

**RURAL DEVELOPMENT
PROGRAMME (RDP)**



BRAC

**BANGLADESH RURAL
ADVANCEMENT COMMITTEE
DHAKA, BANGLADESH**

RURAL DEVELOPMENT PROGRAMME
(RDP)

HALF YEARLY REPORT
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BANGLADESH RURAL ADVANCEMENT COMMITTEE
(BRAC)
66 MOHAKHALI, DHAKA 1212
BANGLADESH

SUMMARY

The Rural Development Programme (RDP), grew out as a result of the integration of two separate programmes, the Outreach concerned with conscientisation and the Rural credit and Training Programme concerned with credit and training, in January 1986. By now RDP has developed into a comprehensive programme with the ultimate objective to contribute towards a more just and equitable society in which landless poor are joined together in their own organisation to attain a high degree of self reliance in managing their own affairs and to achieve sustained improvement in levels of living. These goals are pursued by three major components of the Rural Development Programme, viz., institution building, income and employment generation and credit, and human development. Institution Building is the centre piece of all activities which starts by organising the landless poor into village based organisations.

Once the process of group formation is accomplished, including group norms such as weekly meetings and the savings habit, training of key group members on human development, occupational skill and management take place to enhance group members potential. Afterwards mobilisation of internal and external start which include credit.

Lending to the poor however itself is not an end but a means to promote income and employment generation which include a variety of activities such as irrigation, sericulture, poultry keeping, rural transport and livestock etc.

In 1990 BRAC has evolved a new operational strategy and under this an RDP branch in an area operates for a period of four years, a period which is necessary to develop the institution building process to the point where the groups can continue their activities without substantial BRAC support. The RDP branch then is handed over to the newly introduced BRAC Bank project (formally called Rural Credit Project). The RCP which has started functioning in 1990, with 10 former RDP branches provides landless groups with credit, previously made available by RDP branches. This strategy simplifies administration and enables BRAC to move more rapidly into new areas.

In light of the new requirements, extensive changes have been introduced in operational procedures in 1989. All RDP branches have been grouped into four year of operation categories keeping in mind the requirements to transfer a RDP branch into RCP. As it can be learned this categorisation is not free of limitations.

Similarly, yearly targets of all major activities have been specified for a period of four years which are then broken down into four quarters. This helps the branch in preparing its own yearly programme and in monitoring its progress.

Short experiences in this regard suggest that branches opened after 1988 are performing better than older branches. This is mainly due to the backlog of the old branches. Experiences, however, also suggest that with the introduction of new monitoring and credit operating system and revision of former procedures, the activities of RDP have been further streamlined.

It can be noticed that besides functional education and credit, income and employment generating activities got a new momentum during the reporting period. Particularly, sericulture, livestock and poultry keeping are taken up by increasing number of women group members as a source of income and employment generation. It is believed that irrigation will also make an effect on employment generation.

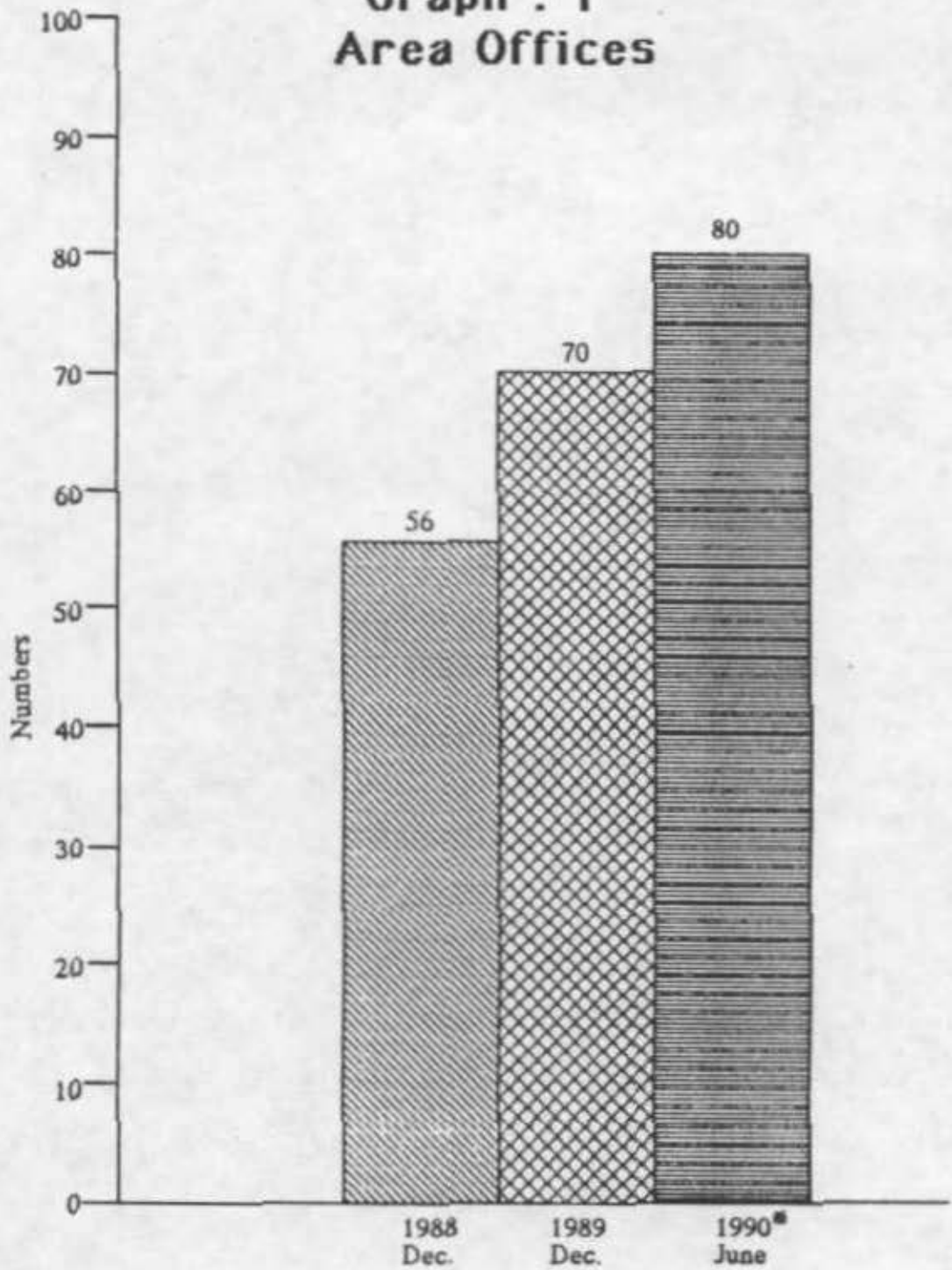
Similarly, significant changes can be observed regarding the role of support services (e.g. education) too. Non-formal Primary Education (NFPE) Programme has succeeded in creating new hopes among the children of the rural poor households. Besides their concrete role, the Research and Evaluation Division, the Rural Enterprise Programme, the Management Development Programme helping RDP also in developing professionalism among its staff.

The following gives an account of the progress that RDP has made during the reporting period.

* **General Features**

1. Ten branches have been transferred to BRAC's Rural Credit Project (RCP)
2. Ten new branches have been opened
3. A total of 160 women staff (PO) have been recruited. This equals to 75% of new staff (PO) recruited for RDP during the reporting period.
4. Turnover rate of women staff in field was more than 50%, a little higher than that of men.
5. Number of working villages now stands at 3416.

Graph : 1
Area Offices



* This excludes Ten Areas which has been transferred to Rural Credit Project (RCP) during the reporting period.

6. Number of group members is 349826 which represents a total of 226097 households.
7. An insurance policy for group members has been introduced effective June 1990.
8. Compulsory functional education (Awareness portion) received priority during the reporting period. However, the target could not be fulfilled.
9. Changes have been introduced to make the small groups of the VO more effective. Leaders of the small groups of the VO can no longer be selected/elected for more than one term of two years.
10. Minimum weekly savings of women group members has been raised from Tk. 1 to Tk. 2. Savings of men group members however remained the same (Tk. 2 per week).
11. Total savings of group members now stands at Tk. 89066863. This is equivalent to 18 percent of total disbursement.
12. Provision has been made to advance loan to group members for constructing sanitary latrines.
13. Recovery rate of BRAC loan now stands at 97%.
14. Larger amount of per capita loan does not necessarily lead to bad recovery rate. BRAC's experience suggests that the higher the per capita loan size the better is the recovery.
15. Overdue loan now amounts Tk. 9096934. This is equivalent to 1.87 percent of principal disbursement.
16. Number of irrigation equipments now stands at 152 which covered an area of 4857 acres.

17. Sericulture has expanded considerably during the reporting period. Number of rearers is 1307.
18. Number of poultry rearers is 51574. This presents 23 percent of women group members.
19. Prospects of fish culture is promising. A total of 50 branches are involved in scientific fish culture.
20. Number of Non-formal Primary Education (NFPE) schools now stands at 2885 with total of 86997 students.

* PROGRESS AT A GLANCE

	<u>Dec. '89</u>	<u>June '90</u>	<u>Increase (%)</u>
1. Coverage :			
a. Villages	2753	3416	24
b. Households	170052	226097	33
c. Village Organisations	5422	6337	17
d. Membership	295582	349826	18
e. RDP branches	_____	_____	_____
2. Savings and Group Fund :			
a. Savings	55973021	76758562	37
b. Group Fund	6680806	12308301	84
3. Basic Trainings :			
a. Functional Education (Awareness Graduates)	3696	90850	2358
b. Consciousness Raising	18180	19077	5
c. Leadership	7614	8191	8
d. Project Planning and Management	3921	4163	6
e. Poultry and Livestock			
- Poultry Worker	2711	2925	8
- Paravet	338	502	48

	<u>Dec. '89</u>	<u>June '90</u>	<u>Increase</u> <u>(%)</u>
4. Non-Formal Primary Education:			
a. Number of Schools	2375	2885	21
b. Number of Learners	71568	86997	22
5. Credit :			
a. Disbursement	363357965	485494460	34
b. Realisation	204965726	317707954	55
c. Outstanding	158392239	167786506	6
d. Overdue	9463060	9096934	4
e. Recovery Rate	96	97	1
6. Irrigation:			
a. Number of Equipments	161	152	(8)
b. Realisation	4901	4857	(1)
7. Poultry:			
a. Number of Rearers	40949	51574	26
b. Number of Workers	711	2925	8
c. Number of Chick Rearing Units	480	644	34
8. Livestock:			
a. Number of Paravets	338	502	48
b. Number of Insemination Centre	24	24	0
c. Number of Animals Inseminated	3607	7746	115
9. Sericulture:			
a. Number of Coocon Rearers	1014	1307	29
b. Number of Trees Planted	655370	843219	29
c. Number of Charkas	1000	1000	0

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Introduction

BRAC started its activities in early 1972 after the War of Liberation. It carried out a basic relief programme for 9 months (February - October 1972) before realizing that relief was only a stop-gap measure and that for overall sustainable development, more comprehensive community approach to development was required. This, too, was found to have its flaws as the benefit of community development reached the elite leaving little to 'trickle down' to the rural landless. Thus, BRAC's strategy was reorganized to include the "target group" approach through a participatory method in which the rural poor and disadvantaged section of the population would be mobilized and organised so that they can take part in their own development process.

BRAC emphasized institution building at this stage with training in human development and started economic support for the implementation of income/employment generation activities. This would result in both social and economic development of the rural poor and give them a measure of self reliance. BRAC pays particular attention to women of the target households as they were doubly disadvantaged -being members of poor households as well as women in a male-dominated society.

BRAC's projects may be divided into six broad categories:

- i) Multisectoral Rural Development Programme (RDP)
- ii) Self-financed Rural Credit Project (RCP)
- iii) Child Survival Programme (CSP)
- iv) Support Services (e.g., education, training, research etc.)

- v) Non-profit retail outlets for poor producers (e.g. Aarong)
- vi) Income generating enterprises (e.g. BRAC Printers).

While BRAC's health programme (i.e. the CSP) extends services to the whole community, RDP and RCP tend to benefit only the rural poor.

The Rural Development Programme (RDP)

The Rural Development Programme (RDP) grew out as a result of the integration of two separate programmes, the Outreach, concerned with conscientisation and the Rural Credit and Training Programme (RCTP) concerned with credit and training, in January 1986. RDP which has entered into its second phase of operation in 1989 has grown into a comprehensive programme. It also assists the government and inter-governmental organisations in implementing large scale programmes e.g. education.

RDP has been responsible for implementation of BRAC's development strategy upto 1989. From January 1990 BRAC has evolved a new operational strategy which limits RDP's intervention and its subsidised supports to the organised landless poor for a period of four years only.

