

PROPOSED RURAL DEVELOPMENT PROGRAMME  
BRAC

1989 - 91

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## SUMMARY

BRAC proposes to implement a Rural Development Programme in 1989-91 that will extend service to 3000 additional villages, and involve the formation of 6000 new village organizations with some 300,000 landless men and women as members. Achievement of these targets and conduct of associated development activities will require establishment of 60 new BRAC Area Offices and a total programme expenditure of Tk.581,213,000, roughly equivalent to US \$ 19 million (Approx.).

As in earlier programmes, the target group is the landless rural poor, with particular emphasis on women. The broad goal of the programme is to contribute to a more just and equitable society in which aware, knowledgeable and confident landless men and women join together in their own organizations for greater self-reliance in managing their own affairs, to influence the external forces which affect their lives, and to achieve sustained improvement in their levels of living.

In pursuit of these objectives, the major components of the programme are:

1. Institution Building;
2. Credit, Employment and Income Generation;
3. Development of Human Resources;
4. Central Support Services;
5. A Vulnerable Group Development Programme

To a certain extent, what is proposed is a geographical or horizontal expansion of activities successfully carried out between 1986 and 1988, with expansion of Central Support Services to match the

increased volume of field activities. The Rural Development Programme proposed for implementation in 1989-91, however, represents a further stage in the evolution of a programme that began in 1972 as a relief and rehabilitation effort, but quickly shifted emphasis to rural development and the implementation of a variety of separate projects and programmes, an approach which continued until 1986. In 1985, a three year programming cycle was adopted, and the 1986-88 programme integrated the formerly separate Outreach, the Rural Credit and Training, and the Integrated Rural Development Projects into what is now known as the Rural Development Programme.

Four new features characterize the 1989-91 programme:

1. Adoption of a three year programming cycle;
2. The decision to phase out direct BRAC support to a given area after approximately three years of operation, thus releasing staff and resources for new areas;
3. As a consequence of (2), development of a new and largely self-supporting credit system (separate from the Rural Development Programme and this presentation) to meet the credit needs of villagers formerly served by the Revolving Fund Credit Scheme operated by BRAC Area Offices;
4. Inclusion of the new Vulnerable Group Development Programme (VGD).

The development of human resources underlies everything BRAC does, however two on-going and one new HRD programme have been isolated in this document for administrative and budgetary purposes. The Non Formal Primary Education Programme (NFPE) and the BRAC Training Programme - through the Training and Resource Centres (TARC)

- will continue and expand. In addition, BRAC will establish a Programme for the Development of Rural Managers (PDRM). The basic purpose of the programme is to strengthen the management capacities of both government and non-governmental agencies, in concert initially with existing programmes such as the Child Survival Programme and the Vulnerable Group Development Programme. A primary focus of management development, therefore, will be management training for officers in the rural health care systems and fisheries and livestock resource management, both NGO and governmental.

The Programme will be unique in that its basic strategy for management development will emphasize field based action learning. Its primary purpose will be training but it will have a field research component which will interact with the training activities. Courses, workshops and other traditional training methods will be developed from field experiences and will be offered only in response to recognized needs discovered in the field.

Implementation of the 1989-91 Rural Development Programme will be based on a foundation of solid accomplishment. While statistics do not adequately describe the nature of BRAC's work, they do provide an impression of the scope of achievements. By June, 1988, 3900 Village Organizations of the landless had been created, with a total membership of 190,000 people. Seventy per cent of the landless households in the areas served by BRAC were represented in the membership. Members of the Village Organizations had managed to save Tk. 40 million. A total of Tk. 80 million in credit was outstanding at that time, and an on-time repayment rate of 93.85% had been achieved. The 1989-91 programme will build and improve on these achievements.

## I. INTRODUCTION

### Nature and Purposes of Programme Presentation

This document serves to present the proposed Programme of Work and Budget for 1989-'91 in the Institution Building, Credit, Employment and Income Generation and Development of Human Resources components of BRAC's core Rural Development Programme, the Central Support Services which underpin all of them. The work proposed is a horizontal or geographical expansion of the main activities successfully carried out in implementing the 1986-'88 programme, with the addition of the Vulnerable Group Development Programme.

### The Setting for the Programme

#### 1. National

Bangladesh with a population of approximately 106 million, growing at 2.4% a year, and with an average income of less than 150 \$ U.S. per year is one of the poorest countries in the world. While reliable and current data are difficult to obtain, what are available suggest that some 70% of the people live in poverty (having less than minimum required levels of calories per day) and 50% are described as living in extreme poverty (having less than 85% of the established minimum). Adult literacy is about 29%, 40% for men and 19% for women. Other indicators of poverty such as life expectancy, infant and maternal mortality, education etc. portray a similarly dismal situation.

#### 2. Village

By whatever yardstick poverty is measured, the 85% of the nation's population living in rural areas is worse off. Just one figure tells the story-90% of that population lives in extreme

poverty. Most of them still eke out an existence in agriculture which holds three-fourths of the nation's labor force and accounts for half its G.D.P. Prospects for the poor to better themselves in the agricultural sector are bleak. Half of the land is owned by the top 10% of the farmers while only 2% is owned by the 10% at the lower end of the scale in terms of size of holding. Half of the rural dwellers are functionally landless, owning less than one half-acre, and possessing negligible assets of any kind. Unemployment averages about 40%. Those lucky enough to find a job manage to obtain about 185 days of employment per year, 115 in crop production and 70 in other related activities. The average daily wage of 30 taka (\$ 1 U.S.) barely suffices to support a family of three at the poverty threshold level of consumption expenditure; but the average size of rural families is 5.7.

A look to the future suggests the plight of the landless, barring massive policy changes and efforts on their behalf, will worsen. By the year 2000, the number of farms could increase from the current 10 to 15 million and the average size, fall from 2.3 to 1.5 acres; and small farms employ less labor than large ones. An additional 23 million people could become dependent on rural non-farm jobs or be forced to migrate to the city. Given their current levels of education and skills, the opportunity for productive employment in the cities is almost non-existent. The plight of the rural poor is a matter of increasing concern to government, many non-governmental and inter-governmental organizations. Numerous programmes, in either experimental or expansion phases are addressing these problems and, in some cases, successfully. But the proportion of those currently in

need being reached in still negligible. A major effort is required to meet the even larger challenges of the future.

It is in this kind of setting, aggravated by the then just ended struggle for independence, that BRAC came into being in early 1972, initially to operate as a relief agency but subsequently, to become a major player in the NGO community's effort to promote rural development.

### 3. BRAC the Organization and its programmes

The Bangladesh Rural Advancement Committee (BRAC) is a non-governmental organization, concerned and staffed by people dedicated to improving the lives of the rural poor. It was established in 1972 as a relief and rehabilitation agency, helping refugees and residents of war ravaged areas of Sulla, Derai and Banyachong upazilas survive and begin the process of reestablishing homes and the means of earning a livelihood. Before the year was out the need was recognized for an approach offering the possibility of long term impact and the emphasis shifted to community-wide rural development. It soon became obvious that the benefits of the community-wide approach would accrue mainly to the elites, the already well off, and the truly poor would receive little or nothing. This led in 1976 to adoption of the target group approach which is still followed today. The target group was defined as the landless poor or, those who earn more than half their livelihood from selling their own labor, with particular emphasis on the women members of the group.

By the end of 1987 BRAC had grown into a many faceted development organization with a staff of nearly 2500 people. Five categories of projects and programmes were being carried out: rural development; projects to generate funds for their own expansion (e.g. handicraft

production and associated marketing centres (the AARONG shops); support services (e.g. training, research and evaluation, administrative and management services); Child Survival Programmes; and income generating enterprises (e.g. BRAC Printers). Activities were being carried out in more than 1700 villages in 16 districts and, over 2.5 million people were involved. The Rural Development Programme, BRAC's core programme, was reaching the landless poor through 56 BRAC Area Offices in 36 Upazilas. These Offices had succeeded in creating 3900 Village Organizations, 2107 for women and 1793 for men, with 190,000 members in 2100 villages. Through their own groups, supported by the BRAC Area Offices, large numbers of landless had by the end of 1987: received consciousness raising training in group discussions and in functional education classes (60,000 persons); received occupational and skills training (26,000); gained experience in managing their own affairs; mobilized savings (Tk. 40 million) and unutilized village resources to engage in employment and income earning, group or individual projects; and had received and effectively used individually or in groups, credit made available through BRAC's Revolving Fund Credit scheme (Tk. 220,000,000 of credit disbursed with a 93.85% on time repayment rate). Some 18,000 of their children had attended non-formal primary education classes oriented to their needs and, available in locations and at times fitting in with family work obligations. Very importantly, villagers were beginning to appreciate the importance of group/organizational strength in dealing with the village elite and the bureaucracy to influence decisions in their favour and to access government services. The net result of all of this was that hope was



beginning to replace fatalism and, conditions of life in the villages were improving.

But BRAC today is more than the all important village level action just described. That action is supported by five Training and Resource Centres (TARC's) which train village leaders, staff for Area Offices and provide technical support and some types of inputs (fish fingerlings, for example) to village enterprises/projects. A Headquarters Research and Evaluation Division analyses problems encountered, monitors and evaluates progress in implementation of field activities. Other Headquarters units provide administrative and management services and do so with a minimum of bureaucracy. There are no administrative levels separating Headquarters and the Area Offices. There are only 90 managerial staff members, 70 in the field and 20 at Headquarters. Four of the latter, designated Regional Managers and reporting to a Programme Coordinator, are directly responsible for servicing the 56 Area Offices now in operation.

The Rural Development Programme just described, in terms of field and Headquarters components, is complemented by cooperation with Government and inter governmental organizations (WFP, UNICEF, for example) in implementing large scale programmes to effect immediate improvement in the condition of large numbers of rural people. The Child Survival Programme (CSP) is an example, with two-thirds of the nation already having benefitted from implementation of the oral rehydration component. These programmes are similar in that they provide the opportunity for BRAC experience and facilities in implementing the landless poor targeted approach to be brought to bear and, hopefully, to influence the continuing operation of government programmes.

BRAC carries out, in addition to the Child Survival Programme, several other activities which do not form part of the programme proposal described in subsequent sections of this document. Of special importance for the long run success of the Rural Development Programme is the Rural Enterprise Development Project. It is through this Project that an effort is made to identify and develop technologies and enterprises offering greater potential for increased productivity and income than is the case with the small scale, low technology activities which comprise the bulk of current RDP lending programmes. It is this kind of project that offers hope for BRAC to do more than bring its clients to a subsistence level of existence.

BRAC is registered as a non-governmental organization under the Society Act of 1860 and, also under the Foreign Donations Regulation Act 1978. As required by the Societies Act, BRAC was registered by a General Body (of 15 members in the BRAC case). The General Body elects a six member Governing Body to provide policy direction and oversight. In practice, the Governing Body delegates most of its responsibilities to the Executive Director whom it appoints.

#### 4. Experience in implementing the 1986-88 Programme

Two aspects of 1986-88 Programme implementation have influenced preparation of the 1989-91 proposals: results achieved in the villages; and changes in the format of programme presentation introduced in 1986-88.

The impressive statistics on accomplishments at the village level to date, recorded in the previous section on the BRAC organization and programmes, are to a considerable extent a reflection of what happened in 1986-88. These accomplishments serve to confirm the BRAC management

view that the core Rural Development Programme, as it is now conceived and implemented, is ready for replication in a much wider area than now served. Further, it is believed that most Area Offices, after about three years of operation, will have carried the conscientization and institution building processes to the point where the Village Organizations can continue without BRAC support. To provide an alternative source for credit, formerly made available by the BRAC Area Offices during their approximately three year period of operation, consideration is being given to development of a new and largely self-supporting credit system.

In the 1986-88 programme the formerly separate programmes, Outreach (concerned with conscientization and institution building) and Rural Credit and Training (concerned with employment and income generation) were integrated. This move simplifies administration and should enable BRAC to move more rapidly into new areas. The chances of success in alleviation of poverty are enhanced, also, when these two essential components of the process are implemented together. The integration is retained in the 1989-91 presentation and complemented by the addition of the Vulnerable Group Development Programme.

## II. FRAMEWORK FOR PROGRAMME FORMULATION

The Organisation's objectives and strategies establish the broad framework for programme formulation.

### Objectives of the Rural Development Programme

The ultimate objective of the BRAC Rural Development Programme is making a contribution to a more just and equitable society in which aware, knowledgable and confident landless men and women are joined together in their own organisations to attain a high degree of self-reliance in managing their own affairs and in influencing external decisions to achieve sustained improvement in levels of living.

This objective is pursued mainly through three major component programmes and associated sub-objectives as follows:

- (1) **Institution Building:** Helping create, orient or strengthen the organizations constituting the institutional infrastructure needed for continuing progress in improving the lot of the landless through (a) preparing the landless rural poor in terms of awareness, understanding and motivation to create and manage their own organizations and, through them, to assert their rights in obtaining equitable access to resources and services and to influence the decisions affecting the quality of their lives; and (b) establishing links, working with, orienting and strengthening government departments and other organizations/institutions to better serve the needs of the landless rural poor.
- (2) **Credit, Employment and Income Generation:** Helping establish the economic base for a better life by making available credit, associated services and facilities to enable the landless to be

employed and earn income through providing village services or, engaging in productive enterprises.

- (3) Development of Human Resources: Helping provide the educational foundation for sustained improvement in levels of living by assuring access for landless men, women and their children, to a minimum level of relevant formal or non-formal education or training.

Activities, targets and resources for achievement of these intermediate objectives constitute the content of the Programme of Work in each of these components of the rural development process. It may be noted that pursuit of these sub-objectives also, dictates work in the Central Support Services and in the Vulnerable Group Development Programme which is treated separately in the text.

#### The Strategies Which Guide Programme Formulation and Implementation

In 16 years of experimentation and search for effective ways of assisting the rural poor, BRAC has evolved some general strategies which help to establish what is done and how. Some of these strategies, which are reflected in the 1989-91, proposals are:

1. Concentrate on a specifically defined target group. For BRAC, this is the landless rural poor, those who earn more than half their livelihood by selling their own labour, with particular emphasis on women members of the group.
2. Undertake activities in areas where the target group is not yet served or, not well served by government or other non-governmental organizations. Within the past year this strategy has been modified through adoption of a two-pronged approach: initiation and implementation of BRAC's own intensive and

comprehensive programme in the neglected areas but parallel, thereto, cooperating with government departments, inter-governmental and non-governmental organisations in implementing large scale, although non-targeted sectoral programmes. Through such cooperation, BRAC seeks to influence the programmes to effectively serve larger numbers of its own target group, the landless poor.

3. Provide services on a temporary basis, with the aim of withdrawing when either the group served has achieved self-reliance or when a governmental or some other type of institution has been created, strengthened or reoriented and is in a position to assume responsibility. In this connection, the intervention period for a BRAC Area Office has now been established as an average of three years.
4. At any given time, operate some programmes which are experimental and innovative in character, seeking more effective and less costly ways of better serving the rural poor and their changing requirements.
5. Place special emphasis on mobilization of resources at several levels:
  - a. The individual, by providing the opportunity for development and realization of full inherent intellectual and physical capacities.
  - b. The village, by mobilizing savings of the villagers and identifying unused or underutilized resources such as roadside and canal side land, abandoned ponds, etc. which could serve as the basis for employment and income generation.

- c. The level of government, inter-government, non-government, or private organizations to ensure that the landless have actual access to what should be available to them, that specified amounts actually reach the villages, and that projects designed by such organizations benefit the poor.

#### The Programme Proposals

For purposes of convenience in presentation, the Rural Development Programme is broken into components: (1) Institution Building; (2) Credit, Employment and Income Generation; (3) Development of Human Resources; (4) Central Supporting Services; and (5) Vulnerable Group Development Programme. The classification is arbitrary in that activities under any one heading are likely to be relevant in achieving the objective(s) of another. This has led to full treatment of any given activity under the component where its impact is likely to be greatest and, then, making a cross reference in the treatment of other components where it has relevance. A further complication in presentation of the programme is the fact that certain BRAC activities having a major impact in the field of rural development - e.g. in health and rural enterprise development - are not included as their funding is already secured. Accordingly, treatment of these important activities is largely confined to occasional mention.

### III. INSTITUTION BUILDING

#### Objective(s)

Helping create, orient or strengthen the organizations constituting the institutional infrastructure needed for continuing progress in improving the lot of the landless by (a) preparing the landless rural poor in terms of awareness, understanding and motivation to create and manage their own organizations and, through these, to assert their rights in obtaining equitable access to resources and services and to influence the decisions affecting the quality of their lives; and (b) establishing links with, orienting and strengthening government departments and other organizations to better serve the needs of the landless.

#### Background and Justification

The landless are illiterate, assetless, powerless, malnourished, dejected, exploited and completely dependent on the elite for jobs, credit and mere survival. Until the poor are conscientized to identify, analyse and understand the reasons for their poverty, exploitation and dependency and are able to perceive the need for both enhanced self-reliance and group action in effecting change and, get organized, their miserable state of existence will continue.

BRAC through its 16 years of experience in institution building, refined in implementing the 1986-88 Rural Development Programme, has evolved an effective approach to institution building which is now ready for spread to a wider area. Since institution building is the starting point and foundation for all BRAC activities, such spread is a critical element in implementation of the 1989-91 Programme. The significance of this observation is readily apparent, for example, in the case of the



credit programme which is based exclusively on the combination of the Area Offices and Village Organizations, both created by BRAC.

The activities required to prepare (conscientize) the villagers and to establish the institutions, the targets to be achieved, the major categories of inputs required and the costs to be incurred are the subjects of the section on activities.

### Activities

#### Establish BRAC Area Offices

Establishment of an Area Office\* is currently BRAC's exclusive way to initiate field action. By 1991, 60 new Area Offices serving 3000 villages in 180 unions are to be established. Under the new strategy, to be adopted in 1989, each Office will operate for approximately three years at which time BRAC subsidised lending, conscientization and training services will end and the Village Organization will be considered as having reached the stage of self-reliance. Consideration is being given, also, to development of a self-supporting credit system which would provide credit to villagers when the BRAC initiated and subsidized Revolving Loan Fund ceases to operate at the end of approximately three years.

Where the new Area Offices will be located has not yet been determined but the criteria to be applied in making the decision include: degree of poverty and landlessness; ease of communication; the law and order situation; availability of banking facilities; presence or absence of similar programmes operated by other NGO's or

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\* A BRAC Area Office will normally serve 50 villages with an average population of 1200 and, a total of 60,000, comprising 11,000 households. Of the latter about 6,300 will be landless households and the target of BRAC attention. For detailed outline of an Area Office in each of its three years of operation, please see Table 1.

government; desirability of geographical spread; and the learning opportunity provided by operations in different environments.

