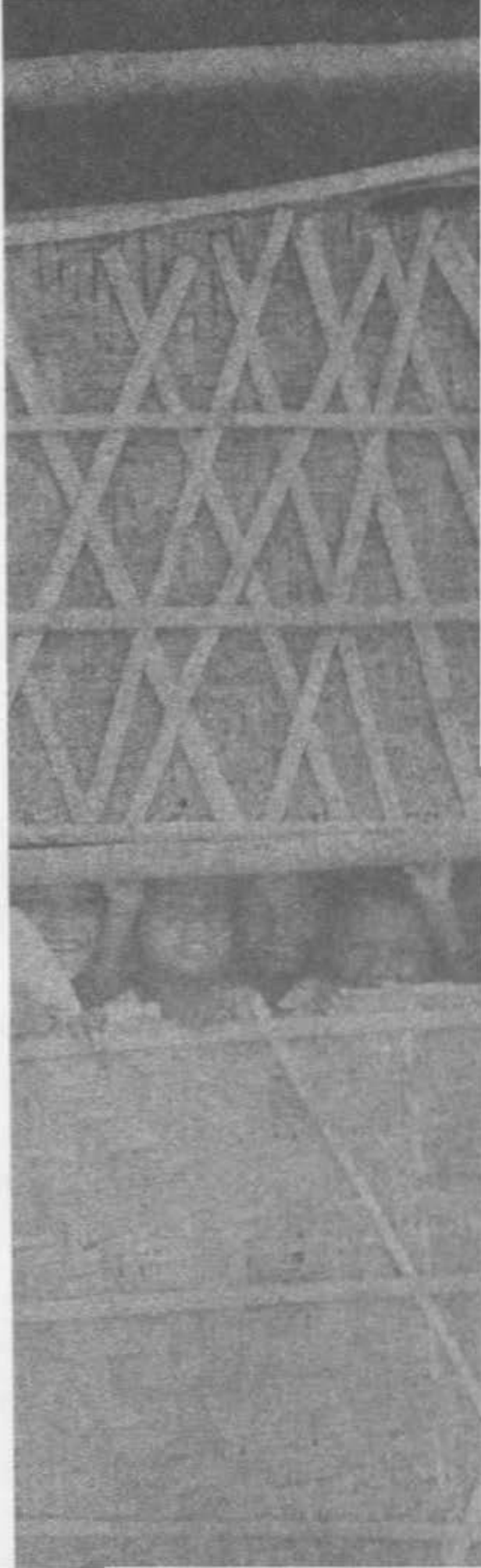
The PHC Programme in RDP

BRAC introduced a primary health care (PHC) programme in some RDP areas in 1988. The PHC was one of the component projects of BRAC's erstwhile child survival programme (CSP) which concluded in 1990. One of the objectives of the CSP was to develop

a viable model of sustainable PHC that could be managed by the community in conjunction with the health and family planning service system of the government. During the implementation of the CSP it was realized that no long lasting improvement of any health/nutritional status could be effective at the grassroot level unless broader development takes place and the income generation capacity of the poor is improved.

Based on this realization, PHC was implemented in some selected RDP areas to support both income generation and health care activities for BRAC's target group population. The PHC is now in operation in 27 RDP areas. At the village level a village health committee (VHC) manages the PHC activities. Some modifications have been made in the composition of VHC which comprises members from all social strata, with substantial representation of landless men and women.







EDUCATION

PROGRAMMES



Development of human resources through education and training underlies all BRAC programmes. BRAC believes that education not only accelerates the pace of development but also prepares people to meaningfully participate in development. BRAC has thus devised several educational strategies which have proven to be both viable and replicable.

BRAC pursues its broad educational objectives through two approaches, viz, Functional Education (FE) and Non-Formal Primary Education (NFPE). The former is aimed at raising the level of social awareness and literacy of the adult population and the latter to provide basic education to the children of poorer families.

The section below discusses the success of these two programmes.

The Non-Formal Primary Education Programme

Non-Formal Primary Education Programme (NFPE) is an innovative approach aimed at improving the basic literacy situation in the country. The NFPE has attracted the attention of many scholars and policy makers both inside and outside Bangladesh. The NFPE activities were highlighted at the World Conference on Education for All held in 1990 in Thailand. In the context of the declaration of 'Education for All by the year 2000' it was acclaimed to be a successful model for replication.

The Rationale

The rationale behind the large scale expansion of NFPE lies in the negligible status of education in the country. Bangladesh ranks 107th in literacy among 133 countries, with a rate of 24 percent for those 15 years and above. Over 85 percent of the rural women can not read or write. Around 44 percent of the primary school-age children do not enroll in any formal primary school. Of those who do enroll, 75 percent drop out before they complete five years of education. Most girls from poorer families never attend school.

The NFPE offers a replicable model capable of achieving basic literacy among the children of the poorest households. The model includes many innovative features. It has devised a curriculum especially suitable for a rural population. An essential feature is the involvement of the community through the regular parents-teachers meetings. Other

innovations include small classes, interesting extra curricular activities which contribute to the child's basic education and innovative teaching methodology. More importantly, class hours are flexible, leaving the children enough time to help their families. Girls are a special focus of this programme.

Two School Models

After long experiment and analysis, BRAC has developed two primary school models directed at two different age groups. The first one, started in 1985, is a three-year programme for children aged 8-10 years who have never enrolled in any school, or have dropped out during class one. This programme is called Non-Formal Primary Education (NFPE). The second one, started in 1988, is a two year programme for children aged 11-16 years who have never attended school. This model is called Primary Education for Older Children (PEOC). Over 80 percent of both NFPE and PEOC students are girls. Education is free both in the NFPE and PEOC school. Students are provided with books and other materials free of cost. BRAC schools allow these children to continue their education and prepare them for entrance into formal schools starting at grade IV.

The Schools and Class Hours

Almost all BRAC schools are located in the rural areas. The goal is to enroll at least 80 percent of girls as students. Villages are selected on the basis of the demand of the parents, the availability of target children, and not least that of a teacher.

In both types of school, NFPE and PEOC, class hours are flexible. Classes meet for two and a half hours each day. A convenient timing, for each school, is decided jointly by the teacher and the parents to suit seasonal work and other needs. Classes are held six days a week, 268 days a year.

The Teachers

Each BRAC school has 30 students and one teacher. The teacher is a local person, who must have completed nine or more years of school education and must be married. Preference is given to women who at present make up 80 percent of the teachers. After their selection, the teachers receive 12 days of training in one of the training centres (TARC) of BRAC. They are required to attend continuing refresher sessions for one day each month. Teachers are paid a nominal monthly allowance by BRAC.

Curriculum and Teaching Methods

The overall objective of the NFPE curricula is to help rural children achieve basic literacy, and social awareness. The curriculum is divided into three subject areas: Bangla, arithmetic and social studies. The latter encompasses health, nutrition, hygiene, sanitation, safety and first aid, ecosystems, community, the country, the world, and basic science.

In addition, it encourages student participation in extra curricular activities like physical exercise, singing, dancing, drawing, crafts and games, as well as story book reading. These attract higher attendance.

English is taught in the 2nd and 3rd years. All the reading materials are produced in bulk by BRAC and are provided free to the students. BRAC has also started publishing a children's magazine which is now distributed in these schools.

The teaching method is intended to be learner centred and participatory. The BRAC schools encourage the children to be active participants rather than passive recipients of information. The progress of the students

is measured through carefully recorded, continuous assessment by the teacher and by weekly and monthly tests. There are no formal annual examinations. Monthly teacher training meetings discuss individual student problems and their likely solutions.

The NFPE in 1991

By December 1991, NFPE had been working in 83 upazilas in 31 districts working out from 156 area offices. In 1991 NFPE began with 3113 schools. During the course of the year, 2,890 new schools (1,261 NFPE and 1,629 PEOC) were opened and in December 1991, a total of 6,003 schools were operating. The number of schools had almost doubled between 1990 and 1991.

Table XIV
Number of Schools Operating - 1991

| Type of school | Number of schools carried forward | New schools opened | Total schools operating |
|----------------|-----------------------------------|--------------------|-------------------------|
| NFPE | 1909 | 1261 | 3170 |
| PEOC | 1204 | 1629 | 2833 |
| Total | 3113 | 2890 | 6003 |

Each of the new schools enrolled 30 students with a high female enrollment.