Intervention in new branch areas is initiated by RDP and it carries out multidimensional activities for a period of four years only, a period which is necessary to develop the institution building process (see later) and credit disbursement to the point where the landless groups can continue their activities without RDP's subsidised supports. The branch is then handed over to the self-financed BRAC Bank Project (formally

called Rural Credit Project, or RCP). RCP began its operation in January 1990 by taking over ten RDP branches. This operational strategy enables BRAC to move more rapidly into new areas. More importantly, this will ensure sustainability of the development efforts.

There are four broad components of RDP, viz., institution building, income and employment generation, credit, and human development. All these are implemented through a branch. A branch is generally equipped 6-7 staff including one Area Manager, three-four Programme Organisers (POs), one Accountant and a Cashier. They are assisted by locally recruited workers known as Gram Sheboks/Shebikas (GS).

At the end of about 3 years operation, a branch generally covers 50 villages covering 50 men and 50 women Village Organisations (informally called groups) with a total membership of 6000 to 7000 men and women. Approximately 10 groups are supervised by a GS who in turn is supervised by a PO. The GSs generally have secondary level education (ten to twelve years of schooling) while the POs and Area Managers are university graduates.

The following gives a summary of achievement of RDP (and also RCP) upto June 1990.

<u>Information</u>	<u>RDP</u>	<u>RCP</u>	<u>Total</u>
(a) Number of Branches	80	10	90
(b) Number of Working Villages	3416	548	3964
(c) Number of Village Organisations	6337	1039	7376
(d) Membership	349826	57973	407799
(e) Savings of the Group Members(Tk)	76758562	17689954	94448516
(f) Group Fund (Tk)	12308301	3591133	15899434
(g) Disbursement (Tk)	485494460	126943914	612438374
(h) Outstanding (Principal) (Tk)	167786506	54156986	221943492
(i) Recovery Rate (%)	97	98	98

During the reporting period (January - June 1990) RDP handed over ten branches to RCP and added 10 new branches which kept the total number of RDP branches to 80. These branches are spread over 22 districts.

All RDP branches are grouped into 'four year of operation categories' keeping in mind the requirements for a branch to be transferred to RCP. As seen in Annexure-1, this classification, however, does not necessarily reflect the actual age, of the branches, particularly for those opened before 1988. There are 53 branches which were opened before 1988. All of these branches, however, cannot be transferred to RCP in 1991 for two reasons: that RCP receives only 20 branches from RDP each year and that most of these branches are lagging behind the requirements (e.g. disbursement, outstanding etc.) set for transferring an RDP branch to RCP.

With the introduction of new monitoring and credit operating system and revision of other procedure, the activities of RDP have been streamlined. Yearly targets of all major activities have been specified for a period of four years (each year in four quarters). This helps each branch in planning its own yearly programme and in later monitoring of the progress.

Progress of RDP activities is now reported four times a year. A detailed Statistical Report is published at the end of each quarter. Besides, two narrative reports are also published in June and December. The present report gives some details about the major components of RDP activities and also other services which are provided by BRAC to promote RDP activities.

SECTION 1: INSTITUTION BUILDING

1.1 The Process

Institution Building is the core of all RDP activities which aims at empowering the landless rural poor. Towards this end, RDP organises landless individuals into village-based organisations, separately for men and women.

Through its long experience in institution building, BRAC has evolved an effective approach. As BRAC moves into an area its staff first identify the target population (landless poor) through informal surveys. Once this identification is made, conscientization is the first and continuing order of business. In individual talks with BRAC staff (such as Programme Organisers, or P.Os), in small groups, and then larger ones, common problems are identified, their causes analysed and the possible approaches to solutions, including what they can do as individuals and in groups, are considered.

Within a short period of 1-2 months, group discussions attract 30 to 40 persons on a regular basis. It is time to begin formalizing the group by adopting operating rules and agreeing on some activities and forming a Village Organisation (VO). A regular meeting schedule, usually once a week, is fixed. Members agree to begin a regular savings programme with each member saving each week two taka, or such amount as the group may decide. This develops their savings habit, financial resource management capability and reduces their vulnerability to emergency situations for small amounts of money.

Once the group members reach a reasonable size of around 50, they are then brought into a well planned conscientization process which normally starts with a functional education (FE) course. The course has two parts: viz. awareness building (compulsory for all members), and literacy (optional). The FE classes aims to make the poor aware of their hidden potentials and seeks to create in them an ambition for a better life through education, self-help and mutual aid. Once the process of group formation is accomplished and group norms such as weekly meetings and savings habit are established, training of key group members on human development, occupational and management skills take place to enhance group members' potential. Afterwards mobilisation of internal and external resources including credit starts.

1.1.1 Group Management

The minimum size of a group (i.e. VO) is 50 and maximum 70. Each group is subdivided into small functional groups (or Small Groups) of 5-7 members. Each Small Group is headed by a Secretary who is elected (cannot be reelected) for a period of two years. The VO is managed by a Management Committee (MC) consisting of 7-10 members which include a Chairman, a Secretary and a Cashier. Members of the MC are selected from amongst the Secretaries of the Small Groups for a period of one year. A Small Group cannot be on the MC for more than one term.

1.2 Progress During the Reporting Period

1.2.1 Coverage

RDP now has 80 branches covering 3416 villages in 22

districts. Number of new villages during the reporting period has increased by 663 (or 24%) while village organisations by 17 percent, from 5422 in December 1989 to 6337 in 1990. Membership has increased by 18 percent, from 295582 to 349826. Genderwise distribution of information regarding both VO and membership suggest a higher growth rate for women than men. This is consistent with BRAC's continued emphasis on women.

This growth can be considered satisfactory in respect of target achievement. As Table 1 shows, RDP exceeded targets with respect to VO formation and savings and nearly achieved the target for membership.

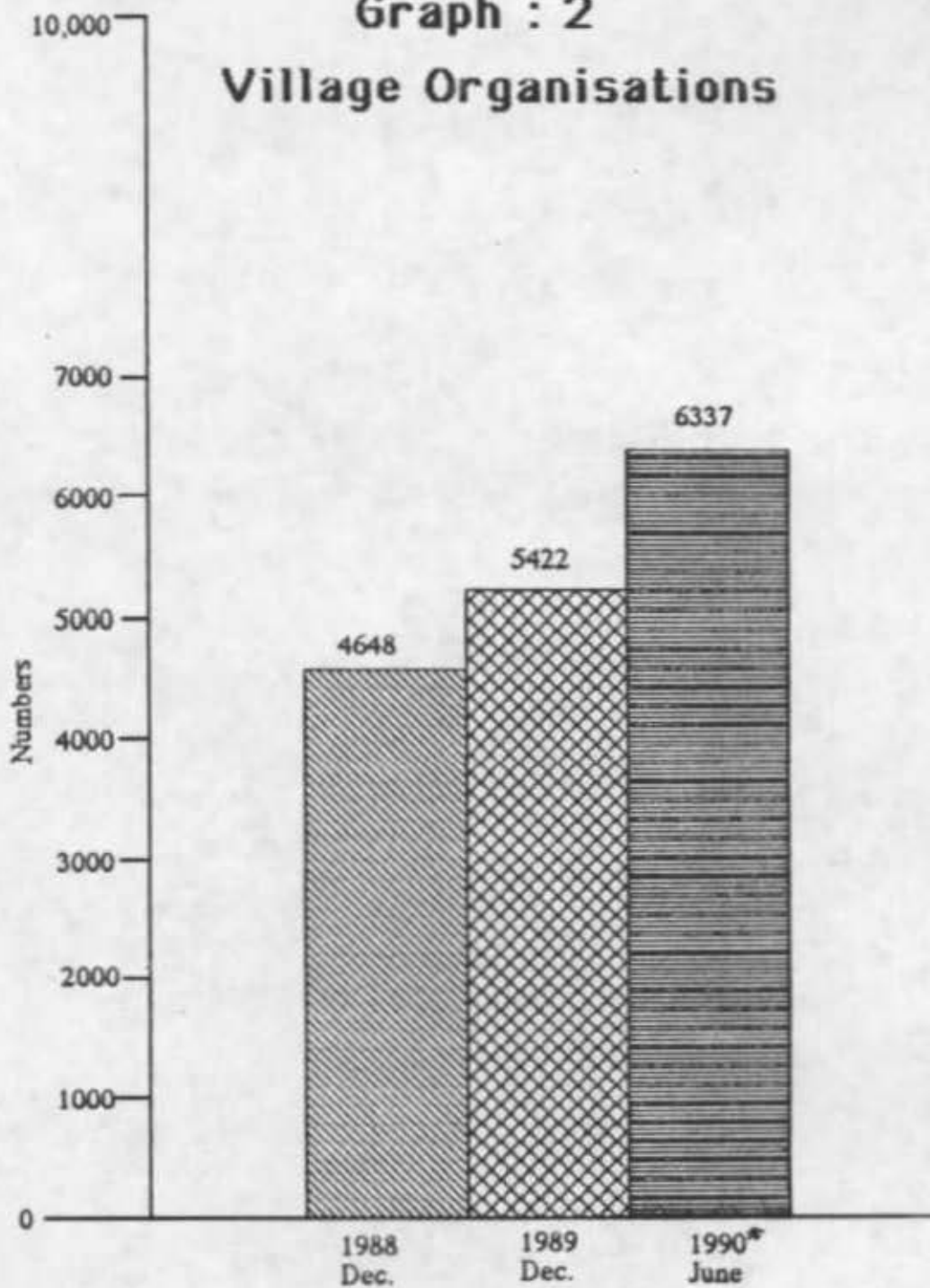
Table 1 : Achievement of Targets :
VO, Membership and Savings

Information	Target	Achievement	
		Number	Percent
Village Organisation	5900	6337	107
Membership	366000	349826	96
Savings (TK)	53500000	64865796	121

Breakdown of membership information by age of the branches however indicates that the fourth year branches are lagging behind the target by 23 percent (Annex-2). This shortfall can be explained by the following factors :

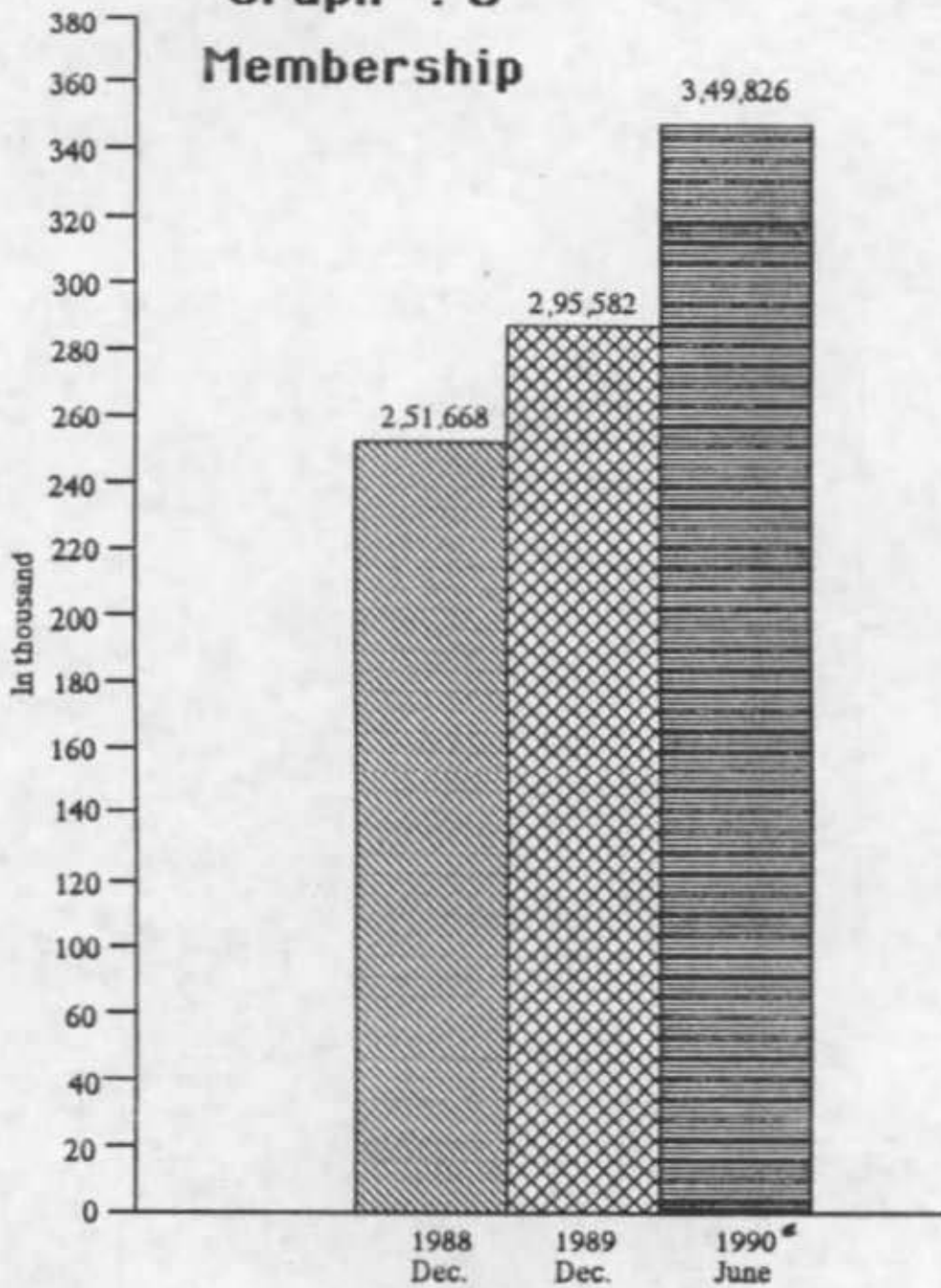
Many of these branches concentrated their efforts on establishing new credit and other procedures such as weekly meetings. Group members of these old branches are still reluctant

Graph : 2
Village Organisations



* This excludes Ten Areas which has been transferred to Rural Credit Project (RCP) during the reporting period.