Each Area Office will have university educated staff consisting of an Area Manager, three general Programme Organizers (POs), one Specialist Programme Organizer for non-formal primary education and, an Accountant. All will be recruited from outside the area in which they will work and will receive 10 days of orientation training at a Training and Resources Centre (TARC). To share the workload and help prepare Village Organizations to handle their own affairs, BRAC will recruit local village level workers, Palli Shebok/Sebika (PS). Qualifications include the secondary school certificate. Each PS will be responsible for 5 villages.

The Area Office staff will be responsible for all of the activities involved in preparing for, establishing and ensuring successful functioning of the Village Organizations, separate for men and women, and for the federation of such organizations at Area Office or union and upazila levels. These activities are detailed in the next section on formation of Village Organizations.

#### Establish the Village Organization

Establishment of the Village Organizations marks the culmination and institutionalization of a number of activities and processes set in motion by BRAC intervention in the villages. It is the creation of the landless poor's own organization, the center piece of BRAC's Rural Development Programme, to provide for continuity in the fight against poverty and the struggle for increasingly improved levels of living. Most of the processes or activities involved continue, sometimes intermittently throughout the three year period of BRAC's intervention and some must continue indefinitely. Many are undertaken

simultaneously. Accordingly, the elements described below are not always in strict chronological order.

Introduction of the processes begins following a Programme Organizer's (PO) visit to a village to identify the landless and to do an informal survey of their situation. Consciousness raising is a first and continuing order of business. In individual talks with the PO, in small groups, separate for men and women, and then larger ones, common problems are identified, their causes analyzed and the possible approaches to solutions are considered. Hope begins to replace resignation and people want to learn more about what they can do as individuals and in groups. Some begin to visit the BRAC office. Two or three are selected by the group to attend a five or six day consciousness raising course at a Training and Resources Centre (TARC). They return enthusiastic about what they have learned. More and more people come to group meetings so they too, can learn.

Within two or three months, group discussions are attracting 25 to 30 persons on a regular basis. It is time to begin formalizing the groups by adopting some operating rules and agreeing on some activities. A regular meeting schedule, usually once a week, is fixed. Members agree to begin a regular savings programme with each member saving each week one or two taka or, such other amount as the group may decide. An interest bearing group account is opened in the local bank. The need for group leadership is recognized, a 5-7 member management committee is elected, and the members are sent to a TARC for training.

Interest continues to build in what was learned by the persons sent away for consciousness raising training. One person is selected

from each village to be trained as a teacher to conduct functional education courses consisting of two components: (a) consciousness raising and (b) literacy and numeracy. All group members take the former while literacy and numeracy training is taken only by those genuinely interested.

After about five or six months of discussion and training, the process begins of mobilizing local resources in addition to group savings. Members try to identify simple, low cost activities that can be financed, from the still modest accumulation of savings, to improve their economic situation. Three persons, for example, might be granted a loan to purchase a goat. Women will see possibilities such as in buying, husking and selling rice and, receive a small loan for the purpose. Individual or group loans are possible but with the limited funds and still fragile group cohesion, individual loans are more likely. Implementation of these small projects serves mainly as training for subsequent use of larger loans in more complex activities. The search is on for unutilized or underutilized village resources - land along canals or roadways, abandoned tanks which could be rehabilitated and used for fish production, the possibility of drilling a well and managing the supply and sale of water to farmers and, perhaps, even acquiring a share of khas land for planting or pasture.

By the time villagers start thinking about these larger schemes, a year of working together may have gone by. The group's own savings are seen as grossly inadequate. It is at this point that the BRAC revolving fund credit scheme is introduced. Discussion here will be focused on the institution building aspects with consideration of how the scheme works left to the section on Employment and Income Generation.

The institutions involved in the provision of credit, apart from the local bank which serves as custodian of funds, are the BRAC Area Office as the lender and the Village Organization as the borrower. It is the latter that receives the loan funds, disburses them to individuals or small group borrowers, collects the repayments weekly and, hands them over to BRAC on a periodic basis. Borrowers conduct their business with their own Village Organization. Another group angle of interest relates to loan security. BRAC revolving fund loans do not require borrower assets as security. What is required is that the 3-5 member group, within the Village Organization of which an individual borrower is a member, approve the loan for subsequent consideration by the Village Organization as a whole. Should the borrower default on loan repayment, none of the members of his/her small group would be eligible for a loan until repayment had been effected. This arrangement, barring natural disasters, offers strong security for a loan as is demonstrated by the fact that the BRAC credit scheme currently realizes a 93.85% rate of repayment on time. As regards institutionalization of credit arrangements, it is to be noted that a BRAC Area Office is a temporary player to be replaced at the end of approximately three years by a largely self-supporting credit system now under consideration.

In the second and third year of operation of a BRAC Area Office, it is income generating activities and the enabling credit operation which serve as the main means for strengthening the solidarity of the village groups. As noted above credit is available to an individual only as a member of a group and the nature of security is such that there is both a strong incentive for an individual to be a member of a

group and strong pressure from his/her peers to be a responsible member. The incentive and pressure combine to create a demand for training in project planning, management, accounting and other human development fields as well as in the technical knowledge and skills to implement projects. Members come to appreciate that the skills, knowledge and cooperation of each and everyone are important in creating a strong group.

By the beginning of the third year, it is likely that a minimum of 50 to 60 percent of the landless in a village, men and women each in their own groups, will be regular participants in groups ranging in size from 30 to 100 members. Through experience and training gained by that time, and to be gained during the remainder of the third year, it is expected that the need for group action will be so strongly recognized and the leadership and solidarity so much in evidence that most Village Organizations will be able to carry on without BRAC assistance. The processes initiated by BRAC will have been institutionalized in the Village Organization, the most important element in the institutional infrastructure for furthering the interests of the landless poor.

Targets established for a first, second and third year Area Office, has been set in the light of past experience to be achieved in covering villages, membership, savings and lending as given in Table - I.

Table - I: Targets of a single Area Office in its First, Second and Third year of operation.

Year	Village coverage	Village organization	Membership	Saving	Functional education	Non-Formal primary school	Credit disbursement/year end outstanding
Year-1	30	60	2400	150,000	40	15	600,000
Year-2	50	100	4500	575,000	120	15	1,650,000
Year-3	50	100	5000	1,150,000	40	15	3,000,000

#### Federation of Village Organizations

In the course of group discussion, it soon becomes obvious that many problems cannot be solved at the village level, or by one village acting alone. Wage bargaining action, large scale economic activities and access to government services require a number of Village Organizations to act jointly and to bring pressure to bear at union and upazilla levels. This has led to grouping of Village Organizations served by one BRAC Area Office, or located within one union, to meet monthly and address such issues and to conduct negotiations with governmental or other authorities concerned. In a few instances, where BRAC has operated for some years, the Area Office or union level groupings are being federated at the upazila level. Further federation at both levels is to be encouraged in the 1989-91 period but neither targets nor geographical areas for such action have been established.

#### IV. CREDIT, EMPLOYMENT AND INCOME GENERATION

##### Objective

Helping establish the economic base for a better life by making available credit, associated services and facilities to enable the landless to be employed and earn income through providing village services or, engaging in productive enterprises.

##### Background and Justification

The landless poor have traditionally depended mainly on jobs in agriculture to earn a living. With rapid population increase and changes in the structure of agriculture, employment opportunities do not match the number of new entrants into the labor force, to say nothing of the inadequacy of opportunities for present members. Projections by the World Bank indicate the situation will worsen in the decades ahead. Some 70% of the rural labor force will need to find jobs outside agriculture. Few of the landless poor have the education and skills required for industrial or productive services employment in the city. Opportunities outside agriculture, now available in the rural areas, are limited and mainly of subsistence sustaining nature. It is to creating opportunities in rural areas that this proposed programme is directed.

Employment and income generation play a significant role, also, in BRAC's own institution building efforts. Institution building does not progress in a vacuum. It occurs as people seek to organize to achieve specific goals which are important to them. High on the list of priorities is gaining the income to cover a family's basic needs for food, clothing and shelter. If the possibility is offered to achieve some early results to this end, interest and participation can



be maintained in building the institutional base to serve similar needs in the future.

BRAC experience has produced some effective approaches to employment and income generation. A central feature of the approaches is extension of credit. It has been learned that the landless can be good credit risks with appropriately designed and implemented programmes and, also, that poor as they are they can make savings for their own betterment. Along with unutilized or underutilized village resources, these savings form the starting point for activities that generate jobs and income. The landless do need access to external credit, technical support and inputs for achieving other than very modest improvement in their level of subsistence. BRAC has evolved a system for providing this support. Based on experience gained, BRAC is poised for a considerable horizontal expansion of activities for employment and income generation to meet the needs of the assetless.

#### Activities

BRAC proposes to promote employment and income generation in the 1989-'91 period mainly through expansion of its Revolving Loan Fund credit scheme. The expression credit is used here in the all inclusive sense of referring to the lending operation as such but, also, to the supporting actions which ensure its success - training of borrowers, mobilization of local resources, provision for supply of inputs, technical support, supervision and monitoring. Because of the critical importance of credit in the Rural Development Programme, the entire credit system is explained in some detail. The general explanation is complemented by discussion and examples of how credit is extended to particular enterprises or sectors to promote employment

and generate income. Targets for lending in 1989-'93 are provided along with the implications in terms of inputs and budgetary requirements.

The nature and functioning of the Revolving Loan Fund credit scheme\*

BRAC's credit operation, initiated as the Rural Credit and Training Project in 1979 and integrated into the Rural Development Programme in 1986, is directed to meeting the needs of the landless poor who are largely excluded from institutional credit and are forced to rely on relatives and money lenders, the latter of whom may charge interest rates of 100% or more. The landless do not have the assets to offer as the collateral normally demanded as security for a loan by institutional lenders. This is the environment in which BRAC, certain other NGOs and the Grameen Bank initiated lending operations exclusively directed to meeting the requirements of the rural poor and accepting group guarantees of repayment as collateral. By the end of 1987, BRAC had extended credit on these terms in the amount of Tk. 169,077,496 and had realized an on time, cumulative repayment of principal rate of 92.54%.

Currently, BRAC's credit facility takes the form of a Revolving Loan Fund (RLF), operated within the framework of the Rural Development Programme, designed to meet the credit needs of BRAC's landless group members. Loans realised are credited to, and form a part of the fund which is used for extending further credit. This revolving process (lending, recovering and again lending) ensures that credit facilities are available, eventually, to all group members for use in creating self employment and earning income.

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\* This section is extracted from a paper entitled "RURAL CREDIT AND SAVING PROGRAMME OF BRAC - A CASE STUDY" By S. A. Karim, June 1987.

The Revolving Loan Fund has as its objectives contributing to: (1) stimulation of employment for both men and women; (2) mobilization of unproductive or underutilized local resources (for example village ponds, unused government land); (3) stimulation of new kinds of rural industries (for example seri-culture, which had previously been confined to only one part of the country); and (4) diffusion of appropriate technology and encouragement of more efficient uses of existing technology (for example, in fish culture, irrigation and horticulture).

Nine basic rules serve as guidelines for the granting of RDP loans:

1. The loan will be granted on a self-liquidation basis. Repayment of principal and interest must derive from the use to which the loan is put.
2. No loan is given for consumption purposes (with the exception of housing).
3. No loan is given to a borrower to buy land from another borrower who owns less land than he does.
4. Since poor people have competing demands on their income, loan repayment must follow receipt of the income.
5. Loans are given on margin. The borrowing group must contribute some of its own resources, thus ensuring that all members have a significant stake in the success of the venture.
6. No "collateral" in the normal sense is required, unless it is available from previous projects or group resources.

7. There will be continuous and intensive monitoring of the project during the life of the loan.
8. Priority in loans is given to projects which have a strong development component.
9. Priority in loans is given to projects with visible economic and social profitability potential.

**Processes for Sanctioning of Credit:** To be eligible for loans a group has to meet the following conditions:

1. It must have regular weekly meetings and make regular savings deposits.
2. It must have a bank account.
3. It must be able to manage its own finances and administration.
4. It must have savings equivalent to ten percent of the loan requested (as explained in the section on Institution Building. BRAC contends that every individual, no matter how poor, can save something and that such saving is essential to give a borrower a personal stake in the outcome of any project, mainly financed by a loan).
5. The members of the group must have completed functional education training.
6. It must have proved group cohesiveness.

The processes entailed in a newly formed Village Organization meeting these conditions normally take at least one year. In the early stages of the credit programme, a six months period was thought sufficient to create group cohesion but experience has shown that period was too short.

Since loans normally require almost no collateral, a further requirement is that 20% of the loan amount is set aside. Ten percent of this amount is deposited in a fixed interest bank account to safeguard the group savings, and 10% is placed in a second fixed deposit account to serve as a security fund to ensure repayment.

**Loan Proposals:** Loan proposals are screened and approved by the groups (village organizations) during their weekly meetings. To have a valid meeting, at which a loan proposal is approved by the group, two-thirds of the membership must be present; and 75% of those attending must approve the loan application. Participation and group responsibility are thus essential elements of the loan process.

After the group has approved the loan application, the BRAC Programme Organizer responsible for the group submits it to the Area Office Manager. If the loan is below Taka 5,000 it can be authorized by the Manager. Amounts greater than that, up to Taka 10,000 must be authorized by the Regional Manager. A loan request above Taka 10,000 requires the approval of BRAC's Executive Director.

**Types of Loans:** Loans are of three types in relation to duration: (1) short term, repayable within one year; (2) medium term, up to three years, and (3) longer term. The duration obviously depends on the nature of the scheme.

Loans can be given to individuals or to five to seven member sub-groups (or even larger, possibly involving persons from several VOs - a brickyard, for example) within a Village Organization. If the loan is to an individual within a sub-group it must receive the approval of that group before it goes to the Village Organization for final approval. For effective supervision of loans, a management committee

of five to seven members, selected by all members, is formed within each Village Organization. The duties of the committee are to supervise all loans. For these activities, the management committee members receive 3% of the loan amount as a service charge for each loan they supervise.

The types of projects funded by loans include (1) paddy, potato and other crop cultivation, primarily on leased land; (2) irrigation projects in which the landless own the tubewells and supply water to farmers; (3) paddy and oil seed husking; (4) cattle and goat rearing; (5) rural transport, primarily rickshaws and push carts; (6) rural industry including rice mills, brick fields, weaving, seri and eri-culture (silk production), and api-culture (bee keeping); (7) lease-of market space; (8) petty trading; (9) fish culture; (10) poultry keeping; (11) vegetable and horticultural nurseries; and (12) food processing.

The smallest loans that have been given are Tk. 300, the largest Tk. 1,000,000.

**Interest Rates on Loans:** The prevailing interest rates in Bangladesh in the formal credit sector range from 16% to 36%. Research has shown that if the income generating potential of the scheme is high, borrowers do not feel that the payment of interest is unreasonable up to about 36%. When loans are numerous and small, interest rates lower than 18% do not cover the operating expenses and losses of the lenders. Technical training, supervision, monitoring and inflation all force the costs of loans higher.

BRAC loans are provided at an 18% interest rate, both to individuals and to groups. In addition, 5% is added as a group tax and 3% as a fee to the management committee for its service.

**Money Transfer Procedures:** Loans are issued in the form of cheques made out to the group (Village Organization) account. The cheques are deposited in the accounts and money is withdrawn as needed by the groups. The management committee of the group collects repayments from the loanees and deposits the money into the group account. In turn the committee pays BRAC by cheque.

**Technical and logistical support:** As BRAC has gained experience with the credit programme it has learned the various infrastructural constraints that surround income generation activities. A need for BRAC to develop technical and logistical support in the extension of credit became necessary as lending became more diversified. Most rural areas still lack the normal infrastructural support required for business activity. Assistance with such services is still relatively new in the Rural Development Programme and experimentation to determine most effective and efficient approaches is on-going. The technical and logistical supports now being provided include:

1. **Facilitating the supply of inputs.** At the time of sanctioning a loan, RDP helps the group examine its input needs. If the required inputs are unavailable, the BRAC Area Office assists the group with procurement. In fish culture activities, for example, where a steady supply of fish fingerlings was not available, RDP helped some of the village groups to develop and maintain fish nurseries from which other groups are now supplied. Other inputs which the centres have been able to make available include improved seeds for vegetable gardening, seedlings of improved tree species, fertilizers, spare parts for machinery, etc.

2. Supplying necessary technical support. Borrowers may face technical problems for which they do not have solutions. For example, a leased paddy field may be attacked by a pest and the borrowers do not know which pesticide to use. The Area Office or the Programme Organizer will help them consult government agricultural officers or, BRAC's agricultural experts to find out the correct pesticide and, if necessary, will assist in procuring it. To respond to such needs RDP trains its own staff and develops village paraprofessionals in various fields, as for example, maintenance mechanics and operators for pumps and tubewells in the irrigation projects.
3. Facilities for warehousing and marketing. Warehouses with capacities for storing one hundred tons of grain each have been constructed in a number of the RDP Area Office compounds. These are used for storing both inputs and produce. Such storage enables warehouses to take advantage of higher prices prevailing at different times of the year.
4. Special programme supports such as vaccination activities for livestock and poultry have been developed. Borrowers in livestock and poultry schemes were incurring losses due to diseases, and no adequate government infrastructure was available to supply needed services.

The organizational structure through which the Revolving Loan Fund operates consists of the Village Organization as the borrower and the BRAC Area Office as the lender. Both of these organizations and how they function have been described in the section of this



presentation dealing with Institution Building. A third organization involved is the local Bank which serves as the depository for funds.

How all of the procedures and conditions of lending and the services that support implementation of loans are applied in actual lending is described and illustrated, with some examples of sectoral/enterprise loans, in the following section.

#### Using the Revolving Loan Fund to finance employment and income generating activities and enterprises

The Revolving Loan Fund just described extends credit for four broad categories of activities or enterprises for generating employment and income: (1) village services such as household level processing, transport and petty trading which are required in villages throughout the nation; (2) productive enterprises such as poultry, livestock, horticultural and field crop production with resource requirements that make their conduct feasible nation-wide; (3) enterprises such as seri and eri culture, pisciculture or an activity such as provision of irrigation facilities which are location specific in terms of resource requirements; and (4) other enterprises/ technologies to be identified, developed and tested to make possible sustained increases in productivity, employment and income.