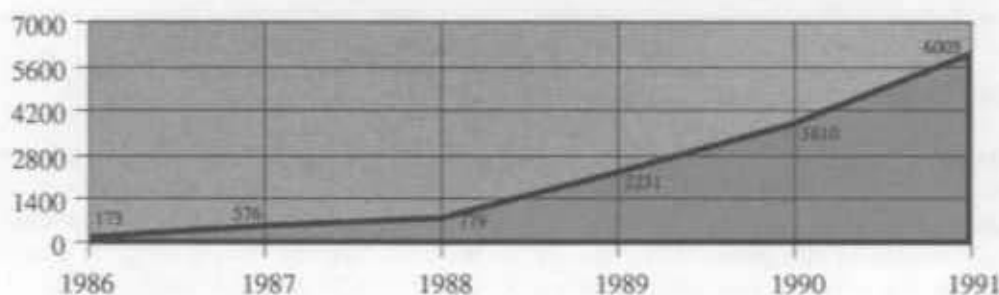
Table XV
Student Enrollment - 1991

| Type of school | Number of new school | Enrollment | | | | Total |
|----------------|----------------------|------------|-------|--------|-------|--------|
| | | Boys | % | Girls | % | |
| NFPE | 1,261 | 10,027 | 26.49 | 27,830 | 73.51 | 37,857 |
| PEOC | 1,629 | 4,868 | 9.96 | 44,002 | 90.04 | 48,870 |
| Total | 2,890 | 14,895 | 17.17 | 71,832 | 82.83 | 86,727 |

Out of the total enrollment of 86,727 children, girls made up nearly 83%. In the 1629 PEOC schools, more than 90% of the children were girls.

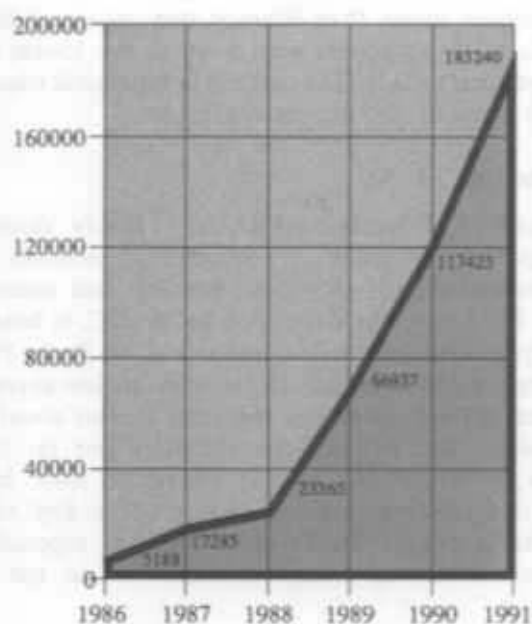
Even among the teachers recruited for the 2890 new schools, almost 90% were women.

Schools operating at year end



BRAC Schools

Learner enrolled at year end



In 1991, 697 schools graduated (all PEOC), with a total 20,827 graduates. Nearly 80% of the graduates were girls. The course completion rate was almost 100% with only 0.4% of the initially enrolled dropping out.

Table XVI
Admission in Government Primary Schools

| Graduating Schools | Initial enrollment | | | Dropout | Number of Graduates | | |
|--------------------|--------------------|-------------------|-----------------|--------------|---------------------|-------------------|-----------------|
| | Boys | Girls | Total | | Boys | Girls | Total |
| 697 (PEOC) | 5,546 (26.5%) | 15,364 (73.5%) | 20,910 (100) | 83 (0.4%) | 5,524 (26.5%) | 15,303 (79.5%) | 20,827 (100) |

Nearly 88% of the BRAC graduates have moved to government primary schools in classes IV and V.

Facilitation Assistance Programme for Education

In 1989 a programme (FAPE) was started jointly with the Directorate of Primary Education aimed at developing a framework to strengthen the existing regular primary school management system. By 1991 the Facilitation Assistance Programme for Education (FAPE) had covered 297 government schools out of 324 in three upazilas. Preliminary data from baseline surveys and subsequent surveys show modest improvements in some areas. However, until further evaluation is done in 1992 conclusive results will not be possible.

Schools in WHDP Areas

As an important component of BRAC's Women's Health and Development Programme (WHDP), special

PEOC schools have started operating in 6 upazilas in Rangpur and 4 upazilas in Mymensingh districts. These schools have a slightly different focus. They are only for the 11-16 age group and all the learners as well as teachers are female. The curriculum is the same as the regular PEOC schools except for a more defined health focus. Health text books have been introduced from class II, and special health promoting activities must be performed by the student in and outside class. Some 500 more schools will begin in 1992.

Recent Programme Modifications

Some important steps were taken in 1991 with regard to NFPE administration and replication of BRAC schools in new areas.

More Field Stations

In 1991, the steady expansion of these schools led the NFPE administration to become decentralized. Regional offices have now become field stations and the number of field officers have been doubled in number.

An Additional Year of Schooling

According to decisions taken in 1991, an important modification is being effected in the PEOC, or 'Kishore-Kishori' model of school. This is because in comparison to the 8-10 age group, fewer children among the 11-16 group transfer to formal primary schools. The reason being that those student feel they are much older than their co-students in the formal primary school.

To give these children an extended opportunity for further education, it has been decided that all PEOC school will, from 1992, have another year of schooling (i.e. PEOC schools will have a 3 year course instead of 2). During this additional year, new textbooks for classes IV and V will be introduced. This would enable these students to continue in secondary schools if they so wish. Special training courses will be designed for teachers so that they can easily cope with the syllabi to be taught.

Working in New Areas

An exciting test for NFPE has been the opening, in December 1991, of one hundred new schools in the upazila of Kaliakoir - a 'non-RDP' area. Kaliakoir is the first area where BRAC has begun its activities with the NFPE. The last 6 months of activities in Kaliakoir indicate that there is no serious difficulty in starting NFPE in new or 'non-RDP' areas. The NFPE programme is accepted whole heartedly in the area and no obstacle has been faced in involving the community in school activities. Kaliakoir provides a

great encouragement to the NFPE expansion plan, the implementation of which largely depends upon the programme's ability to 'stand alone' in areas where other BRAC activities have not yet begun.

Education Support Programme (ESP)

An offshoot of the NFPE programme, an Education Support Programme, was set up as a separate cell in 1991 to assist and facilitate other NGOs trying to replicate the BRAC school model. The rationale for its formation is simple. In the past, many NGOs have received training and materials from BRAC but have not been able to fully apply their training to successfully run a BRAC-type school. In the process BRAC has lost a lot of time and energy with no useful result.

The primary task of the ESP is to assist those NGOs involved in primary education with counselling, training as well as financial and material support, if so required. By December 1991, 30 NGOs had already started training to set up 5 non-formal primary schools each.

NFPE and the 1990s

In the rural areas there is a desperate demand for schools, and NFPE's steady expansion over the years has led BRAC to project the growth of NFPE during the period 1992 through 1995. BRAC envisages the increase in growth of rural school as follows: 12,000 schools in 1992; 20,000 in 1993; 32,000 schools in 1994 and 50,000 schools in 1995. Between 1995 and the turn of the century, 50,000 more schools will be operating thus taking the total number of schools to 100,000.

The 6003 schools operating by the end of 1991 is a witness to the success of BRAC's NFPE programme. It should be noted that the programme tested itself in areas where BRAC has never worked before. BRAC's education programme has now come to be seen as an important supplement to the formal education system in the country. It has resulted in the government developing a general education project to support the NGO non-formal education programmes.

The Functional Education Programme

Genesis of FE

An essential part of BRAC's development strategy has been adult education and conscientization of its group members. In order to implement the strategy, BRAC in 1973-75 set up a number of 'Gonokendra', (peoples' centres) in the villages of Sulla area where its initial rural development programmes were being implemented. When in 1976, BRAC changed its approach from community development to target group

development, its approach towards adult education was also redefined. By that time BRAC realized that something more than literacy was required for the uplift of those people who were at the lowest strata of the rural society. The concept of functional education (FE) evolved out of this realization.

Objectives of FE

Functional Education (FE) is a highly distinctive programme which combines elements of 'conscientization' with basic literacy and numeracy. The FE course, as developed by BRAC, is based on the psycho-social method pioneered by Paulo Freire, the renowned Brazilian educationist. It aims at creating critical awareness among the rural masses about their problems and the environment they live in. It also aims to make the people aware of their hidden potential and opportunities. It plays a key role in BRAC's group development process, especially in those concerning village organizations in the RDP areas.

Contents of FE Course

The Functional Education curriculum has 60 lessons relating to the needs of the rural poor. The course has been used by many other NGOs and government organization over the last one decade.