Graph : 3
Membership



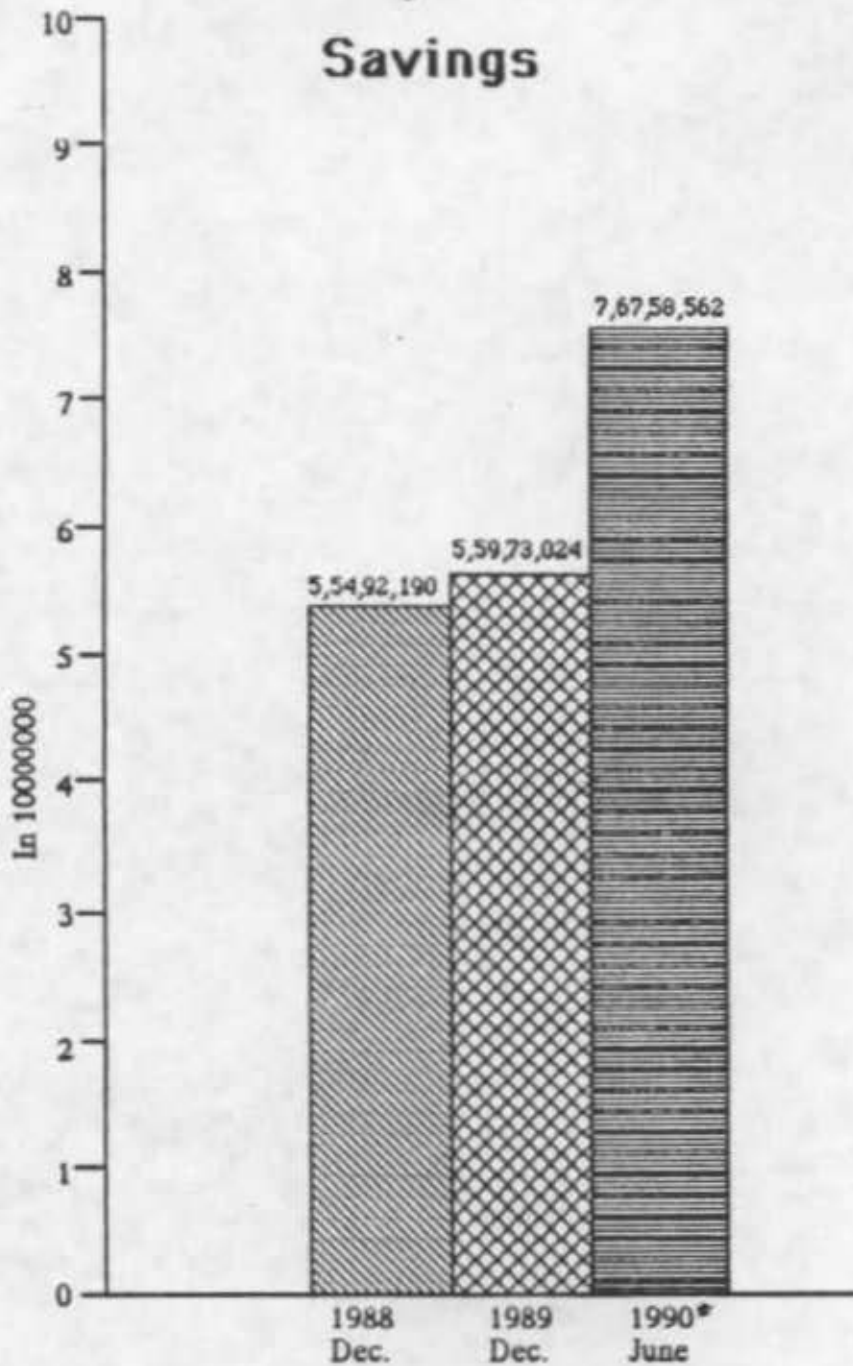
* This excludes Ten Areas which has been transferred to Rural Credit Project (RCP) during the reporting period.

to attend weekly meetings timely in the morning. Note that these meetings under the previous system used to take place in the evening. Besides, efforts were needed to realise old outstanding loans too.

A similar situation can be observed regarding savings too. Target of savings has been exceeded by 21 percent. This is the result of policy changes. Minimum weekly savings of women members has been increased from Tk. 1 to Tk. 2 during the reporting period. Minimum savings of men members however remained the same at Tk. 2 per week. Despite these changes, the fourth year branches show a shortfall by 16 percent of savings target (See Annex-3). It may be noted that rate of increase in savings is much higher among the new group members than their old fellow members, which means that those who already have earned some savings tend to save less than those who have little or no savings.

Overall savings during the reporting period has increased by 37 percent, from Tk 55973024 in December 1989 to Tk 76758562 in June 1990 (Table 2). This corresponds to 16 percent increase in per capita savings, from Tk. 189 to Tk. 216. Nearly 70 percent of savings was done by women who form 63 percent of membership.

Graph : 4
Savings



* This excludes Ten Areas which has been transferred to Rural Credit Project (RCP) during the reporting period.

Table 2 : Periodic Progress

Sl No	Information	Dec'89	June'90	Increase		
				Number	Percent	
1.	Working Villages	2753	3416	663	24	
2.	Village Organisation	a. Men	2390	2619	229	10
		b. Women	3032	3718	686	23
		c. Total	5422	6337	915	17
3.	Member-ship	a. Men	114146	128798	14652	13
		b. Women	181436	221028	39592	22
		c. Total	295582	349826	54244	18
4.	Savings	a. Men	17055246	23737208	6681962	39
		b. Women	38917775	53021354	14103576	36
		c. Total	55973021	76758562	20785541	37
5.	Group Fund	a. Men	2142374	4010968	1868594	87
		b. Women	4538432	8297333	3758901	83
		c. Total	6680806	12308301	5627495	84

As seen in Table 2, group fund during the reporting period has increased by 84 percent, from Tk 8297333 in December 1989 to Tk 12308301 in June 1990. It is worth noting that the contribution to the group fund, which is generated by a compulsory deduction from loan disbursement, was reduced from 5 percent to 4 percent, with effect from 15 June 1990. This was done due to the introduction of an insurance policy for group members. A member who is with the group for a period of at least one year and is below 54 years of age is eligible to join the group insurance policy. Insurance benefit has been fixed at Tk 5,000 which would be given to the nominee of the member after his/her death. No member, however, pays any premium for insurance individually. Premium is generated by one percent compulsory deduction from loan disbursement.

1.2.2 Functional Education (FE) and Training

*
The awareness portion of the Functional Education received top priority during the reporting period. A total of 87154 members received this training between January and June, 1990. This corresponds to 2358 percent increase over the reporting period. Cumulative number of FE (Awareness) graduates now stands at 90580 which is to 26 percent of total membership. However, this is much less than what was targetted (53% achievement). This is due to the large backlog from 1989 and the reorganisation of RDP. It has been indicated in the last (Dec'89) narrative report of RDP that not a single course could be organised during the first half of 1989 due to revision of FE (Awareness) materials. This has particularly affected the Year 4 branches for which no provision was made for such training in the project proposal, and no target was set for those branches. A total of 16098 members in Year 4 branches were given FE (Awareness) training during the reporting period. If this is taken into account then the achievement figure increases to 65 percent.

Table 3 : Achievement of Targets : FE and Training

Information	Target	Achievement	
		Number	Percent
FE (Awareness)	140,000	74752	53
Planning and Management	6000	2351	39
Poultry (Rearer)	26000	30565	118

* As mentioned before Functional Education has two parts, viz. Literacy (optional) and Awareness building (compulsory).

Statistics on both Human and Skills development trainings indicate poor performances. A total of 1653 members received training on Planning and Management, Consciousness raising, and Leadership. This is due to an increased priority given to training BRAC staff and limited capacity of BRAC's training centres (TARC). A total of 200 RDP staff members were given training during the reporting period.

Table 4 : Periodic Progress : Training

Information	Dec'89	June'90	Increase	
			Number	Percent
Consciousness Raising	18180	19077	897	5
Leadership	7614	8191	577	8
Planning and Management	3921	4163	242	6
Poultry Worker	2711	2925	214	8
Poultry Rearer	40949	51574	10625	26
Paravet	338	502	164	48

SECTION 2: CREDIT

2.1 The Process

BRAC's credit facility takes the form of a revolving loan fund (RLF) to meet the needs of BRAC organised landless poor who are largely excluded from institutional credit. However, lending to the poor itself is not an end but a means to promote the institution building process. The objectives of the revolving loan fund are :

- generating employment for both men and women group members,
- mobilising underutilised, and unutilised local resources (e.g. ponds),
- introducing new activities in the rural areas (e.g. sericulture),
- diffusing appropriate technology (e.g. irrigation), and
- promoting better health care (e.g. sanitation)

A few basic rules serve as guidelines for granting loans. These are:

- priority is given to schemes/projects with economic and social profitability potential,
- no collateral (in the traditional sense) is required,
- the loan is granted on a self-liquidation basis. Repayment of principal and interest may derive from the use to which the loan money is put,
- all loans are subject to continuous and intensive monitoring and supervision
- all loans carry a 16 percent interest calculated on reducing balance and repayable in weekly instalments,

-- the loan, is given on fulfillment of the following conditions:

- o regular savings habit,
- o having a savings equivalent to five percent of the loan requested.

2.1.1 Duration and Size of Loan:

Duration: Loans are of three types according to durations.

- o Short term, repayable within one year.
- o Medium term, repayable within a period of three years, and
- o Long term.

Size: Size of loans ranges from Tk 500 to Tk 8,000.

2.1.2 Loan Proposal and Disbursement:

Loan proposals are screened and approved by the group during their weekly meetings. The quorum for such a meeting is attained with two-thirds of the members present. For a loan to be approved requires the support of at least 51% members present. Participation and group responsibility are thus essential elements of the loan process.

After the group has approved the loan proposal, it is submitted to the Area Manager through the BRAC PO responsible for the group for final approval. The loan is then disbursed to the borrowers in cash in the presence of Management Committee members of the group.

2.1.3 Loan Realisation:

All loans are realised in weekly instalments. The GS (Village Workers) visits a village once a week in the morning and

collects all loan instalments from the two groups (man and woman) of the same village in the presence of all group members, including Management Committee (MC) members and enters the amount into the borrowers' Loan Pass Book.

The GS then deposits the collected money with the Accountant of the BRAC Area Office on the same day. A receipt for the money collected is given to the respective MC at the next collection. The Accountant, on the other hand, enters the individual's instalment in the Ledger kept in the Area Office.

2.2 Progress During the Reporting Period

2.2.1 Disbursement and Outstanding

Till June 1990, a total of Tk 485494460 has been advanced to 214262 group members to finance 131 types of income and employment generating activities.

Target of disbursement during the reporting period has been achieved by 114 percent while of outstanding by 99 percent (Table 5). Areawise breakdown of information however indicate that Year one branches could fulfill only 51 percent of the disbursement target while the Year three branches have exceeded their target by 73 percent (See Annex-4). Poor results of the Year one branches are due to the following factors: 11 out of 20 first year branches were opened only in April, 1990, and no loan has been disbursed in these branches as yet (See Annex 5). In addition, under the revised procedure no loan is advanced to the members until he/she completes FE (awareness) training.