Lending for the provision of village services can bring immediate benefit to destitute borrowers, employment for a good number of days per year and, requires few or no skills beyond those normally possessed by villagers. Women can borrow money to buy paddy for husking, carry out the work, sell the rice and have an immediate income. Men who borrow to buy a rickshaw or push cart start earning the day the vehicle is received. Petty traders, men or women, are in business as soon as they receive the loan and purchase the raw

materials, produce or household goods and begin selling. The disadvantages of all of these activities are that the potential for earning anything more than a bare subsistence level of living are not great and, for some, the possibility of becoming redundant due to introduction of new technology. An example of the latter is the introduction, already in some areas, of machinery to do the paddy and oil seed processing formerly done by women at the household level.

In the 1989-91 period it is estimated that 180,000 persons might benefit from loans for the provision of services and, the total amount lent might reach Tk. 270,000,000.

Poultry, livestock, agriculture and horticultural enterprises of some kinds and on some scale, are carried out by at least some villagers in all the nation's village. The technology employed may be largely traditional and the numbers of persons engaged, less than would be possible if training, credit and associated input supply and technical support services were readily available. Improved technology is available within the country to increase earnings from the conduct of these enterprises and the potential for increased income is greater than in the provision of services.

To encourage expansion in the number of persons engaged in such enterprises and to promote increased productivity, resources have been earmarked in the 1989-91 budget to provide training for 78,180 persons.

Seri-culture, eri-culture, pisciculture, apiculture and installation of irrigation facilities require resources or conditions that are not universally available in Bangladesh villages. Certain of these such as seri-culture are traditional enterprises in some

localities. Other areas where the food for the worms (mulberry trees or shrubs) can be produced need to be located and the technology introduced. Engaging in fish production requires a suitable body of water or plot of unused land where a pond can be dug, along with the introduction of technology and supply of fingerlings. Similarly, the possibility to engage in the installation of irrigation facilities and the sale of water to farmers does not exist in every village. Where the natural resource base exists, engaging in these kinds of enterprises/facilities can produce a more favourable income than either the provision of services or conduct of the enterprises common to all villages.

The estimated numbers of persons likely to benefit from loans in these areas in the 1989-91 programme period are 4400 in seri or eri culture; 1800 in pisciculture; 900 in apiculture. To prepare villagers to engage in these enterprises, budgetary provision has been made to train 4400 in seri or eri culture; 1800 in pisciculture; 125 mechanics in operation and maintenance of irrigation facilities and 900 in apiculture.

Because of the importance of agriculture, irrigation, sericulture, livestock, poultry and pisciculture in total lending for employment and income generation, lending for each of these enterprises/activities is described in the following sections.

**Agriculture:** Opportunities for the landless in agriculture are confined to earning wages, share cropping or leasing land for crop production. Loans are extended to individuals or groups to pay off mortgages, lease/rent land, establish horticultural nurseries or to

pay for inputs in producing summer and winter crops including paddy, wheat, bananas, betel leaves, potatoes, vegetables and spices.

Identification of opportunities for investment is the primary responsibility of the borrowers, the small group and Village Organizations of which they are members. Since land needs to be rented or leased from others, the potential profitability of the proposed undertaking must be carefully studied. BRAC assists in preparing the feasibility studies and by providing skills and management training, technical advisory services and help with the procurement of inputs such as fertilisers, insecticides and seeds required in loan implementation. Loans may be granted for both fixed and operating costs, including post-harvest ware-housing charges where delay in marketing appears advantageous. BRAC monitors implementation of the schemes and provides continuing support, including any training needed, mainly through its Training and Resource Centres (TARC's).

**Irrigation:** Introduction of irrigation technology in agriculture in Bangladesh has invariably favoured the rich and ignored the poor. The purpose of BRAC's lending for irrigation is to make the poor the owners of irrigation assets and thus to enable them as well as landowners to benefit from the introduction of this technology into the community. Groups of villagers are given loans to acquire equipment and install tubewells, lowlift pumps and hand pumps. The landless Village Organisations manage the facilities and sell water to farmers. The Village Organisation management committee, or more commonly a separate irrigation scheme management committee is responsible for ensuring proper installation and maintenance of facilities, arranging and finalising contracts with the farmers who

purchase water, maintaining accounts and collecting water charges, either in cash or in kind. The borrowing group's leaders, that is the members of the management committee, discharge their functions with BRAC assistance which includes provision of credit, arranging skills and management training, helping with purchase of the irrigation equipment and provision of technical and management advice as needed. Beneficiaries of the programme are members of the Village Organisation, the labourers who find employment in installation and operation of equipment and the farmers who receive water.

Sericulture: BRAC's sericulture programme is essentially an income and employment generating activity for poor rural women. It is a family based cottage industry generating significant supplemental income for participating households which, in turn, supply cocoons or thread to a larger production process consisting of weaving, dyeing, block printing, embroidery and making of clothing and other cloth products. Employment is created for the growers of trees, the rearers of cocoons and all of the others involved in the chain of production described. A market for the final products is provided by BRAC operated Aarong shops.

Silk worm production technology is well known in certain parts of Bangladesh where it is traditional. BRAC is helping introduce sericulture in other ecologically suited areas. For this purpose, 15 additional service centres will be established to, among other things, produce eggs for distribution to the village rearing centres which are key components in the process of introduction. Such centres, operated by BRAC trained villagers, receive eggs from BRAC or government sericulture centres for incubation and rearing of worms to 15 days of

age. At this stage, worms when they are made available to villagers, usually women, who rear them to maturity. Other BRAC services to promote sericulture include organizing training (at the Training and Resource Centres (TARCs)) for villagers to operate the centres or to engage in household level silk worm production.

In the 1989-91 period BRAC plans to introduce, through the TARCs or directly to the villagers, a number of measures to increase the profitability and appeal of sericulture. Included among these will be:

- (1) Encouragement of planting the bush type mulberry shrub in highland areas suitable for its growth and establishment of plantations of other adapted varieties along roadsides and on other unused land in low lying areas.
- (2) Establishment of sericulture demonstration units in the TARCs where villagers may receive intensive sericulture training.
- (3) Replacing the present breeds of worms by providing eggs of hybrid breeds with the capacity to increase silk output by approximately 100%.
- (4) Introducing hot air cocoon drying for improvement in quality.
- (5) Introducing improved reeling machines.
- (6) Promoting weaving of pure silk cloth.

Loans will be extended to villagers either to operate village rearing centres or to engage in household production of silkworms, including spinning of silk from cocoons if desired. Eligibility for loans requires access to minimum space for growing the shrub or trees to produce food for the worms and, for a rearing room.

## Livestock:

Livestock rearing is carried out in all RDP areas and involves both men and women members of all Village Organisations in raising beef or milch cattle to earn a living.

BRAC provides training to rearers and ensures a regular supply of vaccines and medicines through para-veterinary workers. Each rearer is given a card on which the para-vet records vaccinations and visits. BRAC selects and trains a team of three para-vets per union (15000 people), preferably two female and one male. The initial training period is 45 days, followed by regular refresher courses given by qualified BRAC DVMS. The para-vets ensure regular vaccination in their areas and treat cattle. For this purpose stocks of veterinary medicines are maintained. Para-vets receive no salary and earn their living by charging fees for vaccinations and treatment provided to animals owned by cattle rearers.

Each para-vet will collect vaccine from BRAC stock or from government veterinary departments. In addition to doing vaccinations, para-vets will visit rearers and advise on feeding and management of cattle.

As of the end of 1987, Tk.12,758,000 or 17.33% of total credit disbursement had been extended for cattle raising. In the 1989-91 period, the programme is to be expanded as follows:

	1989	1990	1991	Total
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Para-vets to be trained	240	240	240	720
Rearers to be trained	4500	4500	4500	13500

**Artificial Insemination Centres:** Each RDP Area Office will set up and operate an artificial insemination unit as a step towards upgrading

local cattle breeds. A qualified and skilled para-vet will be selected and specially trained for one month to manage the unit and provide service to cattle rearers on a fee basis. Semen will be collected from the District Livestock Office. The para-vets will do regular visits to ascertain the success of insemination and to advise on feeding and management.

**Poultry programme:** BRAC's poultry programme has a significant record of success in income and employment generation for rural women. It is a programme suited for implementation in diverse environments and thus, for wide-spread implementation. The programme is low cost, low risk, requires little skill and can be carried out simultaneously with other household work. Training, for potential poultry rearers (48000 in 1989-91) and for village women who serve them as poultry workers / vaccinators (3000 in 1989-91) is the key component of the programme. Distribution of Department of Livestock (DOL) supplied vaccines, other veterinary medicines, eggs, chicks and cocks of productive breeds of poultry, complements training in making programme implementation possible. The major thrust of the programme is to train and prepare women to earn an income through involvement in one or several aspects of poultry rearing: (1) as a poultry worker cum vaccinator; (2) as a key rearer; (3) as a model rearer and (4) as a chick rearer.

Selection, and methods of training for the various types of involvement are as follows:

1. Poultry workers cum vaccinators - at least one woman (or more, depending on number of poultry rearers) is selected from each village to undergo six days of training by a Doctor of Veterinary Medicine (DVM) to learn inoculation/vaccination procedures,



other aspects of disease prevention and control and, husbandry practices and, subsequently, to receive one day of refresher training each month for the two year duration of the programme.

2. Key rearer - every woman, participating in the programme, not trained as a poultry worker cum vaccinator is trained, initially, as a key rearer in one of two ways - (a) as one of 10 persons selected from each village, as the first to receive training and become a promoter and demonstrator, for three days of training by the DVM in scientific poultry husbandry practices for successful poultry rearing or, (b) for all others, training in the villages in groups of 25 by the Programme Organizers (POs) giving three days of training and three days of field work in sequence; and, subsequently, all key rearers receive one day of refresher training every two months for the two year duration of the programme.
3. Model rearers are selected, successful key rearers, given five days of specialized training by a DVM or senior PO and, subsequently given one day of refresher training every three months.
4. Chick rearers are selected, successful key rearers, given 10 days of specialized training by a DVM, including classroom instruction and work in a chick rearing unit and, subsequently, given two days of refresher training every three months.

It is considered desirable that productive breeds of poultry be used in the programme and that their introduction be through supply of eggs, chicks or, of cocks to upgrade local breeds. DOL supplies the chicks or cocks at cost price.

Priority attention is given to disease prevention and control. DOL provides the vaccines free of charge. The trained poultry workers cum vaccinators, who are not paid a salary, do the vaccinations and collect a fee of Tk. 0.15 to 0.25 per bird. Vaccines are distributed to the workers in each village once a month to ensure a regular programme of vaccination.

Pisciculture: Pisciculture provides the opportunity to make productive use of otherwise unusable land, derelict ponds and other bodies of water to generate employment and income and, also to improve nutrition. Depending on the scale of resources available, the enterprise can be of household or group level.

Occasionally, small ponds are available to households. Normally, these households have the potential feed supply, also, in the form of compost that can be made from readily available vegetable waste, cowdung and poultry droppings. Larger ponds or unused sections of canals may be leased by groups which would make use of the same feed supply. Irrespective of whether the enterprise is household or group based, the essentials for success are the same: wise selection of the water source; soil testing; proper excavation of the pond and arrangement for water control; appropriate fertilization of the pond; good fish management practices; and a reliable market.

BRAC loans for pisciculture are made available on either an individual or group basis. In the case of group loans, the group will select a five to six person management committee to assume responsibility for distribution of work, control of funds and organizing technical support. The latter is provided by BRAC which, in addition to making loans available to pay for pond leasing and

operating expenses, provides skills and management training and helps arrange inputs and, particularly, supply of fingerlings through village nurseries (300 additional to be established in 1989-91).

Other enterprises/activities: It is not possible to identify in advance all of the opportunities for productive lending that might materialise during the 1989-91 period. Such opportunities will be extremely important in achieving the overall goal of the Rural Development Programme, that, is increasingly improved levels of living for the landless. Loans for provision of village services can do little more than help achieve a subsistence level of income. The possibilities for doing better than this improve with engagement in productive enterprises, both those that can be implemented almost everywhere and those suited only to specific areas. It seems likely, however, that the availability of natural resources, the potential for technological improvement and, perhaps, even access to markets will impose an early limitation on both numbers of beneficiaries and levels of income to be derived from these basically traditional enterprises.

In this setting, the search for productivity increasing but, hopefully, still labor intensive opportunities for investment assumes critical importance. Most likely such enterprises will be suitable for group, perhaps involving several villages, rather than the individual lending which pre-dominates at present. The task of identifying, developing and testing such enterprises is mainly the responsibility of the Rural Enterprise Project, mentioned briefly under Central Support Services but, not formally a part of this presentation.

To be in a position to train in skills required for implementing

any new enterprises, budgetary provision has been made for training 500, 700, 1000 persons in the years 1989 through 1991, respectively.

Targets for extension of credit through the Revolving Loan Fund in the 1989-91 period

Targets are based on assumptions as to: the number of BRAC Area Offices in first, second and third year stages of operation; average disbursements for a first, second and third year Office; and, availability of credit from an alternative source after approximately three years of operation by the latter. The numbers associated with these assumptions are given in Table:

Table-2: Number of BRAC Area Offices in first, second and third year operation; loan disbursements per office.

	1989	1990	1991	1989-91
<b>FIRST YEAR</b>				
No. of Offices	20	20	20	
Disbursements Per Office	1,200,000			
<b>SECOND YEAR</b>				
No. of Offices	20	20	20	
Disbursements Per Office	2,700,000			
<b>THIRD YEAR</b>				
No. of Offices	20	20	20	
Disbursements Per Office	4,500,000			

Should the pattern of lending characterizing the loan portfolio at the end of 1987 prevail, the 1989-91 portfolio would be described by characteristics and percentages as follows:

(1)	Male-female disbursement ratio	57:43
(2)	Individual-group loan disbursement ratio	83:17
(3)	Short-medium-long term disbursement ratio	54:39:07
(4)	By sector/prupose of lending, percentage disbursement	
	(a) Small trading	27.56
	(b) Agriculture	23.61
	(c) Food processing	14.21
	(d) Livestock	15.53
	(e) Rural industry	8.95
	(f) Rural transport	4.95

Loans during the 1989-91 period are expected to benefit 90,000 men and 90,000 women, either as individuals or as members of groups receiving loans.

## V. DEVELOPMENT OF HUMAN RESOURCES

Development of Human Resources underlies all BRAC Programmes and philosophies and is a fundamental tennet of BRAC's approach to development. It is a key element of programmes described in this document under the heading of Institution Building, Credit, Employment & Income Generation, and the Vulnerable Group Development Programme. Three discrete programmes, however, have been isolated for administrative and budgetary purposes under the specific heading of Development of Human Resources; Non-formal Primary Education, Training, and the Program for the Development of Rural Managers.

### 1. NON-FORMAL PRIMARY EDUCATION (NFPE)

#### The Objective(s)

Access for 105,000 poor children, 70% girls, in the 8-10 year age group to three years of non-formal primary education of such interest and relevance to needs and, offered at such times and places as to attract enrolment, make attendance possible and motivate completion of the course.

#### Background and Justification

In the nation of Bangladesh, only 60% of the primary school age group of children actually enrol in formal primary schools. Fifty percent drop out before completing the first year and only 20% complete the five year course. The literacy rate for the nation stands at 29%. For the children of the landless the situation is much worse in respect of all of these numbers. Most have never had the opportunity to enrol in school.

Various factors account for this unhappy state of affairs. Budgetary allocations are inadequate, available resources are

sometimes used inefficiently and teachers may be poorly prepared. Particularly in the rural areas, there are further explanations - parents can not afford to send their children to school full time as their labor is needed in the field or home; curriculum content is oriented to city rather than rural environments and, to well-off rather than poor children; children of the poor do not get equal treatment; and poor and illiterate people do not see the need for schooling, particularly for girls.

Should all of the problems currently besetting primary education remain unaddressed, the one-third of the population now in that age group could reach maturity at the end of the century no better prepared for life, in educational terms, than their parents. As illiterate adults, their chances of escaping poverty would be negligible.

But the above situation need not come to pass. Primary education can be made relevant and attractive enough and scheduled in such manner as to attract and keep rural children in school. This has been demonstrated in experimental work initiated by BRAC in 1979, further developed since then and, continuing today. Through development of an innovative three-year curriculum for children 8-10 years of age, design, testing and evaluation of teaching materials prepared to meet identified needs and interests of children and, through organizing community participation, the quality of primary education has been improved and enrolment, including that of girls, is up.

Implementation of this new programme, labelled non-formal primary education, began in 1985 in 22 centres with 660 students. Today, the numbers are 705 and 21,240, respectively, and the demand for more centres is considerable. In addition to its obvious benefit

to children, the NFPE fulfills a strongly felt parental need and is a key instrument in building community solidarity. It is also a potentially important model with implication for eventual policy adjustment in national education priorities. The essential features of the programme, which will characterize the expanded programme in 1989-91, also, are eight in number:

- (1) **A relevant curriculum:** Curriculum preparation begins with the gathering of information about the learners, their perception, levels of cognitive development, physiological and psychological growth and their needs and, also, about their parents. The education system, existing schools and the community at large are surveyed so that the learners interests and problems may be understood within the context of the general situation. Armed with this information, educational specialists prepare curricula and instructional materials including books, teaching notes on techniques of teaching and, aids such as charts, cards, counting sticks etc. \*
- (2) **Community participation:** It is universally accepted that no development effort can be successful unless the beneficiaries participate in the processes of planning and implementation. Education for the rural people is no exception. BRAC has promoted two fora for community participation in the NFPE programme. Five-member Village Committees have been formed (one for each centre) comprising a community leader, two parents, the teacher and the Programme Organiser (BRAC Area Office employee) as convenor. The major responsibilities of the committees are to ensure regular attendance of pupils, improve physical



facilities, maintain relations and co-operation between school and the community and to hold monthly meetings to resolve problems related to the school. A second forum for community participation is the monthly meeting with parents and guardians of pupils where pupil's attendance and progress, including any problems that might be interfering with their studies, are discussed. These two fora keep the motivation of the parents and pupils high and have contributed, in considerable measure, to the success of the programme.

- (3) **Promotion of girls education:** Female literacy in Bangladesh is even lower than the unsatisfactory rate for males. As a matter of justice and equality but, also, for success in population control and reducing child mortality, promotion of female education is urgently necessary. The BRAC NFPE programme addresses this issue by attempting to enrol 70% girls in the NFPE centres and by recruiting as many female teachers as possible.
- (4) **Linkage with formal primary education:** On completion of the three year NFPE course, students are eligible for admission to formal primary school in class IV. The quality of instruction received by the first group of students to complete an NFPE three year course was such that 93% have been admitted to formal primary schools.
- (5) **Low drop-out rate:** A highly significant feature of the NFPE centres is the negligible drop-out rate, 1.6% compared to about 60% in government primary schools.
- (6) **Co-curricular activities:** Out of two and one-half hours of class time, 40 minutes are devoted to co-curricular activities

such as physical exercise, singing, drawing, crafts, reading story books etc. Such activities not only add variety and interest but are important for overall development of the personalities of the pupils.