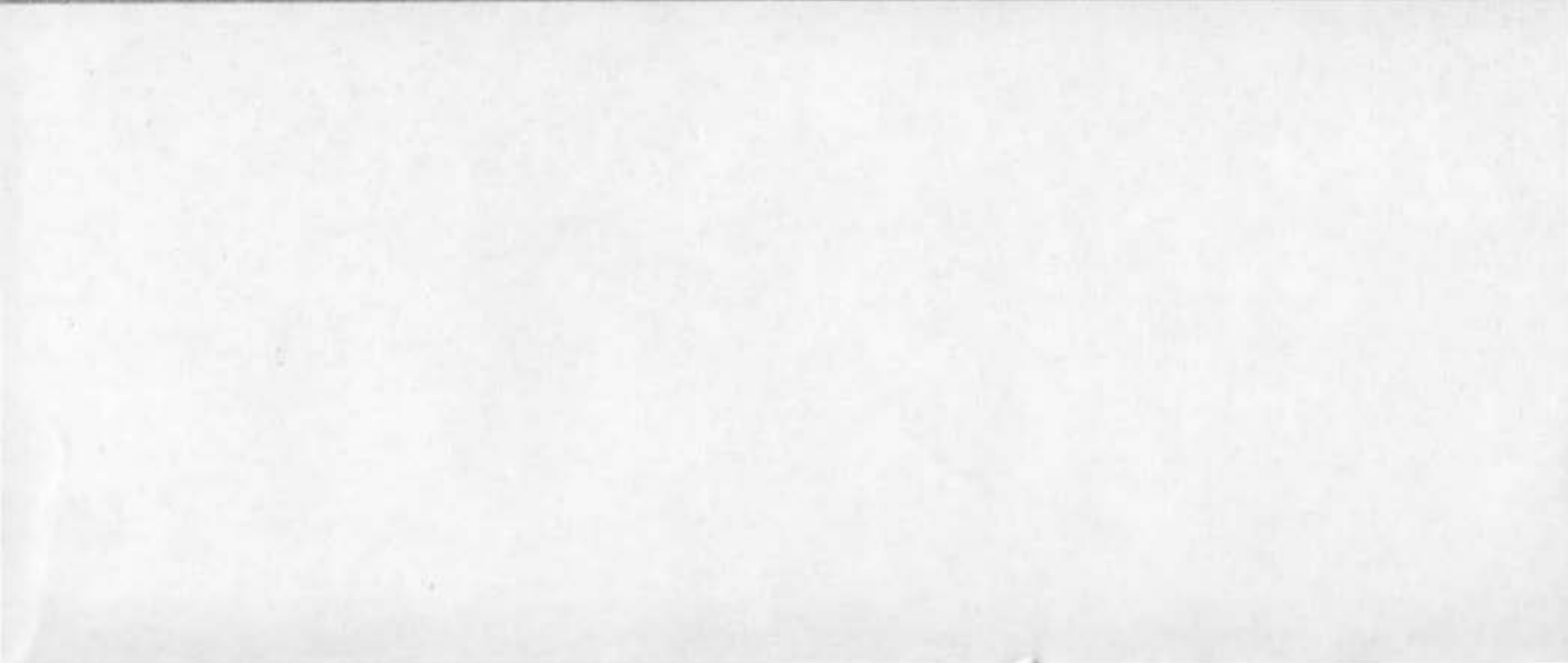
The FE course consists of two parts, viz, social awareness and literacy. The former is compulsory for all village groups under RDP, while the latter is optional. Each class encompasses 25 learners. The process of 'conscientization' of the group members starts with the FE course.

Some strategic changes have recently been made with regard to the implementation of the FE programme. One among these is concentration on 30 lessons that deal with social awareness. Changes have also been made in the contents of the lessons. During the continuation of a course, each member also learns the 'Seventeen Points' which pledges the member to certain kind of social behaviour.

FE Achievements in 1991

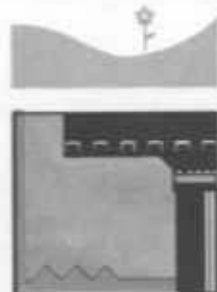
A total of 5,392 FE centres were opened till December 1991. The number of learners enrolled and graduated at these centres were 134,808. A vast majority of the learners were women who constituted around 75 percent of the total. Further details of FE achievements have been incorporated in the section which discusses the Rural Development Programme.

A review of the overall performance of FE programme demonstrates its effectiveness at the grassroots level of development and to install 'conscientization' among the poor.





P O S T - C Y C L O N E D E V E L O P M E N T : A N E W P R O G R A M M E



Around the midnight of April 29, 1991, a devastating cyclone hit the south eastern coast of Bangladesh. With wind blowing at a speed of 225 km per hour and a tidal surge six metres high, the cyclone swept across the offshore islands and areas adjoining the coastal belt. The fury of the storm was concentrated in areas between Chittagong and Cox's Bazar where the resultant loss of lives and destruction of properties was immeasurable.

The situation was so serious that BRAC immediately swung into action. Both short and long term strategies were devised to address the problem effectively. As a short term measure, a massive relief and rehabilitation work was initiated which continued for about four months. This was followed by introducing a comprehensive development project as a long term measure. This section discusses in brief the salient features of these two projects.

BRAC's Response

BRAC started relief work in the cyclone affected areas on 30th April 1991. Prior to the cyclone, 30 teams of BRAC workers, each consisting of 4 programme organizers, happened to be working in that area under BRAC's Immunization Programme. On their own initiative these workers commenced relief operations on April 30 with whatever means they had under their command. A Regional Manager was immediately sent to Chittagong with an initial amount of Taka 50,000 to start relief work on an adhoc basis.

The Relief Operations

On the 2nd of May, a high level team from BRAC head office including the Executive Director visited the cyclone-torn areas and discussed matters with the workers. Following this meeting, the formal relief operations started from 4th May 1991. A broad-based team of BRAC staff headed by a Field Administrator was deployed. The team set up a temporary controlling office at Chittagong.

The relief operations involved three operational phases, viz, 1) survival relief, 2) emergency relief and rehabilitation, and 3) long-term rehabilitation. The project was implemented in phases from April 30 through August 20, 1991. The total expenditure on relief activities was Tk 31 million.

As an initial response to the catastrophe, the survival relief concentrated activities on 30 upazilas of Chittagong, Cox's Bazar, Noakhali, Feni and Laxmipur districts. The initial programme lasting 15-20 days involved providing ready-to-eat food, drinking water, medicine and clothes.

The emergency phase then concentrated its relief and rehabilitation activities in the nine worst hit upazilas. These included survival relief, and financial support for construction of temporary shelters.

The third phase included several short-term employment and income generating activities under the cash-for-work programme. The activities involved house repairing, fishing net making, installation of tubewells, tree plantation, etc.

The fourth phase was a long-term rehabilitation and development project aimed at revival of the economy, and at preparing people to combat future disasters.

The following table presents some specific information on the types of services provided through the post-cyclone relief and rehabilitation project of BRAC in 1991.

Table XVII
BRAC's Post-Cyclone Relief Services 1991

| Activities | Quantum |
|--|---------|
| Survival relief | |
| Households served | 31,213 |
| Population covered | 168,925 |
| Emergency relief and rehabilitation | |
| Household served | 25,538 |
| Population covered | 148,793 |
| Beneficiaries of VGF project | |
| Employment generated (no. of persons) | 26,884 |
| Total mandays created | 194,503 |
| Total beneficiaries served | 208,015 |

The relief and rehabilitation project covered 411 villages in 30 upazilas under five districts. The cash-for-work component of the project involved Tk 10.5 million, which created employment for 15,036 men and 11,848 women and served 208,015 people as beneficiaries.

Post-Cyclone Rehabilitation and Development

While implementing the relief operation, BRAC felt that a rehabilitation programme was required to address the need of the people, particularly in Kutubdia which was worst hit by the cyclone. Kutubdia has an area of approximately 35 square km and is inhabited by 110,000 people whose primary occupations are fishery, salt making and agriculture. Literacy rate particularly among females is one of the lowest (15%). Health and sanitation conditions are also very poor. Responding to this situation, BRAC initiated a Post-Cyclone Rehabilitation and Development Project (PCRDP) in September 1991. The objectives of the project are :

- To construct cyclone shelters in order to save human lives and belongings in the event of future cyclones/tidal surges;
- To organize the poor into cooperatives through which they can improve their socio-economic status;
- To improve the health, sanitation and nutritional status of the population particularly mothers, infants and children and thus build up community capacity to sustain these efforts;

- To reconstruct the damaged infrastructure and to upgrade the environment;
- To increase employment and income generating opportunities particularly for women through training, input supply and credit.