Table 5: Achievement of Target in View of Disbursement and Outstanding

Information	Target	Achievement	
		Number	Percent
Disbursement	424600000	485494460	114
Outstanding	168000000	165750480	99

Over achievement of the Year three branches, is the result of two factors, viz., changes in the credit procedure and better supply of loan money. It has been indicated in the last (Dec'89) narrative report that interest rate of BRAC loan has been reduced from 18% to 16%. In addition, the additional three percent charged as group management committee fee for loan has been withdrawn. A borrower now needs a savings equivalent to five percent of the loan requested instead of the previous ten percent. Besides, the previous size of the RLF was too small to meet the demand of the group members. Under the present condition, availability of loan is better. It may be mentioned that demand for loan is particularly high among those who have been with the group for some years (5-6 years) but never received any loans before. As mentioned in Introduction, actual age of many of the second and third year branches is higher than their present status (year of operation category) suggests. The fourth year branches which reduced their disbursement during the reporting period to concentrate efforts in the realisation of old outstanding loans have achieved disbursement target by 84 percent. These branches however will increase lending during the second half of the year.

As can be seen in Table-6 overall disbursement for the reporting period has increased by 34 percent, from Tk 363357965 in December 1989 to Tk 485494460 in June 1990. Fifty three percent of this increase took place during the first quarter (January - March) while the rest (47%) during the second quarter (April - June).

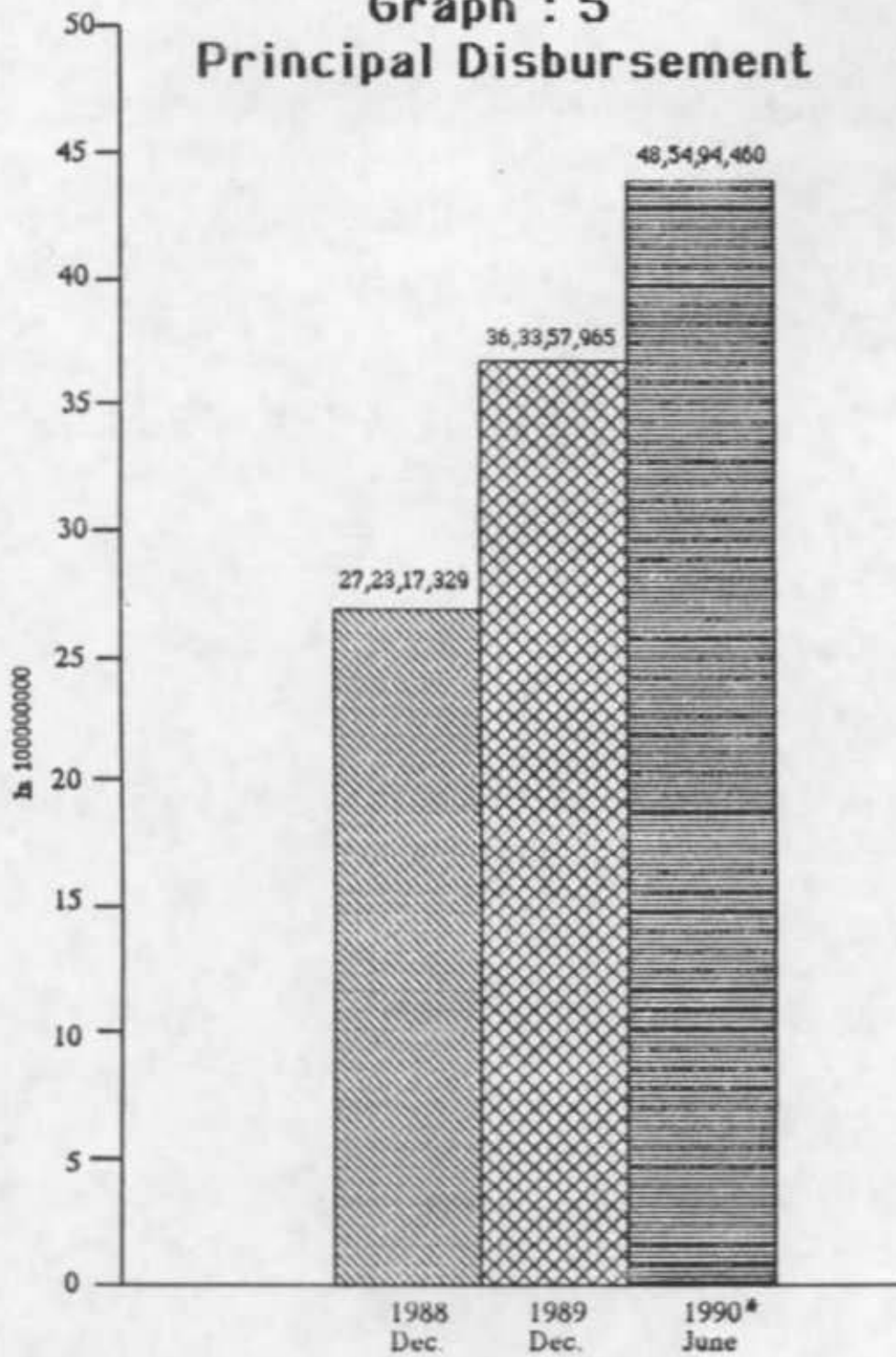
It is to be noted that scope of investment during the harvest (March/April) and post-harvest slack monsoon period (May/June/July) is limited to a few items in rural Bangladesh. Investment during this period however requires large amount than in the busy (agricultural) period due to the nature of items (e.g. country boat, net, rural transport etc). As a result share of medium and long term loans over total periodical disbursement goes up. As seen in Annexure 6, 41 percent of total disbursement during April - June went to medium and long term category while the rest to short term category. Share of short term loan in cumulative disbursement however is much higher (77 percent).

Table-6: Progress in Disbursement, Outstanding and Realisation

Information	Dec '89	June '90	Increase	
			Amount	Percent
Disbursement	363357965	485494460	122136495	34
Realisation	204965726	317707954	112742228	55
Outstanding	158392239	167786506	9394267	6

Sectorwise breakdown of information indicates that a new sector has been added to the list during the reporting period (See Table-7) and this is health. Under this, loans are advanced

Graph : 5 Principal Disbursement



* This excludes Ten Areas which has been transferred to Rural Credit Project (RCP) during the reporting period.

to the group members for constructing sanitary latrines. The loan is repayable within three years. The logic is to keep the amount of weekly instalments to a minimum so that the group members can easily afford it.

Till June 1990, a total of Tk 59300 has been advanced to 55 group members. This presents 0.01 percent of total loan. It is however anticipated that share of this sector will increase substantially in the coming years. This will have a bearing on term wise distribution of loan although it is not likely to alter the present projection, at least in the near future.

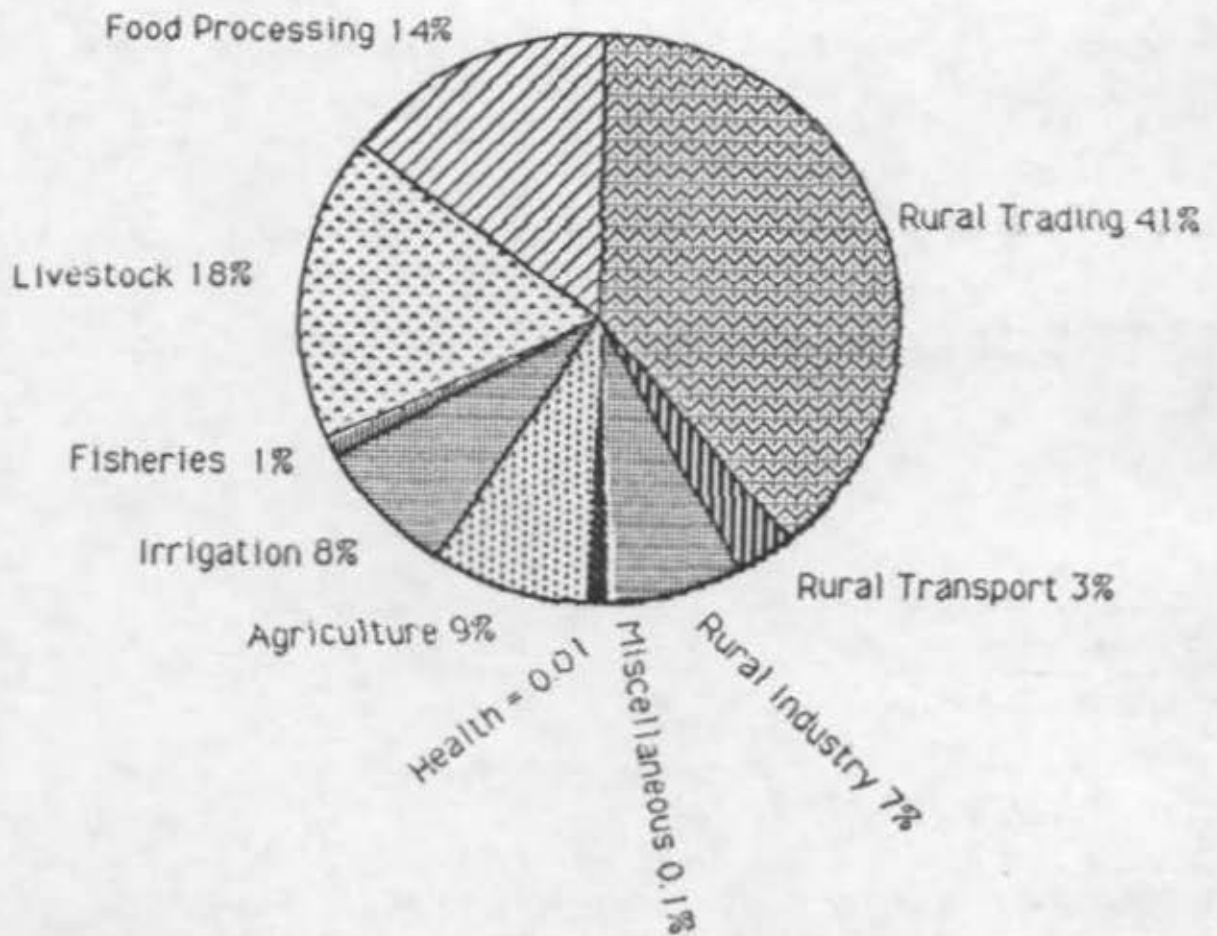
A further look into sectorwise information reveals that there are 10 items which alone represents 85% of total disbursement (Annex-7). Small trading had the lion's share (41%).

Table-7: Sectorwise Distribution of Loan, June 1990

Sl. No.	Sector	Number of loan	Loan Amount (Principal)	Percent of Total Loan
01.	Agriculture	50314	39545318	8
02.	Irrigation	50297	37713702	8
03.	Fisheries	9818	4712846	1
04.	Livestock	48282	90215803	18
05.	Rural Industries	21244	33066290	7
06.	Rural Transport	6314	15385350	3
07.	Small Trading	149594	197773498	41
08.	Food Processing	64127	66664203	14
09.	Health	55	59300	0.01
10.	Others	2799	358150	0.07
Total		402844	485494460	100.00

Graph no. 6

Sectorwise Distribution of Loan port folio
(Principal Disbursement)



Realisation has also increased by 55 percent, from Tk. 204965726 in December 1989 to Tk. 317707954 in June 1990. Outstanding loan, which shows little increase (6%) during the reporting period, now amounts Tk. 167786506 while number of outstanding borrowers is 153028. This makes the per capita loan amount at Tk. 1096.

2.2.2 Overdue and Recovery Rate

Recovery rate* during the reporting period has increased by 1 percent, from 96 percent in December '89 to 97 percent in June 1990. As seen in Table 8, 75 percent of the branches have a hundred percent recovery rate while another 16 percent of the branches have 95 percent, or more and only 9 percent of the branches show less than 95 percent recovery rate, but none in less than 85 percent category.

Table 8 : Number of Areas in view of Recovery Rate June 1990

Recovery Rates	Number of Areas	Percent of Areas
100	52	75
95 - < 100	11	16
90 - < 95	4	6
85 - < 90	2	3
Sub Total	69	100
No Disbursement Yet	11	-
Total	80	-

* Recovery Rate (RR) is calculated in the following way:

$$RR = \frac{\text{Realisation}}{\text{Realisation} + \text{Overdue}} \times 100$$

Sectoral information suggest that recovery rate has improved in each sector, although none but health sector maintains a 100 percent recovery. Fishery and Irrigation have the lowest rate, 77 and 87 percent respectively (See Table-9). Information in Table-9 also indicate that higher per capita loan leads to better recovery.