- (7) Home assignments: As most members of the pupils' families are illiterate they cannot help children with home work. Accordingly, the kind of home work assigned is that which the children can handle independently.
- (8) Vacations: Since NFPE considers long vacations detrimental to the educational process, the centres run for an average 280 days a year.

#### Activities and Targets for 1989-91

To meet the growing demand from villagers to open more centres, BRAC will expand its education programme for out-of-school children in the 1989-91 period by maintaining existing, and creating new centres as follows:

	1989	1990	1991
Old	552	1500	2500
New	1500	1000	1000
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	2052	2500	3500

Opening of the projected 3000 new centres will require activities as follows:

- (1) Conducting surveys to find the geographical areas of BRAC operations where the number of out-of-school 8-10 year olds is high and the need for a centre is most urgent.
- (2) Selecting, in the areas identified, 105,000, 8-10 year olds who

have never been to school or who have dropped out, from the most disadvantaged families ( A particular effort will be made to select and enrol girls - up to 70% if possible).

- (3) Recruiting and training 30 Field Supervisors, each to be responsible for 50 centres, their teachers and assistants, the Palli Sheboks (PS). Qualifications for recruitment include a bachelors or masters degree level of education. Orientation training will be given on appointment.
- (4) Recruiting and training 350 Palli Sheboks (PS), each to be responsible for 10 centres and to visit each, at least twice a week. To be eligible for recruitment, a potential PS must have at least a higher secondary certificate and be resident of the community in which he would serve. Pre-service and in-service training will be provided.
- (5) Recruiting and training 3500 teachers, 70% of whom must be female. Local residence and 9-10 years of formal schooling are required of candidates for recruitment. Each recruit will undergo 12 days of induction training at one of the five Training and Resource Centres (TARC's). A six day refresher course will be given the second year.
- (6) Preparing follow-up materials in the form of story books and a children's journal to enable students, from the second year on, to practice and retain literacy.
- (7) Renting 3500 houses/rooms to serve as class rooms. A single room comprising 240 square feet of space is considered adequate for the 30 students accepted in one class.
- (8) Supplying books, slates, pencils, charts and a blackboard, at BRAC expense, to all 3500 centres and the students.

The target for expansion of the NFPE programme in the 1989-91 period are summarized in Table - 3.

TABLE-3: Targets for expansion of NFPE, by years, 1989-91

	1989	1990	1991
No. of schools in operation	2,052	2,500	3,500
No. of students	61,560	75,000	105,000
No. of teachers to be recruited	1,500	1,000	1,000
Teacher training person days (13 days per teacher)	19,500	13,000	13,000
Teacher refresher courses, person days (11 days per teacher)	16,500	11,000	11,000
No. of supervisors to be engaged (1 for 50 schools)	20	20	20
No. of Palli Sheboks	205	250	350
School rooms to be rented	1,500	1,000	1,000

Management of the programme is entrusted to a Programme Manager, assisted by Regional Managers. Each Regional Manager, in turn, will be responsible for 10 field supervisors. As noted above, Field Supervisors each look after 50 centres and the Palli Sheboks are responsible for 10. Head Office functions consist of policy making, financial administration, evaluation, research and technical support.

Looking further into the future, BRAC suggests that the NFPE programme provides a practical framework to make universal primary education in the nation a distinct possibility by the end of the century. Even though the unit cost of the BRAC programme is Tk. 500

as compared with about Tk. 200 in the formal primary education system, it is a bargain when the wastage due to drop-outs and repetition in the formal system are taken into account.

## 2. TRAINING

### Objective(s)

The objectives of the BRAC training programme, pursued through operation of five Training and Resource Centres (TARC's), are: (1) design and implementation of appropriate training programs for raising awareness and developing skills of landless group members, for BRAC staff and staff of other government and non-government organizations; (2) development and dissemination of ideas, methods and technologies for socio-economic uplift of the poor; and (3) provision of continuous follow-up to training through field extension activities.

### Background and justification:

BRAC's target group, the landless poor, are illiterate, unaware of the reasons for their situation, fatalistic in outlook and, exploited by the elite. They lack the knowledge and skills for productive employment. Those who serve them through BRAC, other non-governmental organizations, government departments or private institutions are often recruited from cities and unfamiliar with the situation of the poor in the villages. They need special training in how to work in that environment.

Since 1976 BRAC has been conducting training programmes to prepare villagers, as individuals and through group action, to overcome the understanding, knowledge and skills constraints to improving their lives. Orientation and in-service training programmes for the staff of BRAC and other organizations, pursuing the same or

related objectives, have complemented training given directly to villagers. To ensure that the content and methodology of training are well suited to the needs of both villagers and staff, BRAC Training and Resource Centres (TARC's) are continuously conducting studies and experiments, developing and/or testing new technologies, and producing and distributing or arranging the supply of inputs. Once the trainees have returned to the villages or the posts of assignment, the TARC's staff are engaged in follow-up visits to gauge the effectiveness of training and to provide technical support.

The TARC's experience in these areas - (1) training, (2) study and experimentation (development, testing new ideas and technologies) and (3) follow-up - has been positive. To meet the requirements of a considerably expanded Rural Development Programme and to respond to the training needs of other organizations, BRAC will increase the capacity of the TARC's in the 1989-'91 programme period. The nature of the activities to be carried out in each of the three areas, the targets for training, and the major categories of inputs and associated budgetary implications for the programme period ahead are the subjects of the following section on activities.

#### Activities

**Training:** The content and methodology of training are derived from experience in the field, the class room and, from experimental/testing activities. Training courses, workshops, seminars, conventions and demonstrations are the vehicles for spreading knowledge and skills. In respect of general subject matter content or objective, TARC training is of two types: human development and management; and occupational skills development.

The aims of human development and management training are to create awareness of problems, increase capacity and skill to think, analyse and act, that is to enable the poor to gain confidence and know-how in initiating change to improve their living conditions. In pursuit of these aims, the TARCs offer specialized training courses to the village group members and development workers as follows: consciousness raising (awareness building); leadership development; planning and management; functional education; para-legal training; development communications; and development management.

Occupational skills training is provided to increase the capacity and skills of the poor to undertake economic activities. Acquisition of such skills contributes to enhanced, economic well-being. Economic well being, in turn, strengthens the social position of the poor in society. BRAC has technical skills trainers in agriculture, pisciculture, poultry and livestock, bee keeping and seri/eri culture to design and implement such training.

Experimentation, demonstration and technical support: In addition to discharging the major function of training, TARCs are making efforts to develop and/or test technologies appropriate for application in the economic schemes undertaken by the landless. Examples include experimentation in Nilotica culture which has already proven its value in fish culture. In the field of agriculture, experiments were conducted with intercropping and intensive cultivation of certain crops. The results have been extended in the field programme. In recent years TARCs have developed and tested a feed mixture and method of poultry feeding which are ready for field application.

The TARCs establish contact with appropriate institutions to ensure input supply for field programmes. For example, TARCs arranges

the supply of eggs, and chicks and vaccines for the poultry and livestock programme and, fingerlings for the fisheries programme. In addition to ensuring supply of inputs the TARCs, also undertake feasibility studies for new schemes which BRAC Area Offices will help villagers or village groups to implement.

Follow-up: by trainers is intended to help ensure the desired impact of training and to ascertain needs for modification of current, or the addition of new kinds of training. Development of human resources trainers pay periodic visits to their former trainees for these purposes. In the case of occupational skills development, TARC trainers and BRAC Area Office staff provide continuous follow-up in the form of: observation and review of the technical activities (poultry, fisheries, agriculture etc.) carried out in the villages; meetings and discussions with village group members to identify problems and devise solutions; and, provision of needed additional training, material support (supply of inputs) and technical guidance. It is through follow-up measures, extension activities, that the trainers share responsibility with group members and BRAC Area Office staff in making the program a success.

Training targets have been established for 1989-'91. Through the RDP, BRAC is now serving approximately 3900 Village Organizations (V.O.) with a total membership of 190,000. In the next three years, 6000 Village Organizations with a membership of 300,000 are to be formed. This will require the training of five members from each new group (V.O.) in leadership, planning and management. In total the number to be trained is 26,000 (men and women).

The TARC's will also train local level workers to conduct



Awareness Building course with the village organisation. Each worker will conduct awareness building course with four village organisations for a period of nine month to complete the course. Participation in the awareness building part of the classes is compulsory for all villagers while only those who are genuinely interested undertake literacy and numeracy training, the latter estimated to be about 10 percent of the total. Awareness building training for all of the landless, men and women, is considered the absolutely essential starting point for bringing about improvement in their condition of life. All of them must know about the situaion in Bangladesh, the reasons for poverty, their own problems, what they can do as individuals to resolve them and what can be done only through group action. Participation in literacy classes can be optional for literacy is more a tool for the future than for immediate action. As such, the appeal of literacy and numeracy and the willingness to devote time to their acquisition are likely to be greater among the younger members of the village groups.

Details of training in human development for villagers are provided in Table-4.

Table-4: Estimate for training of villagers in Human Development aspects of Institution Building, number of person by field of training, annually & total 1989-91.

Field of Training	1989	1990	1991	Total
1. Social Awareness				
Workers Training	1000	1000	1000	3000
2. Consciousness Raising and Leadership Development	4400	4400	4400	13200
3. Project Planning & Management	4520	4520	4520	13560
4. Basic Accounting	4000	4000	4000	12000
- Refreshers	4000	4000	4000	12000
*	17920	17920	17520	53360

Targets for skills training for villagers to perform various functions or work in various sectors of production are given in Table-5.

Table-5: Estimated numbers of villagers to be provided skills training by function/task and/or sector, annually, and in total 1989-'91

Function/sector	1989	1990	1991	Total
Poultry workers	1000	1000	1000	3000
Poultry rearers	16000	16000	16000	48000
Livestock				
Para-vets	240	240	240	720
Cow rearers	4500	4500	4500	13500
Irrigation mechanics	25	50	50	125
Apiculture	200	200	200	600
Seri-culture				
Rearers	1000	1400	2000	4400
Operators breeding and extension centres	5	7	10	22
Horticulture				
Nursery	320	320	320	960
Village horticulturists	4000	4000	4000	12000
Fisheries				
Village fish nurseries	100	100	100	300
Village fish farmers	500	500	500	1500
Miscellaneous skills	500	700	1000	2200

Categories and estimated numbers of staff members requiring induction/orientation or in-service training in the 1989-'91 programme period are given in Table-6.

TABLE-6: Categories and numbers of staff members to receive induction and in-service training, by year and in total 1989-'91.

CATEGORY	1989	1990	1991	TOTAL
1. Area Office Managers				
Induction	25	25	25	75
In-service	25	25	25	75
2. Programme Organisers				
Induction	130	150	150	430
In-service	150	175	200	525
3. Accountants				
Induction	25	30	30	85
In-service	25	30	30	85

#### Inputs and Budgetary Requirements

The proposed expansion of the Rural Development Programme, meeting the needs of other BRAC programmes and of government and other organizations engaged in rural development will require an increase in the capacity of BRAC training facilities.

Implementation of the Institution Building Component of the Rural Development Programme, alone, will involve training of 53,360 villagers in various aspects of human development as detailed in Table 4. Skills training for some 75,405 potential beneficiaries of credit operations will be needed as detailed in Table 5. Finally, staff members - BRAC's own 685 will need to receive induction, refresher or specialized training in numbers indicated in Table 6.

With the expansion of the RDP and other BRAC programmes, demand

for training of group members, members of local level committees under Child Survival Programme has increased. Besides, training needs of government and other non-government development agencies have also gone up. With existing capacities BRAC training centres cannot even fulfill all present training demands. Future demand for human and skill development training is expected to rise in both BRAC and outside organisations. To meet increased training needs in future, BRAC is required to open another training centre.

The estimated capital requirements for expanded and improved training facilities in the 1989-91 programme period are as follows:

Establishment of one additional TARC	Tk. 9,800,000
Expanding the capacity of the five existing TARCs	Tk. 6,000,000
Total	----- Tk.15,800,000

Current operating costs for the TARC's are not included in the budget as they are covered by fees charged to BRAC programmes and outside organizations for training services rendered.

### 3. PROGRAMME FOR THE DEVELOPMENT OF RURAL MANAGERS

#### 1. INTRODUCTION

The Bangladesh Rural Advancement Committee (BRAC) is proposing to establish a management development programme dedicated to enabling non-governmental organizations, government agencies and communities to manage their resources more productively, equitably, and sustainably. The Programme for the Development of Rural Managers (the Programme) will pursue this purpose through a programme designed to strengthen the management capabilities of both non-governmental and government agencies. The basic purpose of the Programme is to strengthen

management capability by providing management training to government officials and non-governmental organization staff.

Primary foci for management development in the first years of the Programme will be the rural health care systems and livestock and fisheries resource management, as the various system entities work with rural people to upgrade their survival potential. The health system, through its governmental and non-governmental components, has set itself ambitious targets over the next few years including nationwide immunization, development of union level health complexes, population reduction, upgrading of traditional birth attendants, combatting malnutrition, blindness and other poverty diseases, preventing disease and death through improved sanitation and hygiene, and so on. To achieve these goals will require extraordinary management capabilities on the part of health system managers as well as extraordinary participation on the part of rural people in managing their own health care.

Similarly, the livestock and fisheries sectors are important elements of the survival strategies of the rural landless and nearlandless and have set ambitious targets for growth and performance over the next plan period.

The Programme will be unique in that its basic strategy for management development will emphasize field based action learning. An initial strategy will be development of field laboratories which will be used simultaneously to develop professional staff capacities and to define specific opportunities for effective contributions by the Programme in support of improved local level management capacities. Courses, workshops, and other traditional learning methods will be used as adjuncts to field based learning and will be developed from

field experiences and will be offered only in response to recognized needs discovered in the field.

Unfortunately, the majority of Bangladesh's 106 million people still remain untouched by the development strategies of the past two decades in health, livestock and fisheries as well as in other fields. The Bangladesh experience to date in many development programs has been one of frustration as delays and failures in implementation and failures in sustainability have often taken place. The gap between aspirations and performance seems to widen rather than narrow.

Important lessons from this experience have been learned, however.

- \* One is the need for greater and more effective collaboration between government and private development agencies working in rural areas.
- Second is the need for an expanded cadre of rural managers who combine the administrative skills, strategic skills, historical perspective, value commitment, and respect for the knowledge and abilities of the rural poor to provide the institutional leadership which effective development activities require. The Programme here is designed to assist in developing managers with the requisite abilities.

## 2. THE PROGRAMME

Since the Programme is intended to evolve through a field based learning process it will be flexible and will develop through experience. The Programme development strategy is action based throughout, with a major emphasis on field laboratories and the study and documentation of successful experience. The following description of activities anticipated for the first three years is indicative of what the Programme will include.

Five integrated programme elements will be developed in logical

sequence. The five elements are 1) Research, Documentation and Learning Materials Development, 2) Experimental Field Laboratories, 3) In-service Education, 4) Field Follow-up and Experience Sharing, and 5) Consultative Services to Other Organisations.

By the end of the first three years, it is expected that each of these five program elements will be well established as permanent, yet continually evolving commitments of the Programme.

#### 2.1 Programme Element One -- Research, Documentation and Learning Materials Development

Field research, careful documentation of experiences in the design and implementation of programmes in the field, and use of research and documentation as bases for learning is the content of this element. During the first three years of research and documentation activities, an initial effort will be made to identify particularly successful examples of effective programmes and to identify and document the managerial and system factors that have led to their success. The identification will be accomplished by a simple survey of informed government and NGO personnel. Those examples so identified, which investigation prove to be particularly interesting, will be documented to determine exactly what management systems and talents were involved, what was being contributed by each party to the effort, how collaboration was initiated and carried out, and any special circumstances which might bear on replication. These efforts will help to define proven potentials for effective management.

Much of the initial documentation activity will be concentrated in experimental field laboratories in the health system (explained in the next section) to be followed by work on livestock and fisheries resource management. These activities will include analysis of the



resource management systems, and process documentation of field activities.

Research and documentation efforts will be specifically directed to production of materials useful in courses and workshops sponsored by the Programme. The findings from the documentation will be used as a basis for workshop and course subject content, for case studies to be used as primary teaching materials, and for directing further field study activities which the staff of the Programme or those learning at the Programme will undertake.

An important part of this element will also be the search for relevant management materials growing out of experiences in other developing countries -- books, articles and cases -- which already exist. When necessary they will be translated into Bengali. A library of materials, generated both from the Programme's own activities as well as from outside experiences will be built.

## 2.2 Programme Element 2 -- Experimental Field Laboratories

The field laboratory is the core of the learning process. The field laboratories will be local systems in which development programmes are being undertaken. In the selected laboratories the Programme staff will participate with government, NGOs and villagers in planning and implementing a programme. An important role of the Programme participants will be to carefully document management and field implementation processes and to feed back the observations for discussion by key participants to facilitate individual and Programme learning.

During the first three years of the Programme the health, fisheries and livestock work areas will provide the principal arena for the

effort, for instance, will provide many potential field laboratory settings in which villagers, government health workers, and NGOs will be cooperating. The health system is currently undertaking, in collaboration with a number of NGOs, a national programme designed to immunize by the year 1990 every woman of childbearing age against tetanus, and to immunize every infant and child in the country against the six main killer childhood diseases. The aim of the government health system is not only to successfully complete a one time immunization campaign but to design and implement a system to continue the immunizations in the villages on a regular, systematic basis as new babies are born and new women reach child bearing age.

To succeed in the immunization effort the health system will have to activate all of its levels, particularly those at the upazila and union levels who are the most remote from the Programme. Also required for the success of the Programme will be extraordinary understanding, collaboration and participation by village people.

Several NGO's are assisting the government in this effort and have developed a wide variety of different strategies. For example, CARE has made plans to assist the government by providing technical assistance and training in logistics and planning at national, district and upazila levels.

NGOs also have projects on fisheries and livestock, which are mainly implemented in cooperation with the Government livestock and fisheries department functionaries from the Upazila to the national level. Such projects are mainly for the uplift of the rural poor. BRAC organized village groups have been operating many projects on fisheries and livestock where cooperation of the Government is very

crucial. For instance many derelict ponds have been brought under fish cultivation, large scale poultry and livestock (cow rearing, vaccination, medication and treatment) schemes have been taken up at the village level. There are now 20-25 thousand village women in BRAC areas, generating income through poultry rearing and vaccination programme. But inspite of all these projects it seems that there is a lot to do in upgrading the management of these programmes which will definitely make the schemes and projects more efficient and effective.