Project Components

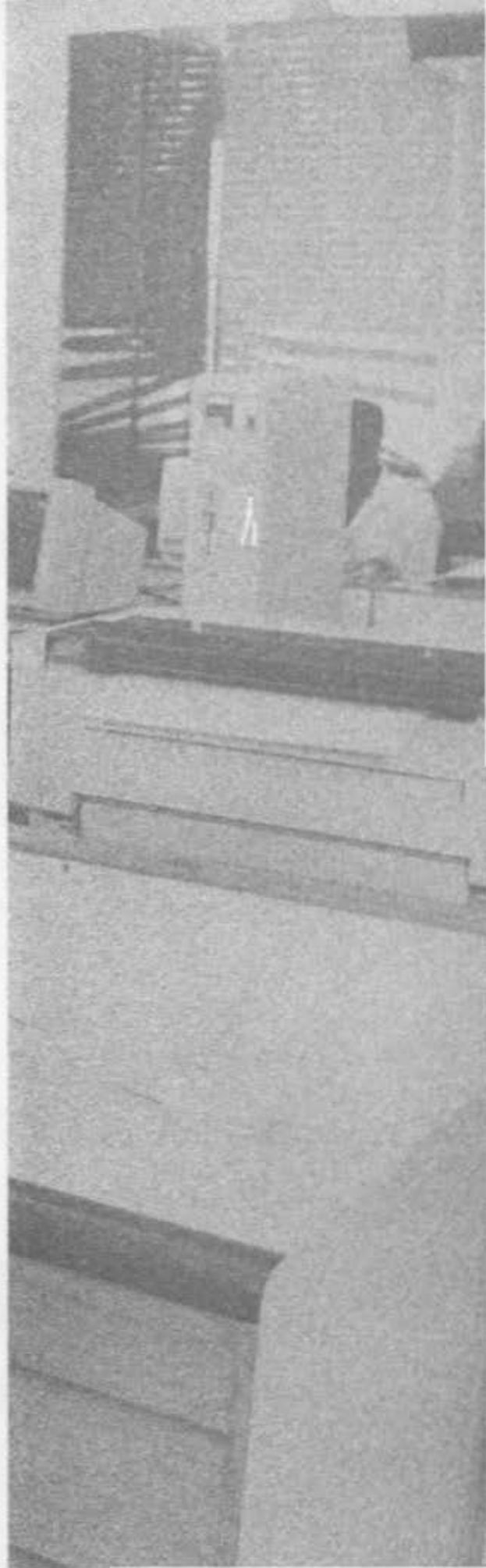
The project comprises eight components : i) cyclone shelter; ii) cash for work; iii) afforestation; iv) health and family planning; v) human resource development; vi) institution building; vii) housing, and viii) employment and income generation.

Cyclone shelters and tree plantation are designed to save human lives in the event of future cyclones and tidal bores. Shattered primary schools will be reconstructed; these may also serve as cyclone shelters. Plantation programmes will improve the environment and introduce environmental awareness. Cash for work programme through infrastructure reconstruction plans will generate employment opportunities. Housing will help people rebuild their homes damaged by the cyclone. Health and family planning programmes will institute a self operating primary health care system. Through the human resource development programme, girl children of 6-16 years will be provided primary education. Under institution building women will be organized into groups which will provide them with a forum to discuss their problems and seek possible solutions. Employment and income generation is aimed at creating self-employment through training and credit.

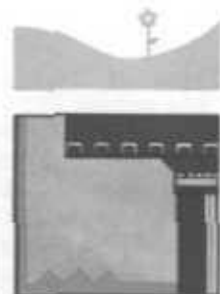
Operation and Management

The project is implemented through two operational units. Each unit is staffed by one manager, one accountant, ten programme organizers (2 for health, 3 for institution building, credit and employment generation and 5 for education) and 15-20 gram shebok/shebika. Operational strategy combines both the RDP and WHDP approaches. The local level cooperatives, formally called village organizations, are the nucleus around which all development activities are carried out. Activities of the two units are coordinated through an upazila office which provides technical support and field supervision. The upazila office is staffed by one manager, one medical doctor, one livestock graduate and one field officer for education.

The project has been formulated in such a way that at the end of three years of operation the village organizations will be mature enough to maintain their socio-economic viability and credit delivery will reach break-even point. The project will then be supervised by a BRAC Bank formally known as Rural Credit Project.







S U P P O R T S E R V I C E A C T I V I T I E S

BRAC has developed a variety of support services, both administrative and technical, to execute its multifaceted development interventions. This comprehensive support system has contributed to BRAC's massive expansion over a relatively short period. One of the major characteristics of the system has been its continuous adjustment to meet the varying needs. The services are planned and provided through a number of specialized units or programmes set up at BRAC headquarters. These include :

1. Training
2. Research and Evaluation
3. Rural Enterprise Project
4. Management Development Programme
5. Monitoring
6. Communications
7. BRAC Computer
8. Aarong—marketing outlets
9. Accounts and Audit
10. Publication
11. Logistics
12. Construction

1. Training

Training is a vital component of the total support system developed at BRAC. The development approach of BRAC centres around people and their participation. Training is a key element of the process. In fact, training has been an essential element of BRAC's intervention strategy which serves all of its programmes.

Training Facilities

Since its inception BRAC has designed and operated a variety of training programmes for its project participants and workers. Recognizing the fact that there is an enormous need for harnessing the human resources of the rural people by well trained workers, BRAC started developing its own training facilities. The first training complex, called Training and Resource Centre (TARC), was set up at Savar in 1975. The TARCs increased in number with the scaling up one each at Savar, Modhupur, Jessore, Pabna, Rangpur, Comilla and Faridpur.

TARCs : Hub of Training Activities

The main objective of TARC is to provide training and extension support, for BRAC's manifold development projects. Each TARC is equipped with

classrooms, auditorium with TV and audio-visual facilities, hostel, cafeteria, library and staff housing. In addition, TARCs have farms and water bodies on campus to facilitate practical demonstration of horticulture, crop cultivation and fish culture.

The TARCs are staffed by professional trainers, trained in both the theory and practice of rural development. Many of them have undergone specialized training in universities abroad.

The great majority of TARC's participants are members of BRAC staff and those of its target groups. Workers of many government departments and other development organizations also participate in BRAC's training programmes.

Training Methods

BRAC pursues certain principles in its training programmes. It encourages active participation, the trainers' role being primarily that of a facilitator. Training is conducted in an open atmosphere of friendship, mutual trust and respect.

A variety of methods are used. These include large and small group discussions, case studies, role playing, structured experiences, demonstrations, miniversity, practical exercises, simulation games, workshops, seminars, slide shows and poster demonstrations.

Types of Training

TARCs concentrate on two major areas of training :
1) human development and management, and
2) occupational skills development.

The human development and management course is designed to develop social awareness and to encourage participants to think, analyse, reflect and act in a positive manner. It includes training in leadership, organizational development, consciousness raising, communication, project planning and management, etc.

The occupational skills training is designed to increase the capacity and skills of the landless poor to carry out income generating activities effectively. The present skill development courses cover four subject areas : agriculture, pisciculture, poultry and animal husbandry, and appropriate technology. A bulk of the skills development training is held at the field level.

Training Performance in 1991

During 1991 TARCs conducted a total of 1,246 courses for a total of 28,558 participants, within 194,378 participant days. Of the 1246 courses concluded, BRAC staff accounted for 213 courses, BRAC organized target group members for 957 courses, workers of other organizations for 36 courses, and government organization workers accounted for 40 courses.

Of the total 28,558 participants, BRAC staff numbered 5367 (18.8%), BRAC organized target group members numbered 21,384 (74.9%), other organization workers numbered 828 (2.9%) and government organization workers numbered 979 (3.4%). Genderwise, 8,877 (31.1%) were males and 19,681 (68.9%) were females.

Out of a total of 1,246 courses, head office based training cell conducted 13 courses for 207 participants. The rest of the courses (1,233) were held at different TARCs which handled 28,351 participants.

Human Development and Management Courses

The Human Development and Management section of TARCs conducted 1,217 training courses for 27,917 participants. Of the total courses conducted 213 were for BRAC staff, 928 for BRAC organized target group members, 36 for other organization workers, and 40 were for government organization workers. Of the total participants, 5,367 (19.2%) were BRAC staff, 20,743 (74.3%) were group members, 828 (3%) were other organization workers, and 979 (3.5%) were government workers. Genderwise there were 8,298 (29.7%) males and 19,619 (70.3%) females.

In addition to training, the Human Development and Management section carried out a number of follow-up

Training 1991

Composition of Participants



and consultancy services in 1991. The number of follow-up services conducted by different TARCs were 118.

Training in Skills Development

The occupational skills development courses are conducted by the skills trainers who work with the RDP. The trainers are field-based and the bulk of the training is provided at the field level. A few courses however, are conducted by the skills trainers using TARC venues. The number of occupational skills training courses conducted at TARCs in 1991 are shown in the following table.

Table XVIII
Training in Skills Development

| Name of Course | Number of courses | Number of participants |
|-----------------------|-------------------|------------------------|
| Poultry and Livestock | 17 | 340 |
| Deep Tubewell | 5 | 112 |
| Fisheries | 6 | 166 |
| Apiculture | 1 | 23 |
| Total | 29 | 641 |

Development of Trainers

BRAC encourages the trainers of TARCs to constantly update their knowledge through higher training and participation in seminars and workshop at home and abroad. During 1991, some 20 trainers participated in specialized courses in various fields. Two trainers workshops were held at two of the TARCs in which all trainers participated. During the year 6 trainers had higher training abroad and another 5 took part in courses organized by specialized agencies in Bangladesh.

2. Research and Evaluation

BRAC sets a high priority on research to promote rural development. In fact, research has become an integral part of the total process of project formulation, monitoring and evaluation of development interventions at BRAC. Research-based information is used in making strategic decisions and formulating management policies. The Research and Evaluation Division (RED), an independent unit within BRAC, takes care of this particular support service activity.