Table 9: Sectorewise Distribution of Recovery Rate and per capita loan size

Sl. No.	Sector	Per capita loan size (Tk)	Recovery Rate
1.	Agriculture	786	95
2.	Irrigation	750	87
3.	Fisheries	480	77
4.	Livestock	1869	99
5.	Rural Industries	1556	94
6.	Rural Transport	2437	99
7.	Rural Trading	1322	99
8.	Food Processing	1040	99
9.	Health	1078	100
10.	Others	128	99
Total		1205	97

* Overdue loan during the reporting period has decreased by

* Overdue mentioned in this report is defined as following:

An amount is considered overdue if that remains unrealised after the expiry of extended period. If the loan amount cannot be realised within the stipulated time (loan life), the borrower may get an extended period, not exceeding 50 weeks, to repay the loan.

4 percent, from Tk. 9463060 in December 1989 to Tk. 9096934 in June 1990 (see Annex 8). In December 1989 overdue (Principal) was 2 percent of principal disbursement which in June 1990 came down to 1 percent.

Despite all these factors, a total of Tk. 11609483^{*} (including Tk. 3116034 interest) could not be transferred yet into the revised credit system (See Annex 9). It is not unlikely that a proportion of that amount would not be possible at all to realise, or to transfer into the new system because in some cases the borrower either died, migrated or their whereabouts can not be ascertained, while in other cases the investment ran into losses. Most of these were collective schemes, and this makes the situation more complicated. As indicated in the last (December 1989) narrative report, the amount of bad loans, which needs to be written off, will be known exactly by the end of 1990.

* Since December 1989 a total of Tk. 4626123 has been realised, which equals to 28 percent of the 'not yet transfer loan'

Section 3 : INCOME AND EMPLOYMENT GENERATION ACTIVITIES

Income and employment generation is a very important component of BRAC's rural development activities. The landless poor are increasing in numbers but the absorbing capacity of the labour market remains far behind the requirements. There is a limited number of new jobs created by the public and private sectors but these are concentrated in the urban areas and they often require technical/professional skills which the rural poor do not possess. Under these circumstances, the prospect for the landless is rather gloomy and uncertain.

BRAC addresses this problem by providing credit for income and employment generating activities. Since off-farm activities are limited in the rural areas, employment generation is mostly in agriculture which covers a variety of activities, including ownership of agricultural equipment and irrigation assets like shallow and deep tubewells.

3.1 Agriculture and Irrigation

BRAC has been involved in irrigation programme with rural landless since 1975 with the following objectives:

- * improve the income distribution situation through crop sharing system
- * increase agricultural production through the intensification of cultivation
- * ensure accrual of benefits to the landless poor both as sellers of water and creation of employment during the lean season
- * develop management capabilities of the landless poor

- * enhance social power and prestige of the disadvantaged poor.

The most significant aspect of irrigation scheme is the creation of a process for affecting changes in the existing resource distribution pattern and power structure through ownership of means of production and thus gaining access to power and resource. Consequently, the land owners are increasingly becoming dependent on the poor and coming to terms with them for irrigation facilities. RDP groups have been provided with loans to purchase or rent irrigation assets, like deep tubewell (DTW), shallow tubewell (STW), lowlift pump (LLP) and hand tubewell (HTW).

The VOs manage the facilities and sell water to the farmers. The management committee of the VOs or a separate irrigation scheme management committee is responsible for ensuring proper installation and maintenance of facilities. They look after the arrangement and finalising of contracts with the farmers willing to purchase water, the maintenance of accounts and the collection of water charges.

The borrowing group leaders discharge their responsibilities with BRAC assistance which includes provision of credit, arranging skills and management training, helping with purchasing or hiring of irrigation assets and provision of technical and management advice as needed.

By now the programme has expanded considerably. At present there are 110 DTWs, 38 STWs, 3 LLPs and 1 floating pump. These equipments together brought 4857 acres of land under irrigation systems. This is little less (less than 1 percent) than what was

planned (4901 acres). It may be pointed out here that the reporting period does not present a new crop cycle in agriculture. The increase in covered area thereby reflects the actual position compared to 'planned' information cited in December 1989 report.

As seen in Table 10, number of deep tubewells has decreased by 9, which corresponds to 18 percent, during the reporting period, from 119 in December 1989 to 110 in June 1990. This is because 9 deep tubewells which BRAC planned to put in operation, and subsequently included in the list of equipments in December 1989 report, finally did not receive approval from the government (i.e. Bangladesh Agricultural Development Corporation).

Table-10: Irrigation Equipments under Operation

Information	Number of Equipment		Increase (Dec'89 - Jan'90)	
	Dec '90 (Projection)	June '90 (Actual)	Number	Percent
DTW	119	110	(9)	(8)
STW	38	38	--	--
LLP	3	3	--	--
FP	1	1	--	--
Total	161	152	(9)	(6)

Financial analysis suggests that 85 deep tubewells (i.e. 77 percent) ran profitably. Total amount of profit of the present cycle stands at Tk 2349323 which equals to 46 percent of operational cost. A total of 25 deep tubewells incurred a loss of

Tk. 365,593 which equals to 23 percent of operational costs. The loss is mainly due to mechanical disturbances (i.e. breakdown) and supply problems (non-availability of fuel in time).

Upto June 1990, a total of Tk. 37713702 was advanced in this sector against 50297 loans. This equals to 8 percent of total disbursement. Recovery rate of this sector stands at 87, one of the lowest.

3.2. Poultry and Livestock

BRAC's poultry development programme aims at generating income particularly for the women. The following is an account of the programme components :

- * Training of poultry workers : One woman group member is selected from each village for a week long training on vaccination and treatment of poultry birds,
- * Development of key and model rearer: Key rearer is a person who owns at least one cock and nine HYV hens and encourages others to rear poultry. Model rearers on the other hand are entrusted with the task of supplying eggs for hatching chicks. Each model rearer has 20-30 hens and 3 cocks.
- * Establishment of mini poultry farms operated by model rearers
- * Distribution of HYV eggs, chicks and cocks.

By now the programme has grown considerably. The number of poultry workers is 2925 who extend their services to a total of 51574 rearers (i.e. 23 percent of women members) who have been provided with a total of 5688566 poultry birds.

Table 11: Progress of Poultry Programme

Information	Periodic Progress		Increase	
	Dec '89	June '90	Numbers	%
Poultry Rearer	40949	51574	10625	26
Poultry worker	2711	2925	214	8
HYV Cock/Chick Supplied	303438	377182	73744	24
Vaccination Supplied(Doses)	4936616	5688566	751950	15
Chick Rearing Unit established	480	644	164	34

Livestock development is also important in view of its income and employment generating potentials. The following presents a brief picture of the activities under the programme:

- * Training of paravets: One group member from each ward (4-5 villages) is developed as a paravet who is responsible for ensuring vaccination and health service in his/her operating area. Paravets earn by charging for their services.
- * Training of Livestock rearer : Group members who are interested in rearing cattle are given a 3 days training on feeding, housing and primary prevention of diseases.
- * Vaccination : Vaccination is an important element for the success of the programme. The medicine is supplied by the government's department of livestock.
- * Upgrading local breeds through artificial insemination
- * Fodder extension programme

Till June 1990 RDP has trained a total of 405 paravets. This presents a 67 percent increase during the reporting period. By June 1990, a total of 7746 cows have been inseminated from 24

insemination centres (Table 12). The programme is now supported by 43 veterinary graduates who offer services to the rearers. This is a significant improvement towards professionalising the programme.

**Table 12: Progress of Livestock Development Programme
Upto June, 1990**

Information	Principal Progress (Number)		Increase	
	Dec. '89	June '90	Number	%
Paravets	338	502	164	48
Rearers	13389	20571	7182	34
Insemination Centre	24	24	0	0
Animals inseminated	3607	7746	4139	115

Poultry and livestock together presents the second largest sector receiving BRAC loan. So far a total of Tk. 90215803 has been disbursed to this sector which is 19% of total disbursement. Number of loan stands at 48282. This puts the percapita loan size at Tk. 1869, which is 55% higher than the average. Recovery rate for this sector is 99 percent.

3.3 Fish Culture

BRAC started fish culture in 1976 with the re-excavation of 16 ponds in Manikgonj, Jamalpur and Sulla areas with the following objectives.

- * Bring the untapped and underutilised water bodies (ponds, ox-bow lake, baor etc.) under effective use.

- * Develop infrastructure for the expansion of fishery and fishery related activities.
- * Increase productivity and fish availability in order to improve the nutritional status of the rural population
- * Improve the composition of supply by developing new species of fish.

Over the years, BRAC's fishery programme has undertaken a number of activities and jointly worked with various agencies. Under pond development programme BRAC received assistance in 1989 from World Food Programme, the Mennonite Central Committee and DANIDA. BRAC has recently become involved in a new programme known as 'Fish Fry Production and Sale Programme' with the Government's Fishery Department. Under the agreement, BRAC supplies fish fry, produced by its group members, to the government to increase production in the open water body. In addition, it is planning to initiate another joint programme with the government to effectively improve the use of beels and baors. The programme is known as 'Beel and Baor Fisheries Development and Management Project'. As seen in Table 13 the programme includes a variety of activities involving a total of 50 branches.

Table 13: Activities Under Fish Culture Programme
Upto June 1990

Sl. No.	Type of Activities	Number of Branch Involved	No. of Pond	Pond Area (Decimal)
01.	Nilotica	15	282	1635
02.	Fry production	46	162	3866
03.	Carp Culture	50	527	26226
04.	Shrimp Carp Culture	4	29	1246
05.	Integrated Fish Culture (Paddy cum Fish)	2	4	155
Total		50	1004	33136

Upto June, a total of Tk 4712848 has been disbursed to this sector. Recovery rate of this sector is only 77% which is due to the loss caused by the unprecedented flood of 1988.

3.4. Sericulture/Ericulture Programme

This programme is designed to increase the income level particularly of the women group members. As this is a homebased activity it enables the women group members to easily participate in it. This activity in the past was confined to Manikgonj area alone, but by now is being extended to other areas too. At this stage, worms are made available to beneficiaries who rear them to maturity. Besides training, supply of mulberry plant, credit and technical advice or rearing of worms and purchasing of cocoons are also ensured by BRAC (For details see annexure 10). The number of rearers are 1307 which equals to 29 percent increase over the reporting period. Involvement of credit in this sector

is not significant yet. Till June 1990, a total of Tk. 144345 has been advanced to 231 group members. Table 14 shows some other details of the programme.

**Table 14: Sericulture Programme
Upto June, 1990**

Information	Period	
	Dec. '89 (Number)	June '90 (Number)
Cocoon Rearer	1014	1307
Mulberry Trees Planted	655370	843219
Cocoon Produced (Kahons)	10181*	7958**
Charkas	1000	1000

* Yearly

** Half year

3.5 Rural Transport Programme

This is a quickly expanding sector and at this stage the programme includes the provision of credit for 11 items (e.g. rickshaw, country boat, van etc). Till June 1990 a total Tk.15385380 has been disbursed to 6314 members (See Annex 11). Per capita loan size is highest in this sector (Tk. 2437), as the nature of investment requires a relatively large amount. Recovery rate of this sector is also satisfactory (99%).

3.6 Rural Industries Programme

Rural industrial activities as a livelihood are being taken up by an increasing number of group members. These include weaving, oil crushing, rice mill, ice and brick making and all other activities usually classed as cottage industries. The investment, particularly in rice mill and brick-making enable

group members to reap certain advantages, such as, more income, leverage in the community and increase in labour productivity through technical improvement. At this stage these activities however are not very significant. The traditional weaving heads the list. Till June 1990, a total of Tk. 33066290 has been disbursed against 26 items to a total number of 21244 group members (see Annex 12). Recovery rate of this sector now stands at 94%.

3.7 Social Forestry Programme

This is a relatively new programme which aims at checking rapid forest resource depletion and at opening new areas of income generation for group members. The objectives of the programme are to :

- * restore ecological balance
- * reduce soil erosion, land slide and mineral leaching
- * enhance income and employment opportunities

Under this programme, group members are benefited through plantation nursery and maintenance of trees. In order to accelerate the pace of the programme a good number of nurseries (100) have been established. These nurseries serve as the source of plants and seedlings to the growers and the people involved in the implementation of plantation schemes.

Upto June 1990, a total of Tk. 56263 has been advanced to 30 group members. It is however anticipated that disbursement in this sector will increase in the coming years.