The above different NGO strategies on health, fisheries and livestock activities and other areas, as they are implemented (and others which may be discovered) will provide excellent learning laboratories. In such situations, activities can be observed and documented with special attention to those activities which seem to lead to effective system actions. In the BRAC situation, in addition to general documentation of what is effective and what is not, several upazilas can be selected as more active experimental laboratories.

In the laboratory upazilas various kinds of implementation strategies will be tried and their successes and failures documented. An iterative process of implementation and self-assessment will take place. Attention will be given by the Centre staff during this process to help participants (health, livestock and fisheries officers at various levels, BRAC workers, and Village Health Committee leaders) to define relationships in support of both temporary and sustained collaboration.

A series of diagnostic and planning seminars and workshops will be held with health system officials based on the initial systems analysis and on the documentation and case materials as they are

developed. Different groupings of participants would be involved depending on the different issues and concerns that arise. Out of these activities various task force groups might be formed to further develop and implement action plans.

To the extent that Government officials have found the documentation and learning from the experimental Upazilas useful, they might be receptive to the idea of holding a series of more intensive and comprehensive strategic planning workshops to examine ways of utilizing the learning on activities in other Upazilas and also, perhaps, to think about expanding the learning or the learning method to other activities of the health, fisheries and livestock management system. Out of the initial laboratory learning experiences it would be decided whether to expand to other intensive field sites.

Two key questions will focus the Programme activities in the laboratory upazilas: 1) how can local development workers and government officials structure their roles and activities within existing procedural and resource constraints to be more productive and responsive to the needs of the poor, and 2) what are the key needs and opportunities for reorientation of supporting policies, procedures, and administrative systems to allow and encourage significant improvements in the performance of such officials in support of local development based on equitable distribution of those services and benefits intended to reach all the people, not just the more powerful.

Where work with regard to the first question reveals proven possibilities, attention will be given to the use of the Programme resources to support the communication of these possibilities to other officials throughout the country and to stimulating the necessary motivation. This might be through assisting in the development of

appropriate training modules and the training of trainers for the institutions responsible for the career development and training of such officers (where such institutions exist) or it might provide the basis for courses to be offered by the Programme itself.

### 2.3 Programme Element Three - In-Service Education

Beginning in the later part of year one or early in year two, special courses of one to six weeks will be introduced to meet the needs of managers from government and private voluntary agencies. These courses will acquaint participants with the management concepts and methods which have emerged as needing special attention, will strengthen their management skills and their value commitments, and will help build a basis for effective inter-agency cooperation. The targeting of these courses, as well as the definition of topics and development of teaching materials, will be directed to specific needs identified in the experimental laboratories, and detailed in the research and documentation efforts. They will be a primary instrument of the Programme for building a group of managers committed to achieving productive programmes. The first groups of managers will be from the health system and from NGO's working in health activities. The courses will be based on the management needs and problems identified in the immunization and other health programs. Subsequent groups will be from the livestock and fisheries systems and from NGOs working in these sectors.

In the health system, alone, for example, there are over 100,000 employees, including some 4,000 officers having managerial responsibilities. Of these managers, approximately 2,300 are at district and upazila levels. Almost all are doctors with no

management training. In the 17 districts to be covered by BRAC's Child Survival Program there are approximately 200 health system managers who will be actively involved, many of whom may be willing to participate in management development activities. Similarly, there are as many as 1,500 livestock and 900 fisheries officers working at district and upazila level. Also, there are some 450 active NGO's now working in Bangladesh. Of these over half are engaged in health, fisheries and livestock activities. The leaders of many of these efforts are seeking management assistance, also. To the extent that the health system learning laboratories, and the documentation of experiences in them, provides useful material for management courses, courses will be offered to help meet the need.

It is anticipated that the courses will incorporate a combination of campus based and field approaches. For example, a six week's course might be given in three, two week modules so that the government officials and NGO workers could continue their regular work assignments between modules and also could begin to apply some of their learning in practical situations. Another model might be formal course work alternated with field assignments especially designed to apply methods and concepts learned in the classroom. The core idea is action learning. Course participants will be visited regularly in the field by the Programme staff to appraise management progress and facilitate the application of learning to field situations.

The course contents and learning materials used will be based on experiences from practical work in the field and will be largely based on cases developed in the experimental laboratories. Relevant management literature and theoretical constructs and insights will be related to the field based cases. The courses will be intensive and

the participation and study norms will be similar to those pioneered in the Harvard University international middle manager seminars in which the managers work in small teams to analyze difficult cases. Their schedule is demanding and rigorous, the learning is exceptional.

Each year more course work will be offered and by year four, the first longer term post-graduate educational opportunity for young managers who are preparing themselves for career advancement in NGOs or in government agencies may be offered. The structure and content of the courses in the "rural manager" programme will be determined by the needs and opportunities identified during the first three years of the Programme.

Examples of subject areas that will be included are planning with flexibility, financial management, effective supervision and motivation, project appraisal, rural structures and relationships, management of conflict, coalition building, rapid rural appraisal, participative decision making, performance and project evaluation, and monitoring. The length of the course will be from nine months to one year and will combine field and classroom learning.

#### 2.4 Programme Element 4 - Field Follow-up and Experience Sharing

The fourth programme element will be several activities which might be referred to as field follow-up and experience sharing. By the third year a Newsletter will be initiated, which will serve as vehicle for follow-up with those who have attended workshops and courses and for the sharing of experience among development managers throughout various parts of the country. It will be targeted primarily to public and private agencies at district and local upazila levels, but will be distributed throughout Bangladesh to interested

persons working at central and intermediate levels as well. It will provide broad dissemination of experiences learned in the laboratories, courses and related research. Development and application of improved management systems suitable to local administration will be documented in simple fashion to support easy replication. The Newsletter, will be published in Bengali and, if sufficient demand is indicated, in English.

The Programme faculty will also do personal follow-up activities with NGO and government managers who have worked together in the learning laboratories or who have attended workshops, courses or other Centre learning programmes. Follow-up will be done by personal visitation to work settings, and by small field based follow-up sessions of managers from neighboring areas.

#### 2.5 Programme Element 5 - Consultative Services to other Organizations

Beginning and the end of year three, and drawing on experience in the field laboratories, supporting consultative and possibly field training assistance will be offered to other Organizations who are engaged in development activities in health, livestock, fisheries and other sectors. Help will be offered to them to develop the management policies, procedures, and staff capabilities to work effectively. The services will be made available selectively (within resource constraints).

Such consultative services could take several forms, for example, 1) organization development consultation in which a Programme faculty member works intensively in an organization for a short period (one to three months) feeding back to the organization his or her observations, 2) a multi-component set of activities in which various related organizations working on community problems would hold joint



planning meetings or workshops, or training sessions with the help of the Programme person, or 3) system analysis in which the Programme person would assist the organizations in analyzing their own systems and the interrelationships among related systems.

### 3. DEVELOPMENT PLAN AND SUMMARY OF PROPOSED ACTIVITIES BY YEARS

The plan for the development of the Programme is to begin small, the faculty in residence the first year will be five persons, and an additional two persons will be in management studies programmes outside of Bangladesh. The faculty in residence will be supported by research assistants and administrative staff. They will be housed in rented facilities for the first year while permanent facilities are being constructed. The first year's concentration will be on setting up learning laboratories, pursuing field activities, developing cases and other learning materials, and beginning the building of a reference library of relevant management materials.

In the second year additional faculty and supportive staff will be added to make a strength of seven professionals in residence and three additional persons in study programmes. The activities will be a continuation of the first year but additional short courses, workshops, and seminars will be added.

By the third year it is hoped that ten professional staff will be in residence. Activities will be expanded to additional learning laboratories, more workshop and course offerings and to first publication of the Programme Newsletter considered essential to facilitate a continuing relationship with participants and for sharing successful field experiences. By the end of this year a careful

evaluation of the progress made by the Programme in its first three years will be undertaken jointly with the donor agencies.

The following is a summary table of the activities planned for each of the first three years. The description given above and this summary are presented with the realization that since the undergirding philosophy and method of the Programme is experience based learning, the plan is not intended as a blueprint but is indicative of what is intended.

3.1 Year One (Faculty in residence: 5 professionals. At least two additional persons will be assigned in educational processes preparatory to becoming faculty members).

A. Two to three upazilas will be selected as "laboratory upazilas". The emphasis for research and documentation in these upazilas will be on the health, fisheries and livestock management systems.

B. Cases from the laboratory upazilas will be developed as learning materials.

C. Other learning materials based on the documentation from the laboratories will be developed.

D. By the middle of the year the first workshops and seminars to feed back and discuss the process documentation from the laboratory upazilas will be held. By the latter part of the year course modules which are responsive to needs which appear in the field will be developed.

E. Two to three courses will be offered to district and upazila health, fisheries and livestock managers and to health, fisheries & livestock managers from selected NGOs.

F. During the year faculty development activities will be emphasized.

G. A management library will be established and first acquisitions made.

**3.2 Year Two** (7 faculty in residence and 3 additional persons involved in preparatory educational processes).

A. Continuing work in the health system with system research and process documentation.

B. Further development of cases and other learning materials.

C. Workshops, seminars and short courses offered in response to health, fisheries & livestock system needs.

D. Faculty development will continue.

**3.3 Year Three** (10 Staff Professionals in residence).

A. Learning laboratories in other sectors will be identified and documentation work begun.

B. Cases and other materials development will continue.

C. Workshops, seminars, and courses of various lengths and subjects will be offered in responses to demands from the field.

D. Newsletter will be initiated.

E. Field followup of participants begins.

F. Continuing faculty development.

G. First major review of the Programme conducted jointly by the donor agencies and BRAC.

#### **4. PROFESSIONAL STAFF DEVELOPMENT AND INSTITUTIONAL CULTURE**

It is important that the Programme develops and sustains a unique institutional culture consistent with its purposes. The professional staff will inevitably be the primary conveyors of this culture. This

makes their selection and induction into the Programme particularly important. They must exhibit uncommon competence in their fields, discipline in their work habits, and commitment to the creation of a just and more prosperous Bangladesh, based on local self-reliance and empowerment. Furthermore they must be willing to dedicate themselves fully to the work of the Programme. To avoid the distractions of outside consulting, salary levels must be adequate to compensate for the loss of external consulting and to attract top quality people, yet not so high as to attract those only interested in maximizing income.

The educational programmes of the Programme will be designed to instill a strong work discipline among participants and will demand the same of the professional staff. The use of participatory learning methods will clearly distinguish the courses from those of the universities with which most of its students will have been acquainted.

Early orientation and development of professional staff will be given careful attention. Those who come without formal management education will be sent abroad for appropriate periods to intensive courses of known international stature such as those offered by the Indian Institute of Management at Ahmedabad, and the Asian Institute of Management in the Phillipines, where they will be exposed to management and at least partially to some of the learning methods which will be used by the Programme.

Professional staff without prior experience in community level intervention will be provided with initial field experience in BRAC projects. All will be engaged in field work and analysis in the Programme's field laboratories.

## 5. THE UNIQUE NATURE OF THE PROPOSED PROGRAMME

The Programme will be a development institution rather than a conventional academic institution. Conventional academic institutions commonly exist as enclaves within which individual faculty members pursue their individual teaching and research interests, and individual students pursue education leading to formal credentials. Their governance and management structures are primarily intended to insure the autonomy of the individual faculty member, control access to faculty membership, and set quality standards for acquiring credentials. The Programme for Development of Rural Managers will not be an academic institution in this sense. Rather it is a development centre which seeks to achieve intentional beneficial changes in its environment. The governance and management structures must support effective teamwork in pursuit of well defined goals through a mutually accepted strategy.

The Programme will be dedicated to an action based development strategy. While the Programme will learn from whatever individuals and institutions have knowledge and experience relevant to its purposes, it does not exist to transfer pre-packaged knowledge to Bangladesh from external sources. It will be deeply grounded in Bangladesh experience and aspirations. Its primary means for developing its own competence will be through engaging its faculty as active participants in social learning processes grounded in the rural reality of Bangladesh. Foreign management training will be used sparingly and selectively, as a supplement to, rather than a substitute for, such participation.

The Programme will have a social commitment. The Programme will

exist to benefit people and the achievement of its purposes will depend on the skills and creativity of the professional staff who focus their attention on institutions, institutional capacities and committed individuals. Its aim will be to facilitate institution based learning processes through which Bangladesh can create institutional settings and management actions appropriate to the reality and aspirations of rural people.

A key strategy of the Programme will be cadre building. The inservice educational programme and the followup and advisory activities will be designed to build concentrations of committed managers in certain agencies and programmes sufficient to support learning based institutional change processes. Intensive and sustained follow-up of participants will be provided. The Newsletter, Journal and special follow-up visitations and seminars will be important vehicles to serve this end.

Finding models for the Programme is difficult. There are a small number of management institutes in the third world which have undertaken to address the special needs of rural development managers. The methods and approaches they have developed are still highly experimental. The Programme being proposed here appears to be the first to be designed as a resource institute directed specifically and exclusively to the unique needs of rural development programmes which seek to empower the rural poor to take an active part in their own upliftment. It will be the first to have a staff and programme strategy based on social learning concepts.

## 6. MANAGEMENT AND STAFFING PLAN

The Programme will have a professional staff supported by an administrative and services staff. The professional staff will include the Programme Director, faculty, research assistants, librarian and translators. Translators are required because almost all materials to be used with participants must be in Bengali. In order to provide trainees access to case or other materials from other developing countries or aspects of management literature published in other countries, translations into Bengali will be required. Research assistants who will work with faculty members in the field laboratories are needed to assist with process documentation, and case fact gathering.

The professional staff and Programme activities will be supported by an administrative officer, clerical assistants, accountants and a small services staff of drivers, couriers and messengers. As activities of the Programme grow (seminars, workshops, and courses) the administrative and maintenance staff will be increased. By the second year when the Programme's residential facilities are completed and the professional staff and the Programme activities have enlarged, the requirement for administrative and service staff will grow concomitantly.

The following chart outlines personnel requirements over the three years:

### 3 Year Personnel Chart

	Year 1	Year 2	Year 3
<b>Personnel Staff:</b>			
Programme Director	1	1	1
Faculty	7	10	10
Research Assistants	5	10	10
Librarian	1	1	1
Translators	1	2	2
	--	--	--
	15	24	24
<b>Administrative Staff:</b>			
Administrator	1	1	1
Accountant	1	1	1
Accounts Assistants	3	3	3
Secretaries	1	2	2
Typists	2	3	3
PBX Operator	-	-	1
Logistics Officer	1	1	1
Duplicating workers	1	2	2
	--	--	--
	10	13	14
<b>Maintenance Service Staff:</b>			
Maintenance Engineer	-	-	1
Cleaners, Malis, Couriers	3	3	10
Guards (watchmen)	2	2	4
Cooks and Helpers	2	2	4
Waiters	-	-	2
Drivers	5	6	8
Canteen Manager	-	-	1
Canteen Clerk	-	-	1
Peons	2	2	3
	--	--	--
	14	15	34
	--	--	--
<b>Total:</b>	39	52	72
	==	==	==



## 7. CONSULTATIVE GROUP

The Programme will establish a consultative group made up of carefully selected national and international experts on various aspects of management and management education. Experts with experience in management, and in building learning institutions in the third world will be selected. The group will be small, 5 to 7 persons, and each individual will be of high caliber and international reputation. The purpose of the group will be to advise the Programme at crucial stages of its development and to review its activities. Members will visit the Programme at least twice annually the first two years, and once annually thereafter to observe developments and join with the director and professional staff in evaluation and forward planning.

## 8. EVALUATION

Since the Programme's philosophy and operation will be grounded in the learning theory approach, continuous self evaluation of all activities will be the norm. Internal evaluation will be an ongoing process conducted through staff meetings, participant discussions, regular documentation of field activities, and participants evaluations at the conclusion of every seminar, workshop, and course.

A major external evaluation, conducted jointly by the donors and BRAC, will be held at the end of the third year. Annual evaluations will be done by the Research and Evaluation Division of BRAC.

## 9. FACILITIES

During the first year, the Centre will be housed in rented facilities in Dhaka. Spaces for offices, library, seminars, workshops and courses will be rented on a temporary basis while facilities are

being constructed. One facility will be built in Dhaka. A field facility will be built outside Dhaka.

The facilities will provide accommodations for 30 participants in field and will include seminar rooms, class rooms, an executive development centre, library, common rooms, dining hall, canteen, garages, and offices. In order to attract government managers, the standard of facilities will be high. Thirty small, but adequate, private rooms will be provided for participants.

## VI. VULNERABLE GROUP DEVELOPMENT PROGRAMME

### Introduction

Large numbers of rural people receiving a better quality of service and, in a shorter space of time, through a joint effort of BRAC and government departments in implementing large scale sectoral programmes in critical areas such as health, employment and income generation; and, as a result of experience gained in such cooperation, future government programmes designed and implemented to better serve the needs of BRAC's own target group, the landless poor.

Poverty in Bangladesh is so pervasive and its consequences, so devastating that early and massive action is required on the broadest front possible. There is a need for all organizations - governmental, non-governmental and private to be brought together in an attack on poverty and for the positive experience of each to be made readily available to others. BRAC has achieved a fair measure of success in its programme specifically targeted to the landless. Much has been learned about how to conscientise, organize, train, extend credit to, and raise the incomes of members of this group. BRAC, recognizing the resource and other constraints to NGO action on a wide scale, has begun to share this experience through cooperation with government departments in implementing their programmes. Such cooperative programmes to be implemented in 1989-'91 form part of this presentation: Vulnerable Group Development Programme. It is expected that the women by engaging in Poultry and Livestock Programme will be able to earn an income equal to the cost of the wheat received as monthly ration.

## Poultry and Livestock Programme

### Objective(s)

1. Creating income earning opportunities in household poultry raising for 84,840 poor women between 1989 and 1991.
2. Helping prepare Government Departments of Relief and Rehabilitation and Livestock for the efficient utilization of food aid and the provision of associated services and facilities in improving the lot of the poorest of the rural poor, the landless and, in particular, the women members of the group.

### Background and Justification

For some years the government has implemented a multi-donor food aid programme, the Vulnerable Group Development Programme (VGD), for destitute women. Each woman eligible to participate in the programme is entitled to a monthly ration of 31.25 kg of wheat. The intention that this ration should be used to help create self-reliance for the women was only partially realized due to the lack of relevant government experience and needed complementary resources. Women did eat better during the two years period when food aid was received but, were little better prepared for meeting future food needs.