Main Objective

The primary responsibility of RED is to provide necessary research support to the multifaceted interventions of BRAC. The division also undertakes studies on request from other organizations — NGOs, national and international development agencies. The RED is presently involved in conducting studies in collaboration with several reputed organizations such as Helen Keller International, PRIP, UNICEF, and the London School of Economics.

Growth

Starting in 1975 with only one staff, RED has grown into a full fledged division. By 1991 the strength of the division increased to 28 core researchers, 60 field researchers and 16 support staff.

The core researchers are professionals with high academic degrees, many having received higher training from foreign universities. The field researchers are based in eight field stations located in Jamalpur, Jessore, Manikgonj and Joypurhat districts. The field teams work with guidance from the core researchers.

Types of Research

Most of the studies accomplished so far are 'ad hoc' in nature. In recent years, RED has started some longitudinal or long term studies. The Village Study Project (VSP) is one such research which was introduced in 1990 and covers 10 villages of the Jamalpur Sadar and Monirampur upazilas. The first phase of the VSP will be over in 1995. Several reports and case studies on VSP have been produced.

The RED introduced an action research, Home Gardening Project, in December 1990 covering 5 villages of Jamalpur Sadar upazila. The project aims at increasing the availability of vitamin-A rich fruits and vegetables at the household level through home gardening activities. The project is initially scheduled to run for three years. A status report showing the performance of the project was produced in 1991.

Research Outputs

The RED has so far conducted over 250 studies and published over 200 research reports. Besides, a good number of journal articles/papers have been produced.

In 1991, the core researchers of RED produced 33 research reports and 12 journal articles/papers. Another 26 studies are at various stage of progress. Besides this, the field researchers finalized 10 case studies on different aspects of rural life, and are working on another 12 studies.

Significant Studies of the Year

One of the important research projects of the year has been "An assessment of basic education learning by children." This is the first study of its type in Bangladesh which focused on devising appropriate tools and instruments to measure the achievement of basic education.

On request from the Ministry of Food, Government of Bangladesh, RED conducted a study on the Palli Rationing, or rural rationing system. The Government made a major policy decision based on the findings of the study.

In the aftermath of the cyclone of April 29, 1991, RED initiated a series of studies on different aspects of the cyclone and its effects on the affected areas. Reports of four such studies were published this year.

Use of Research

The findings of the studies have been useful in planning, implementing and assessing the impact of various BRAC programmes. For instance, the seven point message on control of diarrhoeal diseases which was disseminated through the nationwide Oral Therapy Extension Programme, was developed through BRAC's own research. RED conducted 78 studies on different aspects of BRAC's health programme. In recent years, studies have been conducted on credit, technology diffusion, housing, non-formal primary education and paralegal programmes of BRAC. Findings from these studies are expected to be used in strengthening these programmes.

ENHR

The division offered useful services in initiating a new venture—the Essential National Health Research (ENHR) as a measure of promoting health research in Bangladesh. BRAC, in collaboration with the Commission on Health Research and ICDDR,B, played a significant role in promoting the ENHR which was formally launched in November 1990. An ENHR Secretariat was established and a full time Coordinator appointed in August 1991. The secretariat

is located at the BRAC head office. Two activities have currently been taken up by the ENHR. These are : a) grants for young researchers to conduct research on health issues and b) community based epidemiological training for young medical professionals to enable them to identify health and allied problems, to decide on an action plan, and to implement and evaluate it.

3. Rural Enterprise Project

BRAC in its search for increasing the income generation potentials of the rural poor is experimenting with different ideas, technologies and business enterprises. The Rural Enterprise Project (REP) was established in 1985 to promote and carry on this search in a systematic manner. The objective of the project is to find, through exploration and field testing, new or improved income generating activities which can be owned, operated and managed by BRAC's landless group members. The enterprises cover both farm and non-farm sectors.

The Approach and Strategies

REP's approach to enterprise development follows a particular pattern. These include idea generation, feasibility study, project selection, project plan development, project implementation, monitoring and evaluation.

REP investigates, tests and demonstrates new or improved businesses. It also provides training and management support to group members to carry out those enterprises which are technologically sound and financially viable.

Since its inception, REP has helped various landless groups in setting up 83 businesses. In each case, the groups provided a part of the investment funds from their own savings. They also availed of loans from the RDP.

During 1991 REP has taken up 7 new projects. This brings the number of on-going projects to 20.

REP produced a number of working papers during 1991. These include profiles, feasibility studies, reports and training materials on its various ongoing and prospective projects.

The Rural Enterprise Project has selected six different sectors from which to identify, research and promote new or improved businesses suitable for BRAC's landless groups. These include : the Agriculture sector, the Fisheries sector, the Livestock sector and Poultry sector, the Engineering sector and the Sericulture sector. Activities already initiated in these sectors are being pursued.

4. Management Development Programme

Management Development Programme (MDP), initiated in 1990, is the latest addition to the pool of professional support services set up by BRAC. The MDP evolved out of a growing need to enhance the capability of managers involved in operating the multifaceted programmes of BRAC.

The programme is designed to assist in the professionalization of development management and strengthen the management capacity of BRAC as well as other organizations who need it.

Programme Components

Five integrated programme components have been developed in logical sequence to realize the stated objectives of the MDP. These are : i) research, documentation, development of learning materials, ii) setting up of experimental field laboratories, iii) in-service continuing education, iv) field follow up and experience sharing, and v) consultative services to other organizations.

MDP Training Venue

The MDP started its training activities in a rented house at Uttara, Dhaka. In 1991 the programme had its own facility, Management Training Centre (MTC), at Rajendrapur (later renamed as Centre for Development Management - CDM), some 45 km north of Dhaka city. Set up in a 21-acre campus with a picturesque rural setting, the CDM has all the modern facilities and equipment to conduct residential training, seminar and conferences for 76 participants at a time. The CDM also comprises a modern fish hatchery and a training centre which can accommodate another 40 participants.

The MDP offered its training courses from both these centres in 1991.

Training Performance

The MDP conducted a total of 33 courses at CDM Rajendrapur which were participated by 767 persons. Seven of these courses were organized by MDP, and the rest were conducted in collaboration with TARC's and other organizations.

Another 46 courses were organized by MDP at its centre at Uttara. A total 1,038 participants took part in these courses.

The fish hatchery and training centre attached to the CDM at Rajendrapur offered courses on fish rearing technology for a total 9,504 participants. Among them 11.1 percent were members of BRAC organized groups, 10.8 percent were NFPE teachers, and the rest were BRAC field workers.

Other Activities

The MDP organizes a number of workshops and seminars. Another innovation is the Programme Presentation Forum (PPF) – an inhouse event where BRAC programmes are presented before BRAC staff in order to promote cooperation among the different programme participants. A national workshop on Livestock Development was also organized by the MDP in association with EDI of the World Bank and the Directorate of Livestock Services (DLS) at CDM in May 1991.

Faculty Development

A vigorous effort is being made to develop competent and professionally sound faculty for the MDP. One faculty member was sent for post graduation on public health at the Harvard School of Public Health and another for post graduation on development management at the Asian Institute of Management at Manila.

5. Monitoring

In October 1988, BRAC set up a monitoring cell to assist in developing a Management Information System (MIS). The cell originated out of a need to keep track of BRAC's expanding programme activities, particularly the Rural Development Programmes (RDP). Its initial activities centred around the credit operation procedures, but today it also covers other activities of the RDP.

In November 1990, the cell was upgraded to departmental status and named the Monitoring Department. The department is now responsible for monitoring the activities and performance of BRAC's development programmes.

Monitoring Programme

The monitoring department is involved in developing a modern MIS within BRAC. Accordingly, it makes constant effort to identify and refine appropriate tools for collecting information for use by the management as well as other programme beneficiaries. The monitoring programme currently covers two areas of RDP-RCP activities: a) institution building, and b) credit operations.

Monitoring the Institution Building

The monitoring of institution building process attempts to collect information on the implementation of programmes. It provides information both to group members and BRAC staff. The information enables them to compare the performance of the village organizations with the stated goals of the programme.

The data collected includes the cumulative number of membership, coverage of households, the number of weekly and monthly meetings held, and the training received by the group members. The information also covers the status of outstanding and overdue borrowers per capita savings, etc.

Results of the monitoring exercise are shared among groups who discuss these findings in their monthly meetings. The groups specifically discuss those indicators for which it achieved the least scores and prepares its action plan for the next year to improve the situation. The results of the monitoring exercises are used by various concerned groups in their monthly discussion meetings. These results help the group to plan its action plan for the coming year especially where certain shortcomings are apparent.

Monitoring of Credit Programme

A system for monitoring the credit components of RDP and RCP is being developed. Two reporting formats have been designed. One is a 'daily' and the other is a 'monthly' reporting form. The former is a financial statement which records the target and actual performance of loan recovery and savings. The monthly reporting form provides information on the trend and progress of several aspects such as the number of new borrowers, disbursement, realization and overdue. It also monitors the qualitative aspects of the credit programme, eg use of the loan and so on.