3.8 Rural Trading

In rural trading a variety of activities is undertaken by group members which are mainly seasonal but with potentials for income generation. In addition, these activities offer a quick return. With the expansion of trading activities, and thus increased participation of rural poor as buyers and sellers, diversification in the rural economy takes place and the rural market widens. This is the largest sector of BRAC loans. Till June 1990 a total of Tk. 197773498 has been advanced which is 41% of total disbursement. Per capita loan size is Tk 1300 , a little higher than the average loan. A total of 149594 group members so far received loan for trading purposes. More than fifty percent of the borrowers in this sector are women. Recovery rate of this sector is 99 percent.

Section 4: SUPPORT SERVICES

4.1 Non-Formal Primary Education (NFPE)

BRAC has been implementing two primary school models directed to two different age groups. The first, called Non-Formal Primary Education (NFPE), is a three-year programme for children 8 to 10 years old who have never enrolled in school, or who have dropped out during the first year. One teacher takes the children through all three grades. Classes meet for two and a half hours each day for the first and second grades and three hours for the third.

The target students of the BRAC schools are the "unreachable", those children that research has shown have been deprived of access to education because of poverty and gender. The NFPE students are the children of the landless rural poor. The goal is to enrol 70% girls. Presently, girls make up 71%. Girls are a special focus because "research indicates that women with even a small amount of education are more receptive to new ideas....." Therefore their total overall development should be considered. When these girls in turn become mothers they will send their daughters to school as a matter of course together with their sons.

NFPE, which started in 1985, is in its sixth year. Till June 1990, a total of 3469 schools were in operation.

The second model is an experiment, started in 1988, with a two-year programme for children 11 to 14 years old who have never attended school. This programme, called Primary Education for Older Children (PEOC), now has 920 schools. Nearly 75% of the students are girls. From 1990, the age range has been raised i.e.

instead of 11-14 years it is now 11-16 years. Young, married girls within this age group will be encouraged to enter.

The challenge to the programme designers was to develop an innovative and relevant curriculum, to design, test, and produce materials to meet the identified needs and interests of rural children, to develop teaching techniques which could be implemented by a cadre of para-professional teachers recruited from the community, and to experiment with different modalities of community participation to assist and strengthen primary schools.

The BRAC schools have experienced a drop-out rate of 1.5% for the full three-year programme (loss is primarily because families must move away) and daily attendance surpasses 95%. Statistics show that 95% of those who have finished the three-year programme have passed examinations allowing them to enter the fourth grade in the formal system.

The BRAC experience suggests that there are variables more important than poverty that influence parents' and childrens' decisions about school enrolment and attendance. Relevant curricula, dedicated and well-supervised teachers, reasonable class size, parent involvement, accessibility of schools to home and low cost are apparently important variables.

The NFPE curriculum has been adapted for the PEOC and condensed. It was originally a two-year course, but the rapid progress made by the older children necessitated a fourth phase of the curriculum which is even more functionally oriented, particularly in the second year.

Each school has a village committee of five persons chosen from among parents, teachers, community leaders and one BRAC representative. The committee members motivate parents, arrange monthly meetings with them, help overcome non-attendance problems and guide the teachers in fixing holidays and class timings. The schools are supervised by BRAC POs with special training.

Upto June 1990, 3469 NFPE schools (including 1021 PEOC) have been opened, which are scattered over 47 Upazilas in 21 districts. The table below details the NFPE programme:

Table 15: Non- Formal Primary Education (NFPE)

Sl No	Name of Areas	Position		Increase	
		Upto Dec. '89	Upto June '90	Number	Percent
1.	Number of schools opened	2415	3469	1054	44
2.	Schools Completed the Course:	446	594	148	33
	NFPE	428	428	0	0
	K.K.	1	149	148	1480
	Pre-primary	17	17	0	0
3.	Schools on-going	1969	2885	916	47
	NFPE	1049	2013	964	92
	K.K.	920	872	(48)	(5)
4.	Students admitted to Govt. Primary Schools	12244	15273	2029	625
	Boys	5060	6012	952	19
	Girls	7184	9261	2077	29
5.	Students dropout	504	132	(372)	(74)
	Boys	145	30	(115)	(79)
	Girls	359	102	(257)	(72)

Facilitation Assistance Programme on Education (FAPE)

The success of the NFPE schools led to a demand from the community to open more and more schools. BRAC is fully committed to the goal of universal primary education. However, as an NGO, BRAC has its own limitations. Therefore, in 1988 BRAC entered into an agreement with the Government of Bangladesh to evolve processes aimed at improvement of existing formal primary education system. This is known as "Facilitation Assistance Programme on Education".

The broad objective of the programme is to complement government efforts to universalise primary education by the turn of the century. To achieve this the programme aims at:

- o checking drop-out rate of students at primary schools
- o increasing the attendance rate of students
- o improving enrollment rate
- o Ensure community participation.

A variety of activities have been implemented to carry out the programme. These are:

Training: courses are organised by BRAC for Assistant Upazila Education Officers, Headmasters and Assistant Teachers.

Workshops: these are organised for management committee members of the school.

Parents' Meetings: Regular parents' meetings are organised to increase the awareness level of the parents on the need of education of children.

Activating the School Management Committee: BRAC staff attend these meetings to channel the discussions for the improvement of the schools.

School Visits: BRAC POs visit schools to motivate the children and teachers, as well as parents to promote effectiveness.

The project location of FAPE is Sadar Upazilas of Manikganj and Rangpur districts, and Chowddagram Upazila of Comilla district.

The Table below provide information about schools and activities of BRAC FAPE staff.

Table 16: Activities by BRAC FAPE staff

Sl. No.	Particulars	Manikganj Sadar	Rangpur Sadar	Chowdda-gram	Total	Remarks
1.	Parents meeting	308	289	307	904	
2.	Managing committee meeting	63	6	92	215	
3.	School visit	874	942	925	2741	
4.	Individual contact	9732	4119	3896	17747	
5.	Cash & kind collections through community participation					
	a) Number of schools	29	6	19	54	
	b) Cash (Taka)	78899	2800	28145	109844	
6.	Re-admission of dropout children	94	92	90	276	
7.	Admission of schools aged children	180	184	188	552	
8.	High school, college, madrasha meeting	20	15	17	52	
9.	Training upto May'90					
	a) Asstt. U.Z. Edn. Officer	5	66	5	16	
	b) Headmaster	55	55	54	164	
	c) Asstt. teacher	192	158	224	574	

Some observations that can be made about FAPE are:

Attendance rate of both teachers and students has improved.

A total of 552 children of poor families were motivated to enrol in the formal schools

Participation of the community has improved as demonstrated by their activities(carrying out minor repairs of the schools; procuring blackboards and raising subscriptions for the schools).

Management Committee of the schools are more regular in their meetings.

4.2 Income Generation for Vulnerable Group Development (IGVGD)

IGVGD is a collaboration between the World Food Programme (WFP), Directorate of Relief and Rehabilitation (DRR), Department of Livestock (DOL), and BRAC to improve the income earning potentials of destitute women who are VGD card holders for the monthly ration of 31.25 kg. of wheat. The programme aims to provide skills training and other support over a period of 2 years when the VGD beneficiaries are supported by the wheat ration. This training would be on better poultry rearing practices so that the women can earn a sustained income equivalent to their monthly wheat ration when this is withdrawn.

Poultry rearing was considered as it is suitable for widespread implementation. It is low cost, requires little skills, highly productive and can be incorporated into the household work schedule.

Initially, the programme was taken up on an experimental basis in 1987 with DRR in 22 Upazilas. Its success led to its expansion, and, presently the programme covers 32 Upazilas

benefitting 53,724 women. The programme components are:

- o selection of VGD beneficiaries for training
- o training of poultry workers
- o vaccination on a regular basis to reduce bird mortality
- o development of key rearers
- o establishment of units to rear day-old chicks
- o distribution of HYV eggs, chicks and cocks
- o free range feed supplemented by balanced feed
- o credit support

BRAC staff are responsible for motivation, group formation, training and supply of inputs to the VGD card holders.

DOL provides technical support, vaccines, equipments and HYV eggs, chicks and cocks at cost.

DRR, through BRAC, provides administrative support for smooth implementation of the programme.

WFP helps in monitoring and liaison work.

Statistics on Target and Achievement

	<u>Target</u>	<u>Achievement</u>	<u>Percentage</u>
Upazilas under the programme	32	32	100%
Unions under the programme	309	294	95%
VGD cardholders selected for training (75% of 53,724 VGD card)	42,000	41,792	99.5%
VGD card holders trained (total)	42,000	40,744	97%
Trained as Poultry Workers	6,500	6,310	97%
Trained as Key Rearers	35,000	34,434	98%
Trained as Chick Rearers	500	450	90%
Day old chick reared	4,50,000	4,30,728	96%
Poultry mortality rate (During the reporting period)	8%	9%	

Credit:

Disbursement	1,70,00,000	1,38,19,539
Realization		1,36,75,717
Outstanding		1,43,822

IGVGD started from July 1990 and the 2 year cycle is up in June 1990.

Some of the constraints which cropped up during the course of the programme were:

- o starting period of the programme was delayed due to the floods of 1988 (August to November)
- o supply of day-old chicks was insufficient
- o some vaccines were in short supply e.g. fowl cholera and duck plague
- o some of the villages chosen were inaccessible

- o credit disbursement in some cases started late and for some the period of repayment was too short, being too near the end of their 2 year term
- o as group savings were withdrawn towards the end of the term, the women had a large amount of money in their hand. They could not buy enough birds due to insufficient supply so they spent their savings in other ways.

To overcome these constraints the following actions were taken:

Chick supply was increased through discussion with DOL from 35,000 to 90,000 birds per month.

Vaccine supply was also increased to project areas.

The VGD women were motivated to continue individual savings accounts and encouraged to buy HYV as well as local birds.

Those villages which were inaccessible were discarded due to bad communication.

In the next 6 months the programme will expand to 36 Upazilas with new beneficiaries(July 90 - June 90 cycle). The total VGD card holders in the 36 Upazilas will be 80,000. For smoother implementation of the programme it will be divided into 4 phases.

In the first phase , selection of VGD card holders will be completed by August 90.

Training of poultry workers will be completed within september, and vaccination will be started from September.

Training of key rearers will be started from September 90 (100 key rearers per month).

One feed sales centre per Upazila will be set up by August 1990.

Credit will be disbursed to chick rearers in August 90 and key rearers from September onwards.

4.3 Rural Enterprise Project (REP)

Rural Enterprise Project (REP), was initiated in October 1985 with funding from the Ford Foundation to explore and introduce new and improved income generating activities for BRAC's landless group members. It has already completed the first phase in June 1989 and is now in its second phase.

In addition to the ongoing projects REP has undertaken 11 new projects during this reporting period. They are :

1. Shrimp Nursery
2. Integrated Farming
3. Pigeon Rearing
4. Papaya Cultivation (Thai variety)
5. Lemon Cultivation (Thai variety)
6. Guava Gardening (Kaji variety)
7. Kankrol Cultivation
8. Small Carp Hatchery
9. Agro Forestry
10. Cage culture in rural condition for laying birds.
11. Proper feeding practices of different breeds of poultry.

REP has 23 projects which were established by landless groups in different locations of RDP. A list of on-going projects can be seen in Annexure 13.

Both on farm and non-farm sectors, a variety of activities

have been undertaken with a view to identify, research and promote new innovative business which can be operated by BRAC's landless groups. The activities undertaken were broadly grouped into six sectors. These include: agriculture, fishculture, livestock and poultry, agroforestry, rural industries and integrated farming.

The projects completed during this period are a) Shrimp-Carp (semi intensive) Poly Culture b) Duck-Cum-Fish Integrated Farming.

REP has developed a new profile on Shrimp - Carp Poly Culture and a training module of it during the last 6 months. It has also prepared a report on Textile and started a survey on alternative uses of power tillers.

Future Plans

During the forthcoming period, REP is planning to establish linkages and to take up projects in the following areas.

- a) Agriculture : Linkages with different research institutions, sweet potato cultivation, HYV sugar cane cultivation, vegetable seed production, horticulture nursery.
- b) Fisheries : Some pilot projects on small carp hatchery will be undertaken. More projects on carp poly culture, shrimp carp poly culture, thai sarputi, nilotica etc. will be undertaken on experimental and pilot project basis.
- c) Livestock : Linkage with Bangladesh Livestock Research Institute (BLRI), Milk processing and marketing will be done for milk surplus area.

- d) Rural Industries : Investigation on textile sector, possibilities of establishing service centres at Narsingdi, Manikganj, Rajbari and Pabna including dyeing, printing, calendering and block printing.