In 1985, the BRAC Integrated Development Programme in Manikganj, sensing the possibilities of using the (VGD) wheat ration in a programme to improve the lot of the women, entered into a cooperative arrangement with the government implementing agency, the Directorate of Relief and Rehabilitation (DRR). The wheat ration was used as an incentive to motivate women to undergo skills training in embroidery, seri-culture, vegetable gardening and poultry rearing, along with literacy, health and nutrition education. Women did acquire skills

and did put them to work in earning some income. It soon became apparent, however, that training in itself was not sufficient to make a significant difference in the lives of the women. Out of this realization came the BRAC designed programme for Income Generation for (VGD) Women, focusing exclusively on poultry rearing and involving a cooperative effort of DRR, the Department of Livestock (DOL) and BRAC. The programme initiated in August 1987 will, by the end of 1988, have enabled 30,000 women to earn income from participating, in one way or another in poultry raising. The three parties involved are so satisfied with results to date that an expansion of the programme is planned for the period 1989-'91. What is expected to be achieved, the activities to be undertaken, the targets, inputs and budgetary requirements and the mode of cooperation between the three parties are the subjects of the activities section which follows.

#### Activities

DRR, DOL, and BRAC will join forces in implementing an 18-month cycle programme to train and other-wise support VGD women in developing household poultry enterprises intended to generate sustainable monthly income, roughly equivalent in value to the 31.25 kg wheat ration. In the process, the three co-sponsors will learn from each other much that can strengthen their future programmes, whether independently or cooperatively implemented, to better serve the needs of the poor and, especially women.

The components of the programme are: training; distribution of eggs, chicks and cocks of productive breeds; supply of vaccine and disease prevention and control; savings and credit; and, follow-up support.

Training will prepare the women to earn income through involvement in one or several aspects of poultry rearing: (1) as a poultry worker cum vaccinator, deriving income of approximately Tk.150 per month from fees charged other village women for inoculation services; (2) as a key rearer and keeper of a flock of at least nine hens and one cock, providing an income potential of Tk. 150 per month; and, depending on subsequent success and experience, (3) as a model rearer operating a mini-farm of 20-30 hens and three cocks with a monthly income potential of Tk. 150; or (4) as a chick rearer raising 200 day old chicks to two months of age and selling them to realise Tk. 400 of income per month.

Selection, and methods of training for the various types of involvement are as follows:

1. Poultry workers cum vaccinators - at least one woman (or more, depending on number of poultry rearers) is selected from each village to undergo six days of training by a Doctor of Veterinary Medicine (DVM) to learn inoculation/vaccination procedures, other aspects of disease prevention and control and, husbandry practices and, subsequently, to receive one day of refresher training each month for the two year duration of the programme.
2. Key rearer - every woman, participating in the programme, not trained as a poultry worker cum vaccinator is trained, initially, as a key rearer in one of two ways - (a) as one of 10 persons selected from each village, as the first to receive training and become a promotor and demonstrator, for three days of training by the DVM in scientific poultry husbandry practices for successful poultry rearing or, (b) for all others, training in the villages in groups of 25 by the Programme Organizers (POs) giving three

days of training and three days of field work in sequence; and, subsequently, all key rearers receive one day of refresher training every two months for the two year duration of the programme.

3. Model rearers are selected, successful key rearers, given five days of specialized training by a DVM or senior PO and, subsequently given one day of refresher training every three months.
4. Chick rearers are selected, successful key rearers, given 10 days of specialized training by a DVM, including classroom instruction and work in a chick rearing unit and, subsequently, given two days of refresher training every three months.

It is considered desirable that productive breeds of poultry be used in the programme and that their introduction be through supply of eggs, chicks or, of cocks to upgrade local breeds. DOL supplies the chicks or cocks free of charge.

Priority attention is given to disease prevention and control. \* DOL provides the vaccines free of charge. The trained poultry workers cum vaccinators, who are not paid a salary, do the vaccinations and collect a fee of Tk. 0.15 to 0.25 per bird. Vaccines are distributed to the workers in each village once a month to ensure a regular programme of vaccination.

A savings component has been introduced into the programme, reflecting BRAC's philosophy of mobilizing, and providing training in use of individual and local resources as preparation for use of external credits. Savings are deposited in a local bank with each (VGD) member given a pass book. Withdrawals may be made only for

investment in the poultry enterprise. Unfortunately, the average 20 taka per month savings of the women are inadequate for investment in a poultry enterprise of sufficient scope to efficiently utilize their skills and experience in producing the desired level of income. Lack of credit has emerged as a major obstacle to achievement of the income objective established for the programme. It is anticipated that a government loan fund, to be operated on the basis of BRAC experience, will become available and resolve this problem in the 1989-'91 programme period.

To ensure that what is initiated in the two year programme cycle is continued, emphasis is placed on development of DOL and DRR capacities to follow-up with programme participants. Among the many indicators of satisfactory progress to be monitored regularly are sanitary conditions and health of birds, proper feeding, maintenance of the required flock size and productive breeds and, achievement of target income. Where problems are found, DOL and DRR will provide the services and facilities for their correction.

The respective responsibilities of DRR, DOL and BRAC in cooperative implementation of the programme are summarized below:

Livestock Department -----	BRAC -----	Relief and Rehabilitation Department -----
- Training	- Motivation	- Selection of VGD participants
- Supply of vaccines and veterinary medicines	- Organization	- Wheat distribution
- Supply of eggs, cocks and chicks	- Training	- Supervision
- Supervision	- Delivery of inputs	- Follow-up
- Follow-up	- Savings and credit	
	- Supervision	



BRAC staff required to discharge its responsibilities in the programme consist of a Doctor of Veterinary Medicine (DVM) and two Programme Organizers (POs), to be assigned to each upazila.

Coordination between the three cooperating parties is assured through:

- (1) Monthly meetings of upazila level coordination committees, chaired by the Upazila Livestock Officer.
- (2) Quarterly meetings of the District Coordination Committee, chaired by the Deputy Commissioner.
- (3) Ad-hoc meetings between BRAC and ministry(ies) staff as required.

The target for expansion of the two-year cycle programme in the 1989-'91 period is for coverage of 85 upazilas on a phased basis with the programme initiated in 10 additional upazilas in 1989, 32 in 1990, 36 in 1991. What this expansion means in terms of numbers of women involved in various capacities is given in Table-4.

**TABLE 4 : Expansion plan in terms of numbers of key rearers, poultry workers and chick rearers, by years and in total, 1989-'91**

Years of 18 months cycle	Key rearers	Poultry workers	Chick rearers	Total
1989	11,500	2,500	100	14,100
1990	49,500	5,500	250	55,250
1991	30,500	2,500	200	33,200
<b>Total</b>	<b>91,500</b>	<b>10,500</b>	<b>550</b>	<b>102,500</b>

#### Inputs and Budgetary Requirements

BRAC participation in this programme in 1989-91 will require professional staff as indicated below:

YEAR	DVM'S	PO'S	ACCOUNTANTS	SERVICE STAFF
1989	32	64	32	32
1990	36	72	36	36
1991	36	72	36	36

#### Livestock Development Programme

It is proposed that BRAC will cooperate with government in implementing a livestock programme, roughly similar to the poultry programme. While details remain to be worked out, the main components of the proposed programme would likely be: (1) training of cadres as village based veterinary workers (VW) and as ward-based rural veterinary workers (RVW); (2) training of cattle rearers; and (3) organizing supporting vaccination, artificial insemination and credit services.

This programme is to be initiated after further experience is acquired in implementing the poultry programme. Budgetary provision is not included in the presentation of the Programme of Work and Budget for 1989-91.

## VII. CENTRAL SUPPORT SERVICES

Successful implementation of field activities requires, in addition to a qualified and dedicated field staff, effective central leadership, policy direction, and administrative services along with easily accessible and timely technical support, continuously adjusted to meet the changing needs of field action. Technical support services based at Headquarters (or in the case of training, in regions) are those that cannot be developed economically and at the desired level of quality at each and every field location. Currently such services are provided by Headquarters units or programmes as follows: Training and Research Centres (TARCs); the Research and Evaluation Division (RED); and the Rural Enterprises Project (REP). Following consideration of the overall organizational structure and management system, each of these are the subjects of treatment in succeeding sections of this presentation.

### 1. Organization and Management

The organization and management scheme for the Rural Development Programme needs to be seen in the context of the scheme for managing BRAC programmes and functions as a whole. BRAC's organizational structure as of mid - 1988 (and expected to be retained as implementation of the 1989-'91 programme begins) is given in tabular form in Annex I and, as an organogram in Annexes II and III. All in all, the structure and management system are non-bureaucratic in character. A General Body and a Governing Body exist but, in practice, their functions are largely delegated to the Executive Director, whom the latter appoint. The Executive Director is thus the policy and management decision maker. Senior staff members, bearing titles such

as coordinator, director, manager, leader (depending upon grade) are in charge of programmes, projects or functions and report directly to the Executive Director. Each has a very small number of professional supporting staff. The total at Headquarters is only 100.

An organogram, attached as Annex IV, gives the Headquarters to village level scheme and the staff involved in implementing the Rural Development Programme. A Programme Coordinator, reporting to the Executive Director, is in charge. He is assisted currently by four Regional Managers stationed at Headquarters. With the expansion of the programme proposed for 1989-'91, the number of Regional Managers will be increased to 6 and they will be posted to selected field locations. Each Regional Manager will be in charge of 10 BRAC Area Offices, the unit directly responsible for work in the villages. An Area Office will be headed by a Manager, assisted by three Programme Organisers (POs) with general responsibilities. An additional Programme Organiser is specifically assigned to the Non-Formal Primary Education activity. Programme Organisers in turn, are assisted by Palli Sheboks/Shebikas assigned to each Area Office. These are locally recruited with the expectation that they will remain in the villages to support the Village Organizations after the average three year period of BRAC Area Office support ends. While BRAC will pay the salaries for an initial period of three years, the idea is for a federation of Village Organizations, formerly served by a BRAC Area Office, to take over at the end of that period.

As will have been surmised from the above account, BRAC's administrative structure ends with the Area Office. Each Office is responsible for approximately 50 villages, in each of which two

Village Organizations, one for men and one for women may be created. It is in creation of the Village Organizations - and the credit, training, resource mobilization and other activities which are developed around them - that BRAC makes its basic contribution to improving the lot of the landless. The processes have been described in the sections on Institution Building and, on Employment and Income Generation.

## 2. RESEARCH AND EVALUATION DIVISION (RED)

### Objective

Timely provision of the objective data and analytical information base for management decisions on programme content, design and modalities of implementation needed to ensure maximum impact and efficiency in improving levels of living of the landless.

### Background and Justification

The Research and Evaluation Division (RED), initiated in 1975 as a single employee service unit, has grown into a competent, professional research and evaluation division. Current staff comprises 13 professionals, including three Ph.Ds, and 10 tabulators at the Head Office and 50 field based research investigators.

The need for a research facility in BRAC derives from its very nature as an expanding and innovative organisation. Resource limitations demand that a continuing search be mounted for more effective and less costly ways to achieve the desired expansion. New approaches and new techniques must be conceptualized, applied in the field, analyzed and modified for wider application. RED has demonstrated its capacity to meet these needs through undertaking five kinds of studies:

- (1) Baseline/bench mark surveys - Information is collected from a particular area, before BRAC intervenes, on the pre-programme situation against which progress in subsequent implementation can be measured.
- (2) Monitoring studies - On-going programmes are kept under continuous review with the aim of providing management the information needed to make timely adjustment in any actions not proceeding according to plan.
- (3) Diagnostic studies - address particular problems identified in programme implementation, seek to ascertain causes and suggest solutions.
- (4) Impact-evaluation studies - analyse and assess the outcome of an intervention at a specified time(s) following completion of implementation.
- (5) Policy oriented studies - Particular situations are analysed from a management point of view to ascertain the extent to which policies are being implemented and the extent their impact is as expected.

By the end of 1987 RED had prepared a total of 136 reports and 30 studies were on-going. What is proposed for 1989-'91 is the subject of the activities section which follows.

#### Activities

RED activities in 1989-'91 will consist of studies of the types just described but, with a particular focus on three areas:

- (1) Implementation strategies: Studies will be initiated to assess the results of implementing the new strategy of phasing out BRAC

Area Offices after approximately three years of support in a given area. This will involve development of a systematic approach to monitoring the Rural Development Programme. In addition, just how well the empowerment and institution building processes are working in practice will be the subject of special study.

- (2) The components of RDP: Tentative plans for diagnostic studies are to give priority to credit, education, poultry and livestock and irrigation. Since, however, RED is a support service, these plans can change as management perceives the need for study(ies) in particular areas.
- (3) Impact on the poor: Different economic schemes, proposed or under implementation, will be analyzed to determine their present, or likely impact on the poor. In addition, the institutional arrangements for implementing such schemes will be the subject of study as regards their effectiveness for the target group.

### 3. RURAL ENTERPRISE PROJECT (REP)

This project is not formally a part of the Rural Development Programme described in this presentation. It's importance for the long run success of the programme is such however, as to merit a brief description.

#### Objective(s)

1. To increase the long term employment and income generation prospects of landless individuals and groups.
2. To upgrade existing technology and introduce new technology in farm and non-farm enterprises appropriate for ownership and operation by the landless poor.

3. To increase the productivity and management efficiency of new and existing enterprise.

#### Background and Justification

Over 50% of the people in Bangladesh are landless and have negligible alternative income earning opportunities. The present and evolving employment situation is such that there are few productive employment opportunities for either the present or prospective rural labor force. REP is an endeavour on the part of BRAC to experiment with various types of rural enterprises and transfer the successful ones to the target group, the landless. Enterprises may be totally new to an area, new to a group or may be simply technologically upgraded traditional enterprises. REP goes to great length to determine market potential, group capabilities, financial requirements and appropriateness of technology before recommending an enterprise to a group. Risky, new or technologically upgraded projects are financed by REP's pilot project funds. Enterprises are considered appropriate for implementation by the rural poor, only when profitability has been demonstrated in REP pilot operations.

#### Activities

The activities carried out by REP include:

- (1) Upgrading traditional enterprises in terms of technology, management, marketing or accounting systems.
- (2) Introducing technology and enterprises totally new to an area.
- (3) Providing training in the various aspects of introducing new or improved technology.
- (4) Conducting feasibility studies prior to undertaking pilot



enterprises. Market potential, group capabilities and determination of appropriate technology are elements of the feasibility studies.

- (5) Conducting demonstrations for village groups when REP considers an enterprise or technology to be ready for field application.
- (6) Monitoring and evaluation are key features of REP operations. All REP's projects are closely monitored and evaluated and corrective measures are taken to deal with deviations from plans and targets.

#### Management Structure and Staffing

REP is headed by a Project Manager who reports to the Executive Director of BRAC. During the first three years of the project operation, an expatriate adviser assisted with organising the work and initiating the first set of enterprises. The present support staff includes two economists, one for agriculture and one for industry, three senior and four junior Programme Officers to assist in various technical areas.

## VIII. DIRECTIONS FOR THE FUTURE

BRAC is an innovative organization in constant search of ways to achieve greater effectiveness and efficiency in serving the needs of its target group, the landless, rural poor. Through its in-house Research and Evaluation Division, discussions in the Governing Body and among staff members, ideas for change are generated and, subsequently, tested in field application. But BRAC, also, seeks to draw on experience from outside its own organization and environment. In the past two years, five reports have been prepared by individuals or teams of external consultants of widely different backgrounds, invited by BRAC to review and analyse present operations and to suggest directions for the future. What is learned through all of these means is considered by management and, as appropriate, applied.

Out of the constant search for improvement have come modest changes in day to day operations and major innovations or shifts in strategy. One of the latter, reflected in the Programme for 1989-'91 is the planned withdrawal of BRAC staff from an area after an average period of three years of operation of an Area Office, leaving the Village Organizations formed with BRAC assistance to function on their own. The immediate challenge posed for BRAC is to develop and implement a comprehensive monitoring and evaluation system to keep implementation of this strategy under critical review, to test the validity of assumptions on which it is based and, to alert management to any changes needed to ensure continuing viability of the Village Organizations.

Monitoring of Village Organizations in the period following BRAC withdrawal will help answer a broader question, "How fast can the

programme of conscientization of villagers and formation of Village Organizations be spread while maintaining the quality of work needed to attain an acceptable degree of self-reliance for villagers as individuals and as members of Village Organizations and Federations of the latter?" Can this be done in three years as now assumed, thus freeing BRAC resources for deployment in new areas?

Another issue is deciding on the general approach which constitutes best use of BRAC resources in achieving its goals for the landless. Two major approaches are now followed: (1) the basic Rural Development Programme centered on BRAC initiated and controlled conscientization and village organization processes; and, (2) the sectoral facilitation and strengthening programme (not constituting a part of this proposal) through which BRAC seeks to influence and strengthen the capacity of government departments to implement their programmes in ways which better serve the needs of BRAC's own target group, the landless rural poor. The two approaches are complementary and it is to be hoped that resource availability will permit continued application of both. Should this not be the case what would be the priority choice?

The truly major challenge for the future is how to assure the uninterrupted supply of investment opportunities of the kind needed for sustained increase in numbers of rural jobs, productivity and income. A point of exhaustion may be reached quickly - perhaps largely within the three year period of operation of a BRAC Area Office - in availability of unused or underutilized local resources, in application of improved technology to upgrade traditional enterprises and, even in local market absorptive capacity. The need emerges to look beyond the single village for resources, markets, a scale of operation to compete and,

for new products and services. This is the challenge of the BRAC Rural Enterprise Project, a challenge that can only increase and require more attention and resources in the years ahead.

Another issue is how large an NGO can, become - resource and political limitations apart - before it begins to lose the inherent advantages, the very essence of an NGO - the idealism and dedication of staff associated with an informal, personal and democratic mode of operation; the absence of a time consuming and costly bureaucracy and thus the speed and flexibility in initiating and modifying programmes; the possibility to concentrate resources on experimental approaches in small areas in the absence of the kind of political pressure exerted on government to do something for everyone at the same time. Obviously there is no set answer to this question but it is one the merits continuing attention as expansion takes place.

All of the above issues come to the fore as an expansion of BRAC operations is considered - three hundred BRAC Bank (formerly BRAC Area) Offices serving 15,000 villages, around 20 per cent of the nation's total by the year 2000.