Issues on qualitative aspects of monitoring credit are suggested by RDP and RCP managers at the branch and regional level. Preliminary results are discussed in a meeting attended by branch managers and regional managers of RDP and RCP. The reports are sent to the chiefs of RDP and RCP at BRAC headquarters who transmit these to the managers at the regional and branch level for action. In addition, the department publishes the following reports regularly:

- Monthly statistical summary on coverage, institution building, savings and credit.
- Quarterly statistical report.
- Semi-annual narrative report.
- Adhoc reports on different issues.

6. Communications

The communications unit plays an effective role in building public awareness on crucial developmental issues. BRAC's focus on women, particularly girls, was highlighted in March 1991 when BRAC in collaboration with UNICEF, We Are For Children and Bangladesh Shilpakala Academy organized a week-long Festival dedicated to 'the Girl Child'. A host of activities were featured during the week: painting and photographic exhibition, folk theatre, dance-drama, songs, plays and puppetry in which many from the literary and cultural arena participated. A group of children from the BRAC schools also put up a colourful event. The Girl Child Festival was unique in its enthusiasm, style and quality in drawing attention to the plight of the girl children in Bangladesh.

7. BRAC Computer Centre

The BRAC Computer Centre was set up in 1984. The objective of using computers as a support service is to assist the management to effectively assess and control their project activities. In addition it is hoped the centre will become self-sufficient by providing services to outside organizations. This is in line with BRAC's principle of cost recovery and earning small margins for upkeep and maintenance.

Origin and Growth

The Computer Centre was set up in response to a need for specialized support services in handling massive data being generated through BRAC's expanding programme activities. The centre started its function with one multiuser computer system having only five terminals in 1984. By the end of 1985, another four terminals were added to meet the growing demands of the organization.

Being responsive to the demands for services, the centre has continuously been updating its service providing capabilities. Over the last few years it has added the PC/XT, PC/AT, Macintosh and a powerful mini computer system to its equipment inventory.

Computer Services

The BRAC Computer Centre has been engaged in providing services along four broad streams viz, systems design and development, data processing, consultancy and training, research data analysis and desktop publication. These services are offered along with a number of other usual services. Currently, it has a work station with a few terminals at various programme offices at the BRAC head office to allow access to the Central Processing Unit (CPU) installed at the centre.

Since the centre was installed in 1984 its service spectrum and clientele have been increasing continuously. It has over these years provided services for various functional areas including the accounting, finance, personnel and inventory functions of BRAC and to a number of other public and private organizations. Notable among these are health care delivery institutions, service delivery, financial and international agencies in Bangladesh.

The centre works round the clock in three shifts under the supervision and guidance of an expert manager. Its personnel includes 60 well trained operators and supervisors.

8. Aarong : Marketing outlet for Rural Crafts

Aarong is a marketing project operated by BRAC to provide stable and gainful employment to artisans and to the rural poor. Established in 1978, Aarong has now six outlets: three in Dhaka and two Chittagong, and one in Sylhet. In addition, there is an export office which has been given the task of promoting the producers' market. A design centre has been established both for developing new designs and renovating traditional designs to help boost demands for arts and crafts. Professionally managed by a highly skilled and efficient team of management, Aarong is considered one of the best rural craft chains in the country.

The Setting

By tradition many of the rural people possess skills in arts and crafts. However, they lack in opportunity to gainfully employ their skills. BRAC has identified three basic constraints on gainful employment of rural craftsmen. These are: 1) lack of working capital, 2) lack of marketing support, and 3) lack of opportunity for skills development. Aarong was organized to alleviate these constraints.

Aarong's objectives are to bring local support services and marketing facilities within the reach of the poor rural artisan, to expand domestic markets for traditional crafts, to popularize traditional designs and crafts, and to promote export of traditional arts and crafts of Bangladesh.

Service Spectrum

Aarong provides a wide range of services to the artisans and producers of arts and crafts. These include i) purchasing products on the basis of 'cash on delivery', ii) providing advance against purchase order, iii)

assistance in linking producers and artisans with customers, iv) training in skills development, v) help in design and product development, and vi) providing market information to the artisans and producers.

Aarong Beneficiaries and Turnover

Aarong currently provides services to 346 producer groups, organized by 29 national NGOs, 154 by local NGOs and 163 by the artisans. Total membership of these groups is 20,257 (male 2,731 and female 17,526). The females constitute around 85 percent of the total members.

Aarong is managed by a group of highly skilled and professional managers. The total personnel complement is around 250.

Goods produced by the members of Aarong producers groups have earned a widespread reputation and created demands both in the national and international markets. The following table shows the annual turnovers from 1979 through 1991.

Table XIX
Aarong Turnover (Tk in million)

| Year | Export | Total Sale |
|------|--------|------------|
| 1979 | - | 1.49 |
| 1980 | - | 2.06 |
| 1981 | - | 3.01 |
| 1982 | - | 5.67 |
| 1983 | - | 8.12 |
| 1984 | 0.16 | 9.76 |
| 1985 | 0.19 | 15.00 |
| 1986 | 0.79 | 23.76 |
| 1987 | 1.19 | 32.34 |
| 1988 | 3.25 | 48.02 |
| 1989 | 7.56 | 68.38 |
| 1990 | 14.34 | 100.12 |
| 1991 | 20.13 | 135.28 |

Sales of Aarong products have been continuously rising since its inception (Table XVIII). Export of its products was started in 1984 and has steadily risen every year. The total turnover of Aarong in 1991 was over Tk 135.28 million including an export component of Tk 20.13 million.

9. Accounts and Audit

The Accounts and Audit Division forms an integral part of BRAC's programme management system. It is also an important support service. Providing funds to various programmes at the right time, in and a continuous basis flows is the major responsibility of the division. It also administers and upholds financial discipline with the organization.

By ensuring proper utilization of funds through periodic and end of project audit, this division exercises the required amount of management control. Funds generated domestically as well as through external assistance are monitored, accounted for and made available to various programmes.

The Accounts and Audit Division provides various kinds of services which can be grouped into three broad categories : i) Project performance support, ii) Support in management control and iii) Management decision support.

Internal audit is an important activity at BRAC. BRAC has large financial investment, large manpower and ever expanding development projects. There are 200 branch or area offices established to monitor BRAC operations. These are operated by pursuing a decentralized system of management. The area offices control the inflow and outflow of funds at the field level. This necessitates close monitoring of transactions of funds through regular audit. This division maintains a cadre of trained auditors who visit the area offices at regular intervals, scrutinize all the books and papers of accounts and prepare reports which are used by the management at the head office and at the field level. This system ensures constant watch on what is happening in financial transactions and facilitates prompt action as and where necessary.

10. Publication

Sharing of information and dissemination of knowledge both within and outside the organization, has been an important policy of BRAC. BRAC has developed an elaborate programme which includes production of variety of books, monographs, magazine and newsletters. This work has grown in size and dimension over the years.

The programme works for making available at low cost, creative and useful books, magazines, folk literature, essays, drama and collection of poems aimed at various groups of people, particularly the neo-literates and less educated.

Types of Publication

BRAC brings out a wide variety of publications which can be classified into four broad categories as detailed below.

- *Monographs* : BRAC has published several monographs under Peasants Perception and Rural Study series. Each monograph deals with a specific issue on current rural situation such as landlessness, rural power structure, resource distribution, law and so on.

- *Magazine and house Journal* : BRAC is now publishing one magazine, one house journal and one newsletter regularly for specific readership groups. The oldest one is a monthly named *Gonokendra* which first appeared in April 1973. Students of BRAC schools and rural youths are the major audience of the magazine. A separate section name 'Alo', meaning light, has recently been added to this magazine for the benefit of children.

A bimonthly house journal titled *Shetu*, meaning bridge, is brought out regularly to disseminate various information relating to BRAC activities among the BRAC workers. BRAC has very recently started publishing a newsletter titled *Access* as a means of sharing its experiences and activities with other NGOs and development agencies. The newsletter contains articles written by experts in their relevant fields.

Classical Novel Series : In 1991 BRAC's publication section began a project called the classical novels series project. This endeavour involves rewriting and publishing classical Bengali literature in simple language to make them easily readable for the neo-literates, in order to help sustain their new-found reading skills. Several renowned writers of Bangladesh are involved in this project. In 1991 ten such novels were published. These have been widely acclaimed and written about in newspapers and magazines.

Literature for Children : BRAC is an enthusiastic publisher of children's literature. In 1991 BRAC publications brought out 5 books in all; 2 story books, 2 books of rhymes and 1 book of songs, for children. With the cooperation of a local recording studio, BRAC has also recorded an audio cassette of songs for children. BRAC publications always bears in mind the interests of rural children. In the BRAC non-formal schools, story books and reading materials are distributed for the enjoyment of rural school children.