4.4 Management Development Program (MDP)

MDP was started under the Child Survival Program (CSP) of BRAC when it carried out different training courses for the officials and workers under the Directorate of Health and Family Planning. Considering its vital role in Human Resource Development (HRD), it has emerged as a separate project under RDP of BRAC.

The objectives of MDP are:

- * Development of rural managers both for BRAC and other organizations.
- * Development, documentation and research, of learning materials.
- * Development of management cases.
- * Sharing experiences both internally and internationally with other similar organizations.

To fulfill the objectives, five program elements have been undertaken which will be gradually developed. They are : Research, documentation and learning materials development; Experimental field laboratories; In-service education; Field follow-up and experience sharing; Consultancy services to other organizations.

These program elements started from January 1990 and will be completed within 3 years.

So far, MDP has been coordinating different training programmes for the employees of both BRAC and other organizations (government, semi-government etc.) From January to June 1990 activities initiated were:

In BRAC the training courses were for Head Office staff, Rural Development Programme (RDP) and the Child Survival Programme (CSP).

For the government the training provided was to the Upazila Health and Family Planning Officers (UHFPO) and Medical Officers (MO) of Directorate of Health, Government of Bangladesh.

The following table details training courses, during January to June 1990.

Table 17: Management Development Programme (M D P)

Training Topic	Participant Background	Employees	Batches	Persons in Each Group	Duration (Days)	Month
Management Development Training	UHFPO	GOVT.	1	15	13	JANUARY
"	MO	GOVT.	1	25	12	FEBRUARY
"	AM (RDP)	BRAC	1	15	17	"
"	HO Personnel	BRAC	1	26	11	"
"	MO	GOVT.	1	18	13	MARCH
"	AM (RDP)	BRAC	1	20	16	"
"	UPO [*] (CSP)	BRAC	1	20	18	"
"	UPO (CSP)	BRAC	1	19	19	APRIL
"	AM (RDP)	BRAC	1	20	20	MAY
"	UPO (CSP)	BRAC	1	20	16	JUNE

* UPO = Upazila Program Organizer (BRAC)

Besides, MDP provided assistance in organizing several management training courses of NIPORT and NIPSOM. MDP, along with the Training And Resource Centre (TARC) of BRAC also

assisted in implementation of training of the trainers (TOT) in NIPORT,

Future plans: In the next 6 months MDP's emphasis will be on case development through new staff and workshops on the subject as well as establishing a library.

MDP plans to carry out its scheduled activities and emphasize preparation of management cases. It will also organize one national workshop with the Directorate of Livestock which will be followed by management training courses. Besides, it is also preparing a management course for the mid level managers of different NGOs in Bangladesh. It will also provide training to BRAC's Women's Health Development Programme (WHDP) which will start from 1991. This training will be for area managers, doctors and other field level workers.

4.5 Para Legal Programme

The Para Legal Programme was started in 1986 in Manikgonj district. At that time a few group members (60) were given legal awareness training which they informally disseminated among their fellow members. The overwhelming success of this led to a widespread demand for more structured programme. The original 60 members were given a more intensive training, and, those who successfully completed the course were taken as Paralegal (PL) sheboks and they in turn started PL classes for group members.

From 1990 the programme has expanded its activities to another 10 areas namely Goalundo, Rajbari, Ahladipur, Mirzapur, Mohera, Warshi, Jamalpur-1, Jamalpur-2, Jamalpur-3 and Gheor. There are 7 POs in the Para Legal team and each PO is responsible

for three areas. In five areas the previously trained Para Legal sheboks are active i.e. legal awareness classes are going on. It is interesting to note that the group members pay for the para legal classes. This subscription is distributed as honorarium among the Para Legal sheboks.

About a hundred persons were selected from the group members as future P. L. sheboks. They are being trained in :

- I. Basic training - 1 on Family Law and Law of Inheritance.
- II. Basic training - 2 on Citizen's Right and Land Law.
- III. PLT T-1 on Family Law and Law of Inheritance
- IV. PLT T-2 on Citizen's Right and Land Law.

By using manual and in consultation with the team personnel, the trainer conducts the basic training 1 and 2. In PLT T-1 and 2 the trainers use flip charts.

To be a para legal shebok a person has to complete these four training courses. The newly selected persons, both male and female, have already completed two Basic Trainings. By December 1990 most of them will finish their PLT T-1 and 2 and become Para Legal sheboks.

In between training, these persons are up-dating their knowledge through refresher courses, which is arranged by the P.L. team. This is the process of preparing a Para Legal shebok.

Already trained Para Legal Sheboks/Shebikas are now involved with dissemination of information on law through legal literacy classes. Till now about 3755 group members have received legal awareness training in these five areas namely Manikgonj, Betila, Balirtek, Krishnapur, Gorpara.

4.6 Monitoring

In October 1988, a monitoring cell was established to assist in developing an effective monitoring and management information system for RDP. The cell started its activities by undertaking a careful review of credit operation procedures of RDP. Since then, the procedure has undergone several revisions. In addition, the cell has made progress in developing a management information system.

Activities of the unit during the reporting period are discussed below.

4.6.1 Monitoring the Institution Building Process

The objective of monitoring the institution building process is to improve the planning and organising capacity of the group. In addition, the monitoring exercise provides information to both group members and BRAC's staff on 'what is going right or wrong.'

Towards this end a participatory methodology has been developed. The methodology includes 25 indicators, covering delivery, organisational, savings and credit, social and health aspects (see Annexure 14). Each indicator is given a certain weight that ranges from two to six, with an average of four.

Indicators which are viewed more "important" are given more weights. In addition to this 10 (ten) points is given to each indicator for achieving yearly targets. Final score for each indicator comes in the following way: value of the indicator is multiplied by the mark achieved for the performance (achievement of target) of the said indicator. Total score that a group can achieve thus comes to 1000 (25x4x100). To indicate the result in

percentages, total score is divided by 100. Depending on the final score a group can be standardised into Good (8 to 10 point); Satisfactory (6 to 7.99 point); Poor (4 to 5.99 point) and Bad (less than 4).

At the group level, the results of the exercise are discussed in the next (following monitoring assessment) Monthly Meeting of the group. Depending on result and standard, the group will discuss the indicator for which it achieved the least score(s), and prepare action plan for next year to retain, or improve the situation, as the case may be. The PO (BRAC staff), on the other hand, will prepare his/her own plan for the groups under his/her supervision. This mechanism will help the group to improve its planning capacity, and BRAC to organise its work in a more effective way.

On experimental basis the exercise was carried out in two RDP areas, viz. Gheor and Krishnapur, in 1989 (see in Dec. 1989 Report). Results of the exercise were discussed in a meeting in BRAC Head Office which was attended both by head office and field staff (including Regional Managers and Area Managers of Gheor and Krishnapur). A consensus has been reached in the meeting to carry out another exercise in three selective fourth year branches before all other branches are brought under intervention. Accordingly, the exercise was carried out in Kalaroa, Kazirhat and Mirzapur areas. Results are presented in Table 19.

* It may be pointed out here that these results will be discussed in the next Quarterly Review Meeting of Monitoring to be held in July 1990. It is however anticipated that the exercise would be extended to all RCP and fourth year RDP areas before December 1990.

Standardwise Distribution of Village Organisations (Preliminary Results)

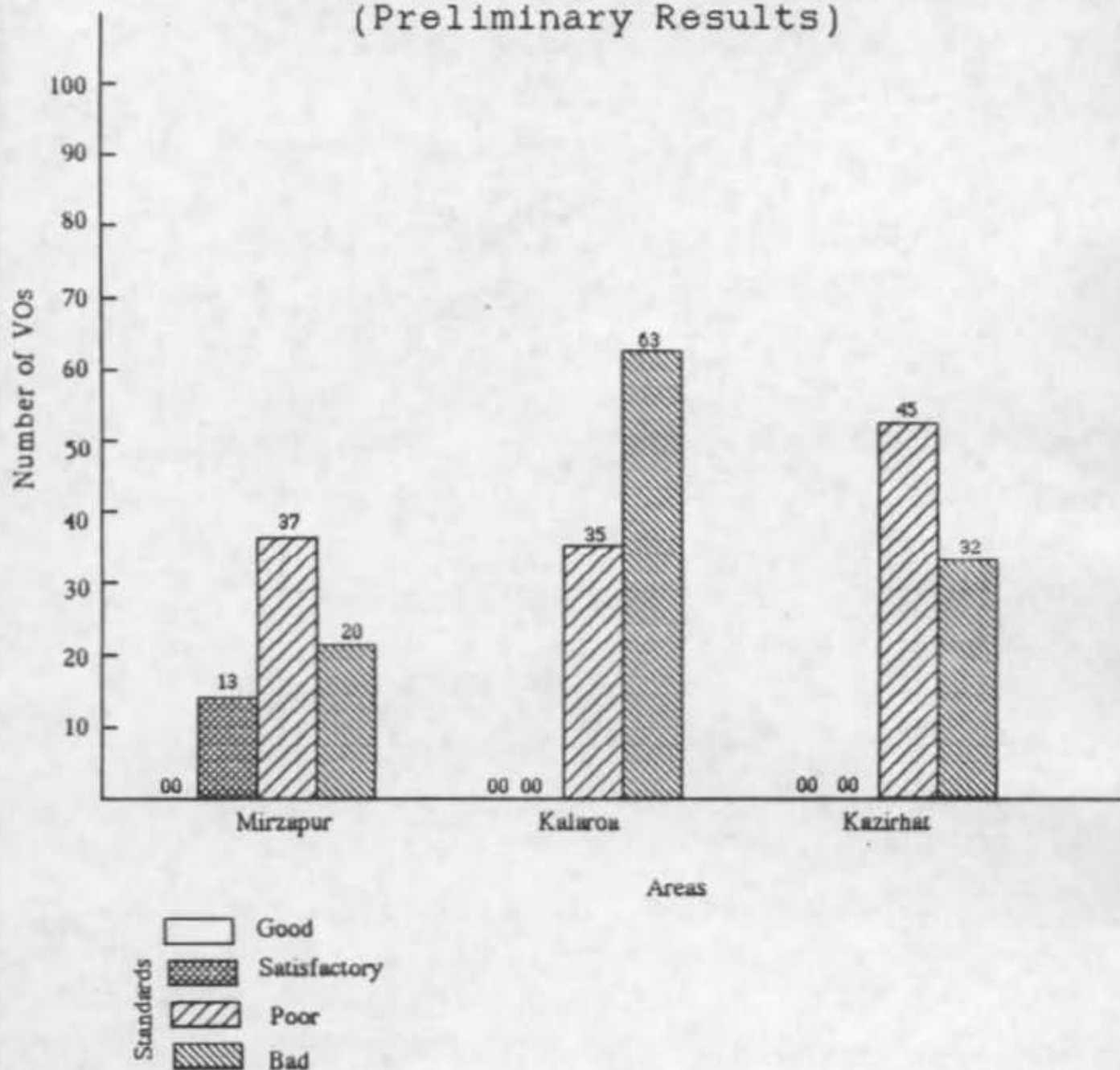


Table 18: Distribution of VO's according to monitoring standards in three branches

Area	Results									
	Good		Satisfactory		Poor		Bad		Total	
	Num-ber	Per-cent	Num-ber	Per-cent	Num-ber	Per-cent	Num-ber	Per-cent	Num-ber	Per-cent
Mirzapur	-	-	13	19	37	53	20	28	70	100
Kalaroa	-	-	-	-	35	36	63	64	98	100
Kazirhat	-	-	1	1	45	58	32	42	78	100
Total	-	-	14	6	117	48	115	46	246	100

As the result indicates only 6 percent of the VO's are found at 'satisfactory' while the rests are either at 'poor' or 'bad' level. Details are shown in Annexure 15.

4.6.2 Monitoring the Credit Operation

Similar to institution building progress has been made in working out a monitoring system for credit component of the programme. The objective is to assist the management both at field and head office, by providing information on fulfillment of target regarding disbursement and outstanding and on recovery rate. Two reporting forms have been developed for this.

The 'Daily' reporting form is a simple financial statement and is divided into two heads : target and actual position regarding loan realisation. This is submitted to Area Managers at the end of the day. This helps the Area Managers to assess the daily performance and to develop action plan for the next week. This is now being used by all branches. In addition, the Monthly Report of the branch helps the branch staff to assess the monthly

progress regarding number of new borrowers: disbursement, realisation and overdue. A copy of this report is submitted to the Programme Coordinator (PC), which is compiled by the monitoring unit to prepare project reports. Each RDP area also sends a detailed quarterly report on credit and training which are being used to prepare Quarterly Statistical Reports, and other analysis.

It is worth mentioning that due to updating and cross checking of information the Statistical Report of March and June, '90 was delayed by a couple of weeks. Subsequently, the half yearly narrative report is also delayed. Future reports, however, would be published as scheduled.