From all of the self and external examination of BRAC as an organization and its programme, two things are clear:

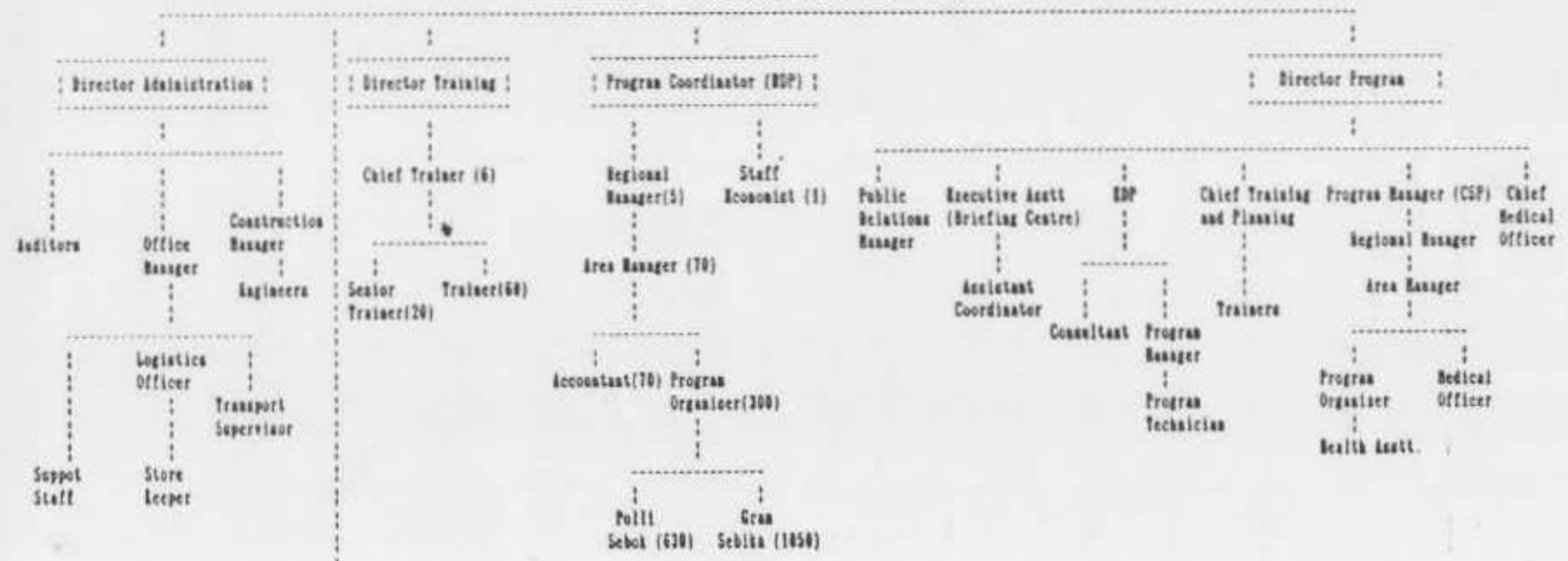
- (1) BRAC has established a well deserved reputation, at home and abroad, as an NGO efficiently and effectively serving a well defined and difficult to serve target group, the landless rural poor;
- (2) The need for doing the kinds of things in which BRAC has acquired highly valuable experience will continue to expand. Even with the combined and effective interventions by

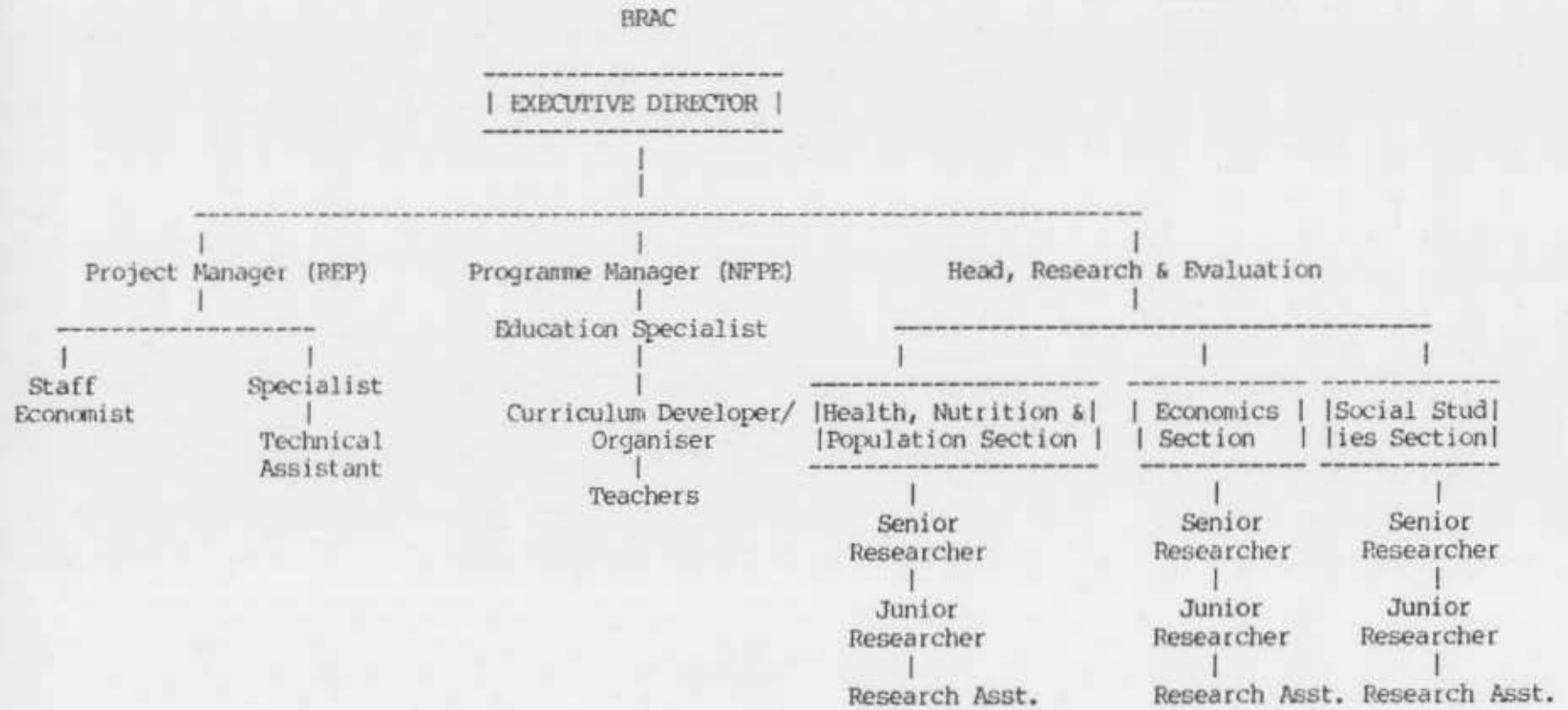
government, NGOs and the private sector, only a small proportion of those now in need can be served. The pressure of population growth on a fixed resource base will generate increasing numbers of landless and jobless far into the future.

On the basis of BRAC achievements to date and its continuing openness to suggestions for change and adaptation, it can be predicted with some measure of confidence that BRAC management will find appropriate responses to the challenges ahead.

BBAC

: Executive Director :





## BANGLADESH RURAL ADVANCEMENT COMMITTEE

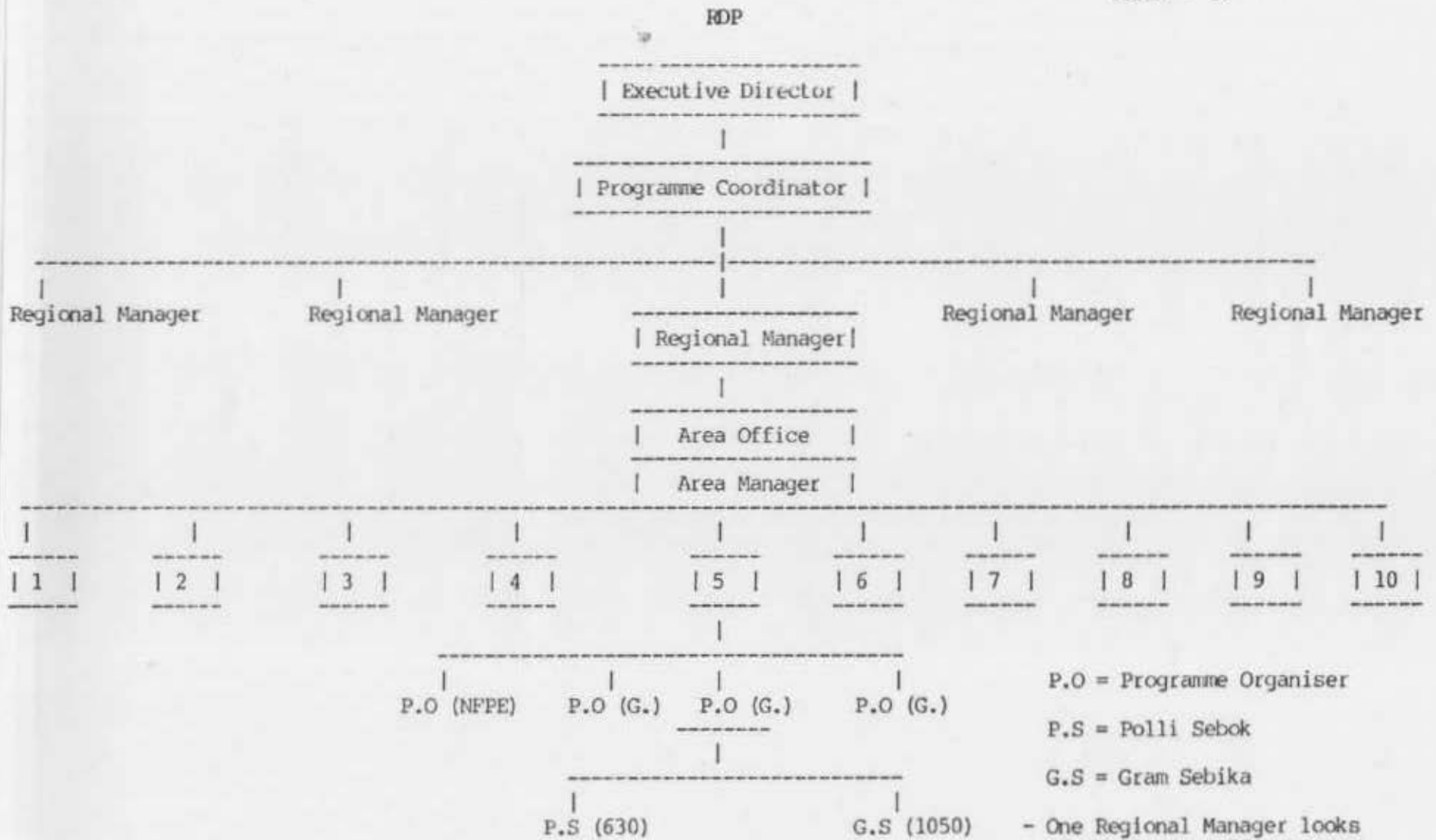
## Organisational Structure

General Body

|  
Governing Body|  
Executive Director

- Internal Audit	}	
- Office Management	}	Director Administration
- Govt. Relation	}	
- Construction	}	
- Personnel Section	}	
- Training & Resource Centre	}	Director Training
- Rural Development Programme	}	Programme Coordinator
- Rural Enterprise Project	}	
- Child Survival Programme	}	
- Public Relation	}	Director Programme
- Briefing Centre	}	
- Electronic Data Processing	}	
- Non-Formal Primary Education	}	Programme Manager
- Gonokendra, Publication	}	
- Accounts Section	}	Chief Accountant
- Research & Evaluation	}	Head RED
- Aarong - Craft Marketing Shop	}	Manager
- BRAC Commercial Projects	}	
BRAC Printers	}	General Manager
BRAC Industries Ltd.	}	General Manager





P.O = Programme Organiser

P.S = Polli Sebok

G.S = Gram Sebika

- One Regional Manager looks after 10 area Office approx.

- Each Area Office will have 3 General P.O and one for NFPE.

BANGLADESH RURAL ADVANCEMENT COMMITTEE  
RURAL DEVELOPMENT PROGRAM  
BUDGET: 1989 - 1991

NOTES TO BUDGET

1. A Common Program is one that every branch must do
2. A Sector Program is not common to all branches but is carried out in branches which are found suitable for implementation
3. A branch has a life cycle of 3 years.
4. Proposed number of operating branches:

	1989	1990	1991
1st year branch	20	20	20
2nd year branch	20	20	20
3rd year branch	20	20	20
	---	---	---
	60	60	60

5. Inflation rate applied: 10% compounded
6. Cost base : 1988 prices
7. H.O. Logistics & Mgmt. support includes cost of services rendered by head office program personnel (e.g. Program Chief, Regional Managers), accounts, audit, administration and other service department and the cost of transportation, supplies and establishment cost at H.O.
8.
  - a. If BRAC Bank comes into existence in January 1989, no fund will be required for loan. If however banks operation is delayed Tk. 5,125,000 will be required per month. Six months requirement has been included in the budget.
  - b. Interest income has been arrived at by applying 18% on the average balance, thus:

	Year end outstanding Tk	Average outstanding Tk	Interest Tk
1st year branch	600,000	300,000	54,000
2nd year branch	1,650,000	1,125,000	203,000
3rd year branch	3,075,000	2,363,000	425,000

Interest income, not shown in the budget, will form a part of loan revolving fund and will equalise the inflationary affect.

9. 20 branches will be transferred to BRAC Bank in each year.

10. Non Formal Primary Education:

a) Number of schools in operation

	1989	1990	1991
Old	552	1,500	2,500
New	1,500	1,000	1,000
	<u>2,052</u>	<u>2,500</u>	<u>3,500</u>

b) Teachers are given refreshers course in the 2nd year of their recruitment.

c) Books and supplies include text books, work books, slates, pencils, registers etc.

d) Teaching aids and equipments include chalks, dusters, blackboards, class furniture, office furniture etc.

e) Follow up materials include children's fiction and magazines.

f) A Palli Sebak (Village level worker) will be facilitating the work of 10 schools.

g) A field supervisor will supervise 50 centres.

11. Vulnerable Group Development Programme:

a) Team in operation:

	1989	1990 Jan-June	1990 July-Dec.	1991
Old	22	32	--	36
New	10	--	36	--
	<u>32</u>	<u>32</u>	<u>36</u>	<u>36</u>

b) A team will operate for 3 years in a upazila.

c) Training will be imparted by the program staff i.e. the team leader and 2 program organisers.

d) Inflation rate applied: 10% compounded.

BANGLADESH RURAL ADVANCEMENT COMMITTEE (BRAC)  
RURAL DEVELOPMENT PROGRAM  
BUDGET SUMMARY  
1989 - 1991

	1989	1990	1991	Total
I. Common Program Cost				
A. Institution Building	10,597,000	11,657,000	12,823,000	35,077,000
B. Employment & Income Generation	5,038,000	5,542,000	6,096,000	16,676,000
II. Development of Human Resources				
A. Non Formal Primary Education	34,581,000	44,711,000	67,186,000	146,478,000
B. Development of Rural Managers	7,481,000	10,129,000	12,325,000	29,935,000
III. Vulnerable Group Development Program	17,078,000	17,463,000	19,502,000	54,043,000
IV. Sector Program Cost (Employment & Income Generation)				
A. Fishery	426,000	468,000	515,000	1,409,000
B. Irrigation	273,000	599,000	659,000	1,531,000
C. Apiculture	48,000	53,000	59,000	160,000
D. Seri/Ericulture	805,000	1,073,000	1,501,000	3,379,000
E. Other Skills	605,000	932,000	1,464,000	3,001,000
V. Branch Operating Cost	33,224,000	36,547,000	40,202,000	109,973,000
VI. Staff Training & Dev.	1,118,000	1,414,000	1,663,000	4,195,000
VII. Loan Fund Requirement	33,825,000	--	--	33,825,000
VIII. Capital Investment Requirement	20,240,000	21,538,000	23,692,000	65,470,000
IX. Program Infrastructure	20,748,000	41,021,000	6,175,000	67,944,000
X. Research and Evaluation - 2% of I to VI	2,225,000	2,612,000	3,280,000	8,117,000
Grand Total: Taka	188,312,000	195,759,000	197,142,000	581,213,000

	Year 1	Year 2	Year 3
I. <u>COMMON PROGRAM COST:</u>			
A. Institution Building			
1. Social awareness facilitation training			
1.1 Teachers training Tk.120 per trainee per day for 7 days (10,30,10)	8,400	25,200	8,400
1.2 Refreshers Course Tk.30 per trainee per day for 3 days (10,30,10)	900	2,700	900
1.3 Education Materials Tk.500 (10,30,10)	5,000	15,000	5,000
1.4 Teachers salary Tk.400 per month for 9 month (10,30,10)	36,000	108,000	36,000
	<u>50,300</u>	<u>150,900</u>	<u>50,300</u>
2. Conciousness Raising & Leadership Development - Tk.120 per trainee per day for 6 days (25,75 Nos.)	18,000	54,000	--
	<u>18,000</u>	<u>54,000</u>	<u>--</u>
3. Project Plannning & Management - Tk.40 per person per day for 5 days (20,100,100)	4,000	20,000	20,000
	<u>4,000</u>	<u>20,000</u>	<u>20,000</u>
4. Accounting			
4.1 Basic - Tk.40 per person per day for 5 days (20,100,100)	4,000	20,000	20,000
4.2 Refershers - Tk.40 per person per day for 3 days(20,100,100)	2,400	12,000	12,000
	<u>6,400</u>	<u>32,000</u>	<u>32,000</u>
H.O. Logistics and Management Support - 10% of 1 to 4	7,870	25,690	10,230
Cost per branch	<u>86,570</u>	<u>282,590</u>	<u>112,530</u>
	=====	=====	=====

	1889	1990	1991
Yr. 1 Branch	86,570x20 = 1,731,000	86,570x20 = 1,731,000	86,570x20 = 1,731,000
Yr. 2 Branch	282,590x20 = 5,652,000	282,590x20 = 5,652,000	282,590x20 = 5,652,000
Yr. 3 Branch	112,530x20 = 2,251,000	112,530x20 = 2,251,000	112,530x20 = 2,251,000
Total	<u>9,634,000</u>	<u>9,634,000</u>	<u>9,634,000</u>
Inflation adjusted cost	10,597,000	11,657,000	12,823,000

B. Employment & Income Generation

1.0	Poultry			
1.1	Poultry workers - Tk.40 per trainee per day for 5 days (30 & 20 Nos.)	6,000	4,000	--
1.2	Rearers - Tk.30 per trainee per day for 3 days (200,300 & 300)	18,000	27,000	27,000
		<u>24,000</u>	<u>31,000</u>	<u>27,000</u>
2.0	Livestock			
2.1	Paravet - Tk. 90 per trainee per day for 30 days (10 Nos.)	--	27,000	
2.2	Refreshers Course - Tk.40 per trainee per day for 5 days (yr.2, 1 course, yr. 3, 2 courses)	--	2,000	4,000
2.3	Supplies - Tk.1000 per trainee (10 Nos.)	--	10,000	--
2.4	Cow rearing/Beaf fattening - Tk.30 per trainee per day for 7 days (25,100 & 100)	5,250	21,000	21,000
		<u>5,250</u>	<u>60,000</u>	<u>25,000</u>
3.0	Horticulture & Crop			
3.1	Horticulture Nursery - Tk.120 per trainee per day for 6 days (8 nos. each in yr. 2 & 3)	--	5,960	5,960

3.2	Horticulture & Crop - Tk. 30 per trainee per day for 4 days (100 Nos. each year 2 & 3)	-- ----- --	12,000 ----- 17,960	12,000 ----- 17,960
3.3	H.O. Logistics & Management Support - 10% of 1.1 to 3.2	2,925 -----	10,896 -----	6,996 -----
	Cost per branch	32,175 =====	119,856 =====	76,956 =====

	1889	1990	1991
Yr. 1 Branch	32,175x20 = 644,000	32,175x20 = 644,000	32,175x20 = 644,000
Yr. 2 Branch	119,856x20 = 2,397,000	119,856x20 = 2,397,000	119,856x20 = 2,397,000
Yr. 3 Branch	76,956x20 = 1,539,000 -----	76,956x20 = 1,539,000 -----	76,956x20 = 1,539,000 -----
Total	4,580,000	4,580,000	4,580,000
Inflation adjusted cost	5,038,000	5,542,000	6,096,000

## II. DEVELOPMENT OF HUMAN RESOURCES:

1. Non Formal Primary Education:	1st year school	2nd year school	3rd year school
A. Teaching cost & supplies			
A1. Teachers training -Tk.120x13 days	1,560	--	--
A2. Teachers Refreshers course -Tk.120x7 days	--	840	840
A3. Teachers workshop -Tk.15x8, 6, 6.	120	90	90
A4. Teachers salary -Tk.400x12 months	4,800	4,800	4,800
A5. Books and Supplies -Tk.95x30 students	2,850	2,850	2,850
A6. Teaching aids & equipments	1,350	75	75
A7. Follow up Materials	--	300	--

B. School Establishments

B1. Rent			
-Tk.100x12 months	1,200	1,200	1,200
B2. Utility & Maintenance			
-Tk.25x12 months	300	300	300

C. Organisation & supervision

C1. Staff salaries

C1.1 Palli Sebak			
Tk.100x12 months	1,200	1,200	1,200
C1.2 Field supervisors			
Tk.70x12 months	840	840	840
C2. Travel & Transport			
- 30% of C1.2	252	252	252

D. H.O. Logistics & Mgt. Support

- 10% of total cost	1,447	1,274	1,245
Total cost per centre	<u>15,919</u>	<u>14,021</u>	<u>13,692</u>

1989

1990

1991

1st yr. 15,919x1500=23,879,000 15,919x1000=15,919,000 15,919x1000=15,919,000  
centre

2nd yr. -- 14,021x1500=21,032,000 14,021x1000=14,021,000  
centre

3rd\*yr. centre 13,692x552= 7,558,000 -- 13,692x1500=20,538,000

Total 31,437,000 36,951,000 50,478,000

Inflation adjusted cost 34,581,000 44,711,000 67,186,000

Total Programme Cost Taka = 146,478,000

1989

1990

1991

Total

2. Development of Rural Managers:

A. Program Personnel cost

a. Basic salary :

a.1 Faculty

-Tk.10,000 x 12 months x 7, 840,000 1,200,000 1,200,000 3,240,000  
10 & 10 Nos.



a.2 Secretaries	48,000	96,000	96,000	240,000
- Tk. 4000 x 12 months x 1,2 & 2 Nos.				
a.3 Librarian	48,000	48,000	48,000	144,000
- Tk. 4000 x 12 months x 1 No.				
a.4 Typist	72,000	108,000	108,000	288,000
- Tk. 3,000 x 12 months x 2,3 & 3 Nos.				
b. Fringe benefits	605,000	871,000	871,000	2,347,000
- 60% of A1 to A4.				
c. Travel cost	42,000	60,000	60,000	162,000
5% of A1	<u>42,000</u>	<u>60,000</u>	<u>60,000</u>	<u>162,000</u>
	1,655,000	2,383,000	2,383,000	6,421,000

B. Maintenance - Service staff:

a. Basic salary:

a.1. Cleaner & House keepers	24,000	96,000	96,000	216,000
-Tk.2,000x12 months x 1,4 & 4 Nos.				
a.2. Guards	96,000	96,000	96,000	288,000
-Tk.2,000x12 monthsx4 Nos.				
a.3. Drivers	24,000	48,000	72,000	144,000
-Tk.2,000x12 months x 1,2,3				
a.4. Canteen Manager	36,000	36,000	36,000	108,000
-Tk.3,000x12 monthsx1 No.				
a.5. Peons	36,000	54,000	72,000	162,000
-Tk.1,500x12 months x 2,3 & 4 Nos.				
a.6. Cooks & Helpers	48,000	72,000	96,000	216,000
-Tk.2,000x12 months x2,3 & 4 Nos.				
b. Frings Benefits	158,000	241,000	281,000	680,000
(60% of 1 to 6)	<u>158,000</u>	<u>241,000</u>	<u>281,000</u>	<u>680,000</u>
	422,000	643,000	749,000	1,814,000

C. Recurring Expenses:

a. General expenses:

a.1. Stationery & Printing	250,000	400,000	500,000	1,150,000
a.2. Electricity	180,000	300,000	500,000	980,000

a.3. Telephones	84,000	120,000	150,000	354,000
a.4. Maintenance	50,000	200,000	400,000	650,000
a.5. Transport running cost -Tk.6,000x12 monthsx1,2 & 3 Nos.	72,000	144,000	216,000	432,000
a.6. Rent (Office/Training facilities)	150,000	--	--	150,000
	<u>786,000</u>	<u>1,164,000</u>	<u>1,766,000</u>	<u>3,716,000</u>
D. Teaching Materials Development	100,000	200,000	300,000	600,000
	<u>100,000</u>	<u>200,000</u>	<u>300,000</u>	<u>600,000</u>
E. News letter/Journal	120,000	120,000	120,000	360,000
	<u>120,000</u>	<u>120,000</u>	<u>120,000</u>	<u>360,000</u>
F. Consultants	1,800,000	1,800,000	1,800,000	5,400,000
- Tk. 300,000 x 6 months x 1 Nos.	<u>1,800,000</u>	<u>1,800,000</u>	<u>1,800,000</u>	<u>5,400,000</u>
G. Professional staff trg.	1,300,000	1,300,000	1,300,000	3,900,000
- Tk. 1,300,000 per year for 3 years.	<u>1,300,000</u>	<u>1,300,000</u>	<u>1,300,000</u>	<u>3,900,000</u>
H. H. O. logisities & management support	618,000	761,000	842,000	2,221,000
- 10% of A to G	<u>618,000</u>	<u>761,000</u>	<u>842,000</u>	<u>2,221,000</u>
Total	<u>6,801,000</u>	<u>8,371,000</u>	<u>9,260,000</u>	<u>24,432,000</u>
Inflational adjusted cost	7,481,000	10,129,000	12,325,000	29,935,000

### III. VULNERABLE GROUP DEVELOPMENT PROGRAMME:

Facilitation for Income Generation	1989	1990	1991	TOTAL
Al. Salaries & benefits				
Al.1 Team leaders - Tk.5000x12 months x 32,34,36,	1,920,000	2,040,000	2,160,000	6,120,000
Al.2 Program Organizers - Tk.2800x12 months x 96,102,108	3,226,000	3,427,000	3,629,000	10,282,000
Al.3 Accountants - Tk.2800x12 months x 32,34,36,	1,075,000	1,142,000	1,210,000	3,427,000

A1.4	Field Coordinators - Tk.7000x12 months x 2 Nos.	168,000	168,000	168,000	504,000
A1.5	Travel & Transport - 30% of B1.1 to B1.3	1,866,000	1,983,000	2,100,000	5,949,000
A1.6	Staff Training - 5% of B1.1 to B1.3	311,000	330,000	350,000	991,000
A1.7	Service staff - Tk.1200x12 months x 32,34,36,	461,000	490,000	518,000	1,469,000
A2.	Training supplies to VGD cardholders - Tk.75/person	1,125,000	1,313,000	1,500,000	3,938,000
A3.	Stationeries & Supplies - Tk.500x12 monthsX32,34,36	192,000	204,000	216,000	612,000
A4.	Rent and Utilities - Tk.3000x12 months x 32,34,36	1,152,000	1,224,000	1,296,000	3,672,000
A5.	General Exp. & Maintenance - Tk.400x12 months x 32,34,36	154,000	163,000	173,000	490,000
A6.	Capital Expenditure				
A6.1	Furniture & Fixture - Tk.15000 x 10, 4,	150,000	60,000	--	210,000
A6.2	Motorcycle* - Tk.40,000x64,16 Nos.	2,560,000	640,000	--	3,200,000
B.	H.O. Logistic & Mgt. support - Tk.10% of B1 to B5	1,165,000	1,248,000	1,332,000	3,745,000
	Total	15,525,000	14,432,000	14,652,000	44,609,000
	Inflation adjusted cost	17,078,000	17,463,000	19,502,000	54,043,000

IV. SECTOR PROGRAM COST:

	1989	1990	1991
A. Fishery:			
A.1 Fish Nursery - Tk.120 per trainee per day for 3 days (100,100,100 Nos.)	192,000	192,000	192,000
A.2 Fish culture - Tk.40 per trainee per day for 5 days (500,500,500)	100,000	100,000	100,000

\* Total motorcycle requirement is 128 for year 1, and 16 (144-128) for year 2. Since there are already 64 motorcycles in the project, only 64 additional cycles has been budgeted for year 1.

A.3	Refreshers course - Tk.40 per trainee per day for 3 days (500,500,500)	60,000	60,000	60,000
A.4	H.O. Logistics and Management Support - 10% of A.1 to A.3	35,000	35,000	35,000
	Total:	387,000	387,000	387,000
	Inflation adjusted cost	426,000	468,000	515,000
B.	Irrigation			
B.1	Mechanics - Tk.120 per day per trainee for 75 days (25,50,50 Nos.)	225,000	450,000	450,000
B.2	H.O. Logistics and Management Support - 10% of B.1	23,000	45,000	45,000
	Total	248,000	495,000	495,000
	Inflation adjusted cost	273,000	599,000	659,000
C.	Apiculture - Tk.40 per trainee per day for 5 days (200,200,200)	40,000	40,000	40,000
C.1	H.O. Logistics and Management Support - 10% of C.	4,000	4,000	4,000
	Inflation adjusted cost	44,000	44,000	44,000
		48,000	53,000	59,000
D.	Seri/Eri Culture			
D.1	Training fee	450,000	580,000	700,000
D.2	Training supplies - Tk.100/person	50,000	70,000	100,000
D.3	Service centre - Tk.15,000x5,2,3	75,000	30,000	45,000
D.4	Service centre supplies - Tk.1500x12 months x 5,7,10	90,000	126,000	180,000
D.5	H.O. Logistics and Management Support	67,000	81,000	103,000
	Total:	732,000	887,000	1,128,000
	Inflation adjusted cost	805,000	1,073,000	1,501,000

E.	Other skills training - Tk.500 per trainee per course (500,700,1000)	250,000	350,000	500,000
E.2	Supplies - Tk.500 per trainee	250,000	350,000	500,000
E.3	H.O. Logistics and Management Support - 10% of E.1 to E.2	50,000	70,000	100,000
	Total:	550,000	770,000	1,100,000
	Inflation adjusted cost	605,000	932,000	1,464,000

V. BRANCH OPERATING COST:

	Per month	Per year
1 Manager	5,000	60,000
3 Program Organiser	3,500	126,000
1 Accountant	2,800	34,000
9 PS	1,200	129,600
5 TA/DA	400	24,000
4 Transportation	500	24,000
Other costs	5,000	60,000
H.O. Logistics and management support (10%)	--	45,800
		<u>503,400</u>

	1989	1990	1991
1988 cost	503,400	503,400	503,400
No. of branch	x 60	x 60	x 60 <sub>0</sub>
Total	= 30,204,000	= 30,204,000	= 30,204,000
Inflation adj. cost	33,224,000	36,547,000	40,202,000

VI. STAFF TRAINING AND DEVELOPMENT:

	1989	1990	1991
1. Induction Training			
a. Area Manager (25,25 & 25 Nos) - Tk. 140 per trainee per day for 15 days	52,500	52,500	52,500
b. Program Organiser (130, 150 & 150 Nos) - Tk. 140 per trainee per day for 15 days	273,000	315,000	315,000

c. Accountant (25, 30 & 30 Nos)			
- Tk. 140 per trainee per day for 21 days	73,500	88,200	88,200
	-----	-----	-----
	399,000	455,700	455,700
	-----	-----	-----
2. In-Service Training			
a. Area Manager (25,25,25 Nos)			
- Tk. 140 per trainee per day for 12 days	42,000	42,000	42,000
b. Program Organiser (150,175,200 Nos)			
- Tk. 140 per trainee per day for 21 days	441,000	514,500	588,000
c. Accountant (25,30 & 30 Nos)			
- Tk.140 per trainee per day for 12 days	42,000	50,400	50,400
	-----	-----	-----
	525,000	606,900	680,400
	-----	-----	-----
H.O. Logistics & Mgt. Support			
- 10% of 1 to 2.	92,400	106,300	113,600
	-----	-----	-----
Total	1,016,400	1,168,900	1,249,700
Inflation adjusted cost	1,118,000	1,414,000	1,663,000

#### VII. LOAN FUND REQUIREMENT:

Proposed outstanding at year end:

Ist yr. branch 600,000 x 20	12,000,000	12,000,000	12,000,000
2nd yr. branch 1650,000 x 20	33,000,000	33,000,000	33,000,000
3rd yr. branch 3075,000 x 20	61,500,000	61,500,000	61,500,000
	-----	-----	-----
	106,500,000	106,500,000	106,500,000
	-----	-----	-----
Expected outstanding at year beginning	106,500,000	106,500,000	106,500,000
Less: Transferred to Bank	61,500,000	61,500,000	61,500,000
	-----	-----	-----
	45,000,000	45,000,000	45,000,000
	-----	-----	-----
Requirement	61,500,000	61,500,000	61,500,000
Sales proceeds of loan to Bank (20 branches)	61,500,000	61,500,000	61,500,000
	-----	-----	-----
	--	--	--
* Requirement for 6 months of 1989	30,750,000	--	--
	-----	-----	-----
Net Requirement	30,750,000	--	--
	-----	-----	-----
Including Inflation	33,825,000	--	--
	=====	=====	=====

\* See note 8a, page 1.

## VII-A

## INTEREST INCOME: FOR ONE BRANCH

	1989	1990	1991
1st year branches	20x54,000 =1080,000	20x54,000 =1080,000	20x54,000 =1080,000
2nd year branch	20x203,000 =4060,000	20x203,000 =4060,000	20x203,000 =4060,000
3rd year branch	20x425,000 =8500,000	20x425,000 =8500,000	20x425,000 =8500,000
	-----	-----	-----
Total	13,640,000	13,640,000	13,640,000
Less loan loss reserve 5% of disbursement (Note 1)	4,500,000	4,500,000	4,500,000
	-----	-----	-----
* Net interest income	9,140,000	9,140,000	9,140,000

\* Interest income added to loan revolving fund.

Note 1 - Loan loss Reserve:

Disbursement	Branch	Total
12,00,000	20 =	24,000,000
15,00,000	20 =	30,000,000
18,00,000	20 =	36,000,000
		-----
		90,000,000 x 5%
		= 45,00,000

	1989	1990	1991
<b>VIII. CAPITAL INVESTMENT :</b>			
Cost per branch:			
Land	150,000		
Building	500,000		
Furniture	50,000		
4 motor cycle	160,000		
Freez & Flask	20,000		
	-----		
1988 cost	880,000	880,000	880,000
No. of branches	x20	x20	x20
Total cost for branches	17,600,000	17,600,000	17,600,000
Head office cost:			
Furniture & Fixture	200,000	200,000	200,000
Computer extension	600,000	--	--
	-----	-----	-----
Total for H.O.	800,000	200,000	200,000
	-----	-----	-----
Grand Total	18,400,000	17,800,000	17,800,000
Inflation adjusted cost	20,240,000	21,538,000	23,692,000

IX. PROGRAM INFRASTRUCTURE:

1. Principal Management Training Centre:

	1989	1990	1991	Total
a. Land & Land development	4,000,000	--	--	4,000,000
b. Building (Tk.650x20,000sft	2,200,000	10,800,000	--	13,000,000
c. Furniture and fixture	1,172,000	2,032,000	1,016,000	4,220,000
d. Training & office equipment	408,000	775,000	400,000	1,583,000
e. Vehicles (1st year 1 No. car 2nd year 1 No. Jeep & 3rd year 1 No. Bus).	700,000	800,000	900,000	2,400,000
Total	8,480,000	14,407,000	2,316,000	25,203,000
Inflation adjusted cost	9,328,000	17,432,000	3,083,000	29,843,000

2. Field Management  
Training Centre :

a. Land & land development	1,500,000	--	--	1,500,000
b. Building(Tk.500x16,000 sft)	1,300,000	6,700,000	--	8,000,000
c. Staff quarter (Tk. 450 x 4000 sft)	600,000	1,200,000	--	1,800,000
d. Furniture & fixtures	174,000	2,695,000	323,000	3,192,000
e. Training & office equipment	208,000	--	--	208,000
f. Vehicles (1st year 1 No. and 2nd year 1 No. Bus)	800,000	900,000	--	1,700,000
Total	4,582,000	11,495,000	323,000	16,400,000
Inflation adjusted cost	5,040,000	13,909,000	430,000	19,379,000

3. Training & Resource Centre

a. Land & land development	1,800,000	--	--	1,800,000
b. Building	4,000,000	3,000,000	--	7,000,000
c. Furniture & Fixture	--	600,000	--	600,000
d. Training & office equipment	--	400,000	--	400,000
Total	5,800,000	4,000,000	--	9,800,000
Inflation adjusted cost	6,380,000	4,840,000	--	11,220,000

4. Expansion of existing

TARCs :	--	4,000,000	2,000,000	6,000,000
Total	--	4,000,000	2,000,000	6,000,000
Inflation adjusted cost	--	4,840,000	2,662,000	7,502,000
Grand Total	20,748,000	41,021,000	6,175,000	67,944,000