Translation Work : Translated versions of classical stories and dramas have also been published by BRAC publications. Notable among these are the Bengali translation of seven classical dramas originally written in Greek, done by eminent scholars of Bangladesh.

11. Logistics Service

BRAC's logistics department is a support service centre set up at the head office. This unit was set up to facilitate smooth functioning of BRAC's programme offices located in Dhaka and at the field level. Its work includes the procurement, supply and distribution of office furnitures, fixtures, tools and equipment in appropriate quantity and quality.

Transportation services of BRAC is also the responsibility of the logistics department. This service assists in maintaining regular contact with the field where most of the activities take place. It is also the responsibility of the logistics department to procure and make supplies and stores available to field offices.

12. Construction Service

The construction department of BRAC provides a useful support service involving erection, repair and maintenance of all physical facilities of the organization. Established in 1984 as a self-contained unit, it has been engaged in meeting the growing needs of BRAC for constructing permanent structures for BRAC programmes.

BRAC's policy is to create permanent structures for its training centres. Area offices of RDP including residences for its field workers necessitated a lot of construction work in different parts of the country. The need for new construction and expansion of the existing facilities continued increasing as new programmes were introduced or new components were added to the ongoing programmes. The construction department was set up to accomplish this task efficiently, economically in a specified time frame.

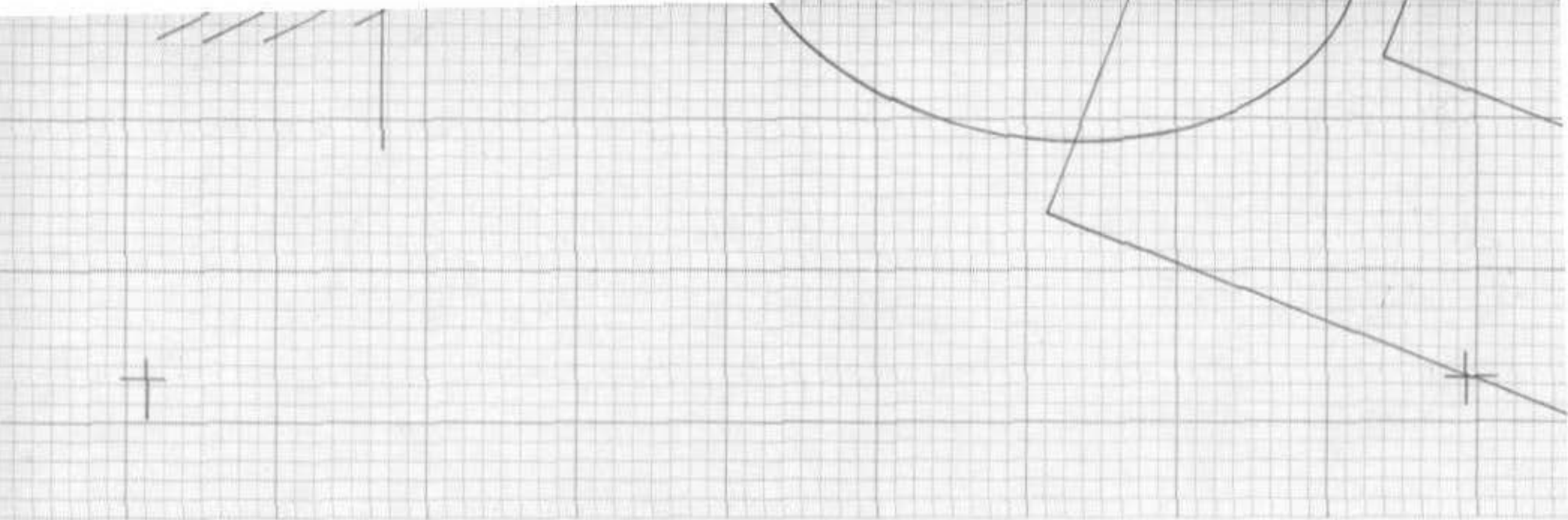
Activities in 1991

The construction department has so far constructed over 120 permanent structures for the area office complexes of Rural Development Programme (RDP) and six TARCs in different areas of the country.

During 1991 the department completed the construction work of 20 RDP area office complexes. Construction of two TARCs, at Faridpur and Comilla, was also initiated during this year. It also undertook extension work of 24 various projects such as RDP, RCP, Aarong and the Ayesha Abed Foundation.

Maintenance activities of 28 RDP/RCP branch office were also completed during the year. Water supply systems were installed at 27 RDP and RCP area office complexes.

A plan has been finalized for the construction of 16 'eye-shape' reinforced cement concrete cyclone shelters at Kutubdia. Work for 9 shelters was started in 1991. Three of the shelters will be used as branch office-cum-cyclone shelters and 13 will be used as school/community centre-cum-cyclone shelters.





COMMERCIAL ENTERPRISES



BRAC has established commercial enterprises with a view to generating funds domestically. These income earning projects comprise BRAC Printers, a Cold Storage unit with an Ice Plant. These enterprises were set up at different points of time starting from 1977.

BRAC Printers

BRAC Printers is a modern printing press which facilitates the publication of BRAC's materials. It also prints for other organizations and business firms on a commercial basis. Its profits support the development projects of BRAC. The printing press since its inception in 1977 has succeeded in creating and maintaining a positive image in the market as a quality press. Its turnover has been increasing annually, rising from Tk 2.8 million in 1978 to Tk 66.65 million in 1991. The following table shows other details.

Table XX
BRAC Printers: Sales and Profit 1978-1991

| Year | Sales (Tk) | Net Profit (Tk) | Interest Paid to BRAC (Tk) |
|------|---------------|--------------------|-------------------------------|
| 1978 | 2,802,000 | 77,000 | — |
| 1980 | 6,172,000 | 1,175,000 | — |
| 1982 | 6,036,197 | 780,731 | — |
| 1984 | 9,191,659 | 1,600,000 | — |
| 1986 | 16,545,975 | 2,694,264 | — |
| 1988 | 28,068,526 | 3,011,087 | 811,938 |
| 1990 | 51,947,516 | 5,872,005 | 1,587,411 |
| 1991 | 66,657,926 | 6,158,671 | 1,960,552 |

An analysis of the above data shows that BRAC Printers consistently maintained a profitability between 10-20 percents including a special momentum from 1983/84.

Service Spectrum

BRAC Printers was established to operate BRAC's own printing requirements, ie, materials for the Functional Education, Non-Formal Primary Education, health education materials including those of the Oral Therapy Extension Programme, flip charts, posters, low cost translation of classics written in Bengali and foreign languages and text books. Its services are also loaned to other enterprises on a commercial basis, and has proved a very profitable venture for BRAC.

Incomes Generated

BRAC Printers was commissioned in 1977 with an initial project cost of US \$210,000 funded by OXFAM Canada, OXFAM UK and NOVIB. The printers started making profit as early as 1978 and till December 1991 earned a total profit of Tk 32.75 million. During 1991, it has paid over Tk 1.9 million as interest on credit provided by BRAC. The credit was needed to effect the modernization of the printers. Modernization has helped in increasing BRAC's self generated funds and in increasing general productivity.

BRAC Cold Storage and Ice Plant

The BRAC Cold Storage and Ice Plant was set up in 1984. This project was undertaken to address two vital issues, viz, i) generate revenue to contribute to BRAC's rural development programmes, and ii) increase the small farmer's share of the market value of their produce by providing storage facilities and short term loans.

The plant is ideally situated at Daudkandi, in the district of Comilla, at the confluence of the Meghna and Gumoti rivers and within 300ft of the Dhaka-Chittagong national highway.

Inception of the Plant

The project was initiated by BRAC and sponsored by the Ministry of Agriculture. A grant agreement was signed in 1980 between the Government of Bangladesh and the United Nations Capital Development Fund (UNCDF) allowing BRAC to set up the proposed plant with a rated capacity of 4,000 tons of storage space for potatoes and making of 10 tons of ice per day. The plant was pressed into operation in 1984.

Performance

A review of the year-wise performance (1984-1990) in the delivery of various services reveals their status in each of these areas.

Table XXI
BRAC Cold Storage : Potato Stored

| Year | In bags of 75 kgs |
|------|-------------------|
| 1984 | 35,669 |
| 1985 | 56,570 |
| 1986 | 53,298 |
| 1987 | 62,533 |
| 1988 | 64,009 |
| 1989 | 60,523 |
| 1990 | 62,213 |
| 1991 | 65,001 |

The above quantities include both the potatoes stored by the growers on payment of rent as well as those procured by BRAC from the adjoining areas.

Loans Advanced

Loans are advanced against the produces of poor farmers who have stored potatoes in BRAC's Cold Storage, and are to be repaid when they remove their stock. In addition, BRAC has advanced loan to marginal farmers under its erstwhile Rural Credit and Training Programme (RCTP) in selected areas with the objective of encouraging the farmers to grow more potatoes with the assurance of providing them storage facilities in BRAC's cold storage.