Besides the above, arrangement has been made to monitor the qualitative aspects of the programme too. One Programme Organiser (Monitoring) has been deployed in each regional office to help the managers in collecting process oriented information. Issues are suggested by Area Managers which are finalised by the Monitoring Unit after consultation with Regional Managers and Programme Coordinator. The Monitoring Unit designs data collection, controls the quality of data and prepares reports. The reports are then submitted to Regional Managers and the Programme Coordinator. Regional Manager, on the other hand, send the reports to the Area Managers for necessary actions. Three reports so far have been published which focused on different aspects of credit procedure (see on Annex 16). Preliminary results proved to be very useful to RDP management. In the coming months the activities will be extended to other subjects (e.g. use of loan money).

4.7 Research and Evaluation

The Research and Evaluation Division (RED) of BRAC which was established in 1975, undertakes various studies of BRAC's multi programmes. To date RED has completed 171 studies (43 in economic series; 43 in social studies and 85 in health series) all available in BRAC's central library. The major emphasis of RED is looking at different aspects of RDP interventions as they occur in the field. For this, RED conducts research under 5 broad categories which are:

- baseline or bench mark studies
- monitoring studies
- diagnostic studies
- impact evaluation studies
- policy oriented studies

Three studies were completed during the reporting period. Their abstracts is given in Annexure 17. In order to understand the social dynamics more closely and the impact of RDP, RED has initiated a series of anthropological village studies in two selected RDP areas, Jamalpur and Monirampur. Details of the study can be found in Annexure 17.

Annexure 1: List of RDP Areas by Year of Formation and Status

Sl. No.	Name of Area	Year of Formation	Status of Area*
01	Alhadipur	1987	Y4
02	Amdia	1983	Y4
03	Atghoria	1980	Y4
04	Balirtek	1976	Y3
05	Baliakandi	1990	Y1
06	Baniachong-I	1988	Y2
07	Baniachong-II	1989	Y2
08	Bankra	1980	Y4
09	Betila	1976	Y3
10	Bhayadanga	1980	Y3
11	Bholahat	1987	Y2
12	Boilore	1984	Y4
13	Bokshigonj-I	1987	Y3
14	Bokshigonj-II (Kamalpur)	1980	Y3
15	Boraigram-I	1980	Y4
16	Boraigram-II	1989	Y2
17	Bera	1989	Y1
18	Boalmari	1990	Y1
19	Chapai-N-Gon J	1987	Y2
20	Chowddagram-I	1989	Y1
21	Chowddagram-II	1989	Y1
22	Chowhat	1983	Y4
23	Dharagram	1984	Y4
24	Doulatpur	1981	Y4
25	Dhanshail	1980	Y3
26	Durgapur	1990	Y1
27	Fulbaria	1982	Y4
28	Faridpur	1990	Y1
29	Gaibandha	1984	Y3
30	Gheor	1979	Y3
31	Goalundo	1982	Y4
32	Gorpara	1976	Y3
33	Gozaria	1980	Y3
34	Hobigonj-I	1988	Y2
35	Hobigonj-II	1989	Y2
36	Jamalpur-I	1987	Y3
37	Jamalpur-II	1988	Y2
38	Jamalpur-III	1988	Y2
39	Jessore	1989	Y1
40	Jhinaidah-I	1989	Y1
41	Jhinaidah-II	1989	Y1
42	Jhinaigati	1980	Y3
43	Kachikata	1983	Y4

Sl. No.	Name of Area	Year of Formation	Status of Area*
44	Keshabpur	1990	Y1
45	Kalaroa	1984	Y4
46	Kawnia	1984	Y4
47	Kazirhat	1982	Y4
48	Kotwali-I	1982	Y4
49	Kotwali-II	1989	Y1
50	Krishnapur	1980	Y3
51	Kushtia-I	1989	Y1
52	Kushtia-II	1989	Y1
53	Laxmipur	1986	Y3
54	Manikgonj	1976	Y3
55	Mirzapur	1982	Y4
56	Mohera	1980	Y4
57	Monirampur-I	1989	Y2
58	Monirampur-II	1989	Y2
59	Magura	1990	Y1
60	Madhukhali	1990	Y1
61	Moheshpur	1990	Y1
62	Nalitabari	1980	Y3
63	Natore-I	1987	Y2
64	Natore-II	1989	Y2
65	Nilphamari	1989	Y2
66	Nokla	1989	Y1
67	Nonni	1980	Y3
68	Narshingdi	1980	Y3
69	Putia	1990	Y1
70	Rajbari	1987	Y2
71	Rangpur	1984	Y4
72	Santhia	1989	Y2
73	Satkhira	1987	Y2
74	Sherpur	1988	Y2
75	Shibpur	1979	Y3
76	Sreebordi	1986	Y3
77	Syedpur	1989	Y2
78	Taragonj	1989	Y2
79	Tinani	1989	Y1
80	Warshi	1982	Y4

* In view of transfer to BRAC Bank Project (Rural Credit Project)

Y4	Areas will be transferred to BBP	in 1991
Y3	"	in 1992
Y2	"	in 1993
Y1	"	in 1994

**Annexure 2 : Achievement of Target in view of Membership
June 1990**

Yearwise Areas	No. of Areas	Target	Achievement	
			Number	Percent
4th Year	20	140000	107503	77
3rd Year	20	120000	121088	101
2nd Year	20	90000	93055	103
1st Year	20	16000	28180	176
Total	80	366000	349826	96

**Annexure 3 : Achievement of Target in view of
Savings (Group members own contribution)
June 1990**

Yearwise Areas	No. of Areas	Target	Achievement	
			Amount (Tk.)	Percent
4th Year	20	29000000	24449701	84
3rd Year	20	16500000	25733423	156
2nd Year	20	7000000	13438384	192
1st Year	20	1000000	1244288	124
Total	80	53500000	64865796	121

**Annexure 4 : Achievement of Target in view of Disbursement
June, 1990**

Yearwise Areas	No. of Areas	Target	Achievement	
			Amount (Tk)	Percent
4th Year	20	253400000	217621174	86
3rd Year	20	121600000	210127402	173
2nd Year	20	45200000	55489384	123
1st Year	20	4400000	2256500	51
Total	80	424600000	485494460	114

**Annexure 5 :List of Areas Opened after
April, 1990**

Sl. No.	Name of the Area
01.	Baliakandi
02.	Bera
03.	Boalmari
04.	Durgapur
05.	Faridpur
06.	Keshabpur
07.	Kotwali - (2)
08.	Magura
09.	Modhukhali
10.	Moheshpur
11.	Putia

**Annex 6 : Termwise Distribution of Loan Portfolio
(Principal Disbursement)
(April - June, 1990)**

Term	Period		Increase	
	March '90	June '90	Amount (Tk.)	%
Shprt	338561294	373079265	34517971	10
Medium	60723430	74452627	13729197	23
Long	28328687	37962568	9633881	34
Total	427613411	485494460	57881049	14

**Annex 7 : Top Ten Item in view of Loan Portfolio
(Principal Disbursement)
Cumulative Upto June, 1990**

Sl.No.	Items	Disbursement (Principal)	As % of Total Disbursement
01.	Small Trading	194806138	40
02.	Paddy Husking	64543897	13
03.	Cow/Buffalo Rearing	59837882	12
04.	Irrigation	16310935	3
05.	Weaving (Operation)	16159198	3
06.	Paddy Cultivation	14106252	3
07.	Mortgaged Land	13597990	3
08.	Drought Animal	11701911	2
09.	Rickshaw	11456286	2
10.	Deep Tubewell	10370536	2
	Total	412891025	
Top Ten as Percent of Grand Total			85

**Annex B: Progress in Overdue Realisation
(Dec. '89 - June '90)**

Sl. No.	Name of Area	Overdue											
		Principal				Interest				Total			
		Amount		Changes		Amount		Changes		Amount		Changes	
		Dec. '89	June '90	Amount (Tk)	%	Dec. '89	June '90	Amount (Tk)	%	Dec. '89	June '90	Amount (Tk)	%
1.	Andia	45298	49154	3856	9	8408	9175	767	9	53706	58329	4623	9
2.	Atghoria	551432	514484	(36948)	(7)	605782	449256	(156526)	(26)	1157214	963740	(193474)	(17)
3.	Bankra	0	0	0	0	0	6599	6599	0	0	6599	6599	0
4.	Balirtak	0	17000	17000	0	0	22457	22457	0	0	29457	29457	0
5.	Betija	94457	92365	(2092)	(2)	67369	17610	(49759)	(74)	161826	109915	(51911)	(32)
6.	Boilor	409349	392728	(16621)	(4)	252702	127096	(125606)	(50)	662051	519824	(142227)	(21)
7.	Boreigram - 1	433160	404377	(28783)	(7)	287022	306227	13205	5	720182	704604	(15578)	(2)
8.	Daragram	50274	50274	0	0	12269	12269	0	0	62543	62543	0	0
9.	Daulatpur	88758	41636	(47122)	(53)	28552	4186	(24366)	(85)	117310	49822	(71488)	(61)
10.	Gaibandha	1000	8807	7807	781	1694	1694	0	0	2694	10501	7807	290
11.	Gazaria	631513	592615	(38898)	(6)	508445	193123	(315322)	(62)	1129958	758430	(354220)	(31)
12.	Gheor	952367	1211042	258675	27	388977	508096	119119	631	1341344	1719138	377794	28
13.	Gorpara	48615	52704	4089	8	33737	15226	(18511)	(55)	82352	67930	(14422)	(17)
14.	Jamalpur-1	1512	1512	0	0	0	0	0	0	1512	1512	0	0
15.	Kalaroa	112208	71636	(40572)	(36)	0	0	0	0	112208	71636	(40572)	(36)
16.	Kawnia	49111	39818	(9293)	(19)	7949	6646	(1303)	(16)	57060	46464	(10596)	(19)
17.	Kazirhat	34068	68524	34456	101	2393	4047	1654	69	36461	72571	36110	99
18.	Kotwali-1	5764	7083	1319	23	0	0	0	0	5764	7083	1319	23
19.	Krishnapur	198429	355670	157241	79	95487	37395	(58092)	(61)	293916	393065	99149	34
20.	Manikganj	127310	245029	117729	93	49774	112995	64211	129	177084	359024	181940	103
21.	Narshingdi	1292674	1249382	(43292)	(3)	600430	592142	(8287)	(1)	1893104	1841524	(51580)	(3)
22.	Rangpur	0	74515	74515	0	0	24399	24399	0	0	98914	98914	0
23.	Shibpur	732744	732580	(164)	(0.02)	555018	198404	(356614)	(64)	1287762	930964	(356778)	(28)
24.	Sreebordi	90688	164600	73912	82	6321	15357	9036	143	97009	179957	82948	85
Total :		5950731	6437545	486814	8	3512329	2659389	(852939)	(24)	9463060	9096934	(366126)	(4)

**Annexure 9: Distribution of Not Yet Transferred Loans
As on June, 1990**

Sl. No.	Area	Principal	Interest	Total
01.	Amdia	92227	19925	112152
02.	Atghoria	514484	449256	963740
03.	Balirtek	17000	22457	39457
04.	Bankra	127001	2071	129072
05.	Betila	92365	17610	109975
06.	Boilor	395547	127096	522643
07.	Boraigram - 1	566853	313366	880219
08.	Daragram	50274	12269	62543
09.	Daulatpur	54136	4186	58322
10.	Gaibandha	22807	1694	24501
11.	Gazaria	592615	193077	785692
12.	Gheor	1211042	508096	1719138
13.	Gorpara	102704	17171	119875
14.	Jamalpur - 1	1512	--	1512
15.	Kalaroa	71636	--	71636
16.	Kawnia	40578	6646	47224
17.	Kazirhat	105990	6360	112350
18.	Kotwali - 1	7083	--	7083
19.	Krishnapur	514437	65262	579699
20.	Manikgonj	1533385	514218	2047603
21.	Narsingdi	1249382	592142	1841524
22.	Rangpur	193315	25937	219252
23.	Shibpur	732580	199004	931584
24.	Sreebordi	204496	18191	222687
**.	Total	8493449	3116034	11609483

Annexure 10: Sericulture Programme

BRACs sericulture programme started when it was looking into off-farm schemes to relieve the pressure from the agriculture sector in rural areas. Sericulture was seen as a profitable income earner, especially for women, as it can be carried on simultaneously with other activities, as well as being home based. Although, the traditional silk producing areas are in the northern regions of the country, BRAC tried sericulture on an experimental basis in the Manikganj area in 1978 with assistance from the Bangladesh Sericulture