Operational Status

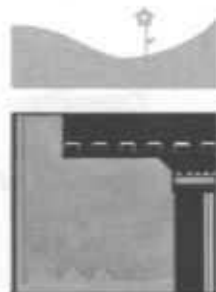
| Profit in Tk | 1989 | 1990 | 1991 |
|--------------|-----------|-----------|-----------|
| | 13,91,669 | 17,39,259 | 40,11,777 |

Since 1988 the plant has been earning profit consistently. An overall analysis shows that the BRAC Cold Storage and Ice Plant has succeeded in creating a positive image in the market and its objectives have been largely met.





FINANCING OF BRAC



To meet its financial requirements BRAC mobilizes funds mainly from two sources — external and internal. The external source comprises contributions from a number of donors and international agencies. Internal sources are the revenues generated through the investments made in income generating enterprises and the surplus produces by some development projects. The flow of funds from all sources during 1991 is shown below.

Table XXII
The Flow of Funds

| Sources | Taka | % |
|--------------------------|----------------------|--------------|
| Contribution from Donors | 926,856,040 | 72.08 |
| Project income | 358,981,786 | 27.92 |
| Total | 1,285,837,826 | 100.0 |

Total fund available for the year was Tk 1,319,310,473 including an opening fund transferred from 1990.

In 1991 the proportion of external assistance and BRAC's own fund has been 72 : 28.

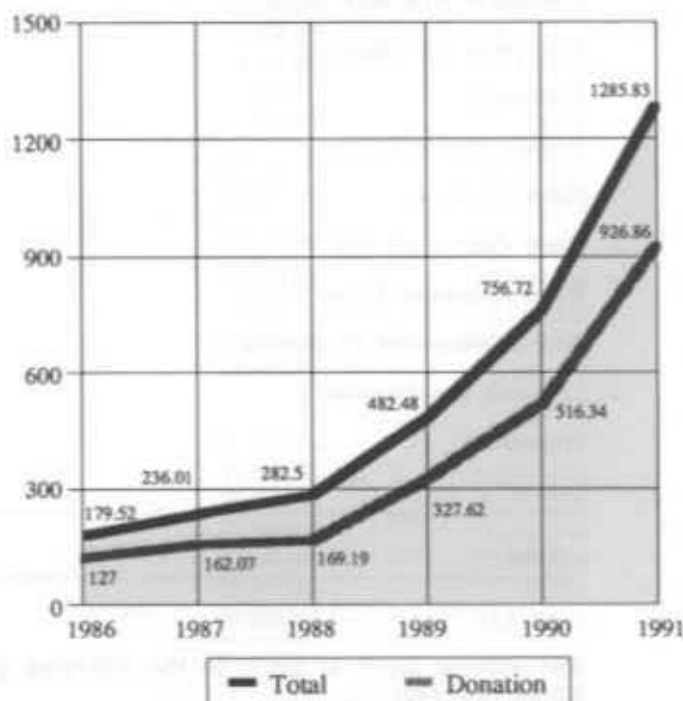
The amount and percentage composition of donors' fund for 1991 for all projects of BRAC are as follows.

Table XXIII
Donors' Funds for BRAC Projects in 1991

| Donors | Taka | % |
|--------------------|--------------------|---------------|
| ODA | 242,188,089 | 26.13 |
| NOVIB | 223,187,510 | 24.08 |
| SIDA | 143,483,829 | 15.48 |
| AKF/CIDA | 91,590,450 | 9.88 |
| E Z E | 50,272,997 | 5.42 |
| NORAD | 50,222,703 | 5.42 |
| DANIDA | 44,797,940 | 4.83 |
| SDC | 17,454,885 | 1.88 |
| Govt of Bangladesh | 15,949,432 | 1.72 |
| OXFAM | 15,435,545 | 1.67 |
| UNICEF | 15,264,776 | 1.65 |
| Other Donors | 10,694,709 | 1.15 |
| Ford Foundation | 4,949,625 | 0.53 |
| USCC | 1,363,550 | 0.15 |
| Total | 926,856,040 | 100.00 |

BRAC : TOTAL INCOME

Tk in million



Expenditure on Projects

During the year a total of Tk 926,637,623 was spent for development projects as shown in the following table.

Table XXIV
Expenditure on Development Projects in 1991

| Projects | Allocation of Tk | % |
|--|--------------------|---------------|
| Rural Development and Credit Programme | 788,480,419 | 85.09 |
| Cyclone Relief Programme | 31,032,913 | 3.35 |
| Women's Health and Development Programme | 30,459,100 | 3.29 |
| Child Survival Programme | 26,464,948 | 2.86 |
| Training and Resource Centre Vulnerable Group Development Credit Programme | 15,327,414 | 1.65 |
| Flood Relief and Rehabilitation Programme | 8,631,087 | 0.93 |
| Haor Development Programme | 6,815,484 | 0.74 |
| Housing for the Rural Poor | 4,771,608 | 0.51 |
| Post Cyclone Rehabilitation and Development Programme | 2,626,123 | 0.28 |
| Facilitation Assistance Programme on Education | 2,101,694 | 0.23 |
| Publication | 1,830,093 | 0.20 |
| Primary Education for Older Children | 1,571,663 | 0.17 |
| Rural Craft Marketing | 1,542,113 | 0.17 |
| Rural Enterprise Project | 1,363,550 | 0.15 |
| Baor Development Programme | 1,223,915 | 0.13 |
| Livestock Development Programme | 898,563 | 0.10 |
| Others | 80,377 | 0.01 |
| | 1,416,559 | 0.15 |
| Total | 926,637,623 | 100.00 |

The balance sheet as given in the following page provides details about funds and liabilities of BRAC for 1991.

B A L A N C E S H E E T

Bangladesh Rural Advancement Committee

As at 31st December 1991

| | 1991 Taka | 1990 Taka |
|---------------------------------------|---------------|---------------|
| Funds and Liabilities | | |
| Capital fund | 1,401,558,876 | 729,397,503 |
| Gratuity and redundancy fund | 33,174,007 | 23,984,627 |
| Building maintenance reserve fund | 9,240,679 | 6,686,218 |
| Training fund | 7,322,245 | 7,322,245 |
| Flood rehabilitation fund | 8,123,364 | 7,756,569 |
| Land amortization fund | 59,798 | 55,525 |
| Group insurance fund | 14,704,614 | 7,426,195 |
| Loan revolving fund | 51,628,608 | 33,329,146 |
| Head office overhead adjustment a/c | 4,571,306 | 2,118,169 |
| 5% loan from NOVIB | 8,303,457 | 8,303,457 |
| Motor cycle replacement fund | 12,583,551 | 6,180,681 |
| Current Liabilities | | |
| For goods | 3,171,040 | 2,774,068 |
| For expenses | 18,293,570 | 15,338,594 |
| For other finance | 3,395,338 | 3,235,642 |
| For group savings deposits | 213,474,881 | 132,266,554 |
| For group trust fund | 51,874,574 | 27,440,212 |
| For group project and current account | 45,042,665 | 29,223,211 |
| Bank over draft | 19,604,625 | 41,688,165 |
| | 1,906,127,198 | 1,084,526,781 |
| Property and Assets | | |
| Land and land development | 43,534,342 | 20,357,862 |
| Building | 164,203,054 | 108,487,043 |
| Vehicles | 68,314,688 | 57,728,323 |
| Camp/Poultry house | 831,558 | 831,558 |
| Furniture and fixtures | 30,515,420 | 22,902,734 |
| Office, factory and field equipment | 30,942,832 | 18,085,494 |
| Plant and machinery | 26,680,589 | 25,675,056 |
| Bi-cycles | 4,336,519 | 4,147,018 |
| Deep tube well | 1,489,987 | 1,453,168 |
| Possession right | 5,646,875 | 6,346,875 |
| Hatchery | 616,498 | 616,498 |
| Total Fixed Assets | 377,112,362 | 266,631,629 |
| Less Accumulated depreciation | 66,873,151 | 52,391,725 |
| Net Fixed Assets | 310,239,211 | 214,239,904 |
| Investment | 48,129,841 | 27,955,208 |
| Deposits for shares in companies | 8,501,235 | 8,501,235 |
| Loan to groups | 634,310,589 | 398,000,283 |
| Deferred revenue expenditure | 2,937,391 | 3,165,852 |
| Current Assets | | |
| Short term deposits | 587,091,964 | 243,690,762 |
| Stock, stores and spares | 87,506,513 | 68,117,703 |
| Advance, deposits and prepayments | 68,928,535 | 29,112,109 |
| Sundry/accounts receivable | 57,938,462 | 26,694,324 |
| Loan to BRAC Industries Ltd | 44,048,064 | 25,729,826 |
| Current accounts with projects | 23,294,491 | 5,780,934 |
| Cash and bank balance | 33,200,902 | 33,538,641 |
| | 1,906,127,198 | 1,084,526,781 |

Auditor : S F Ahmed and Co, Chartered Accountants, Dhaka.

design

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photo

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SHEHZAD NOORANI

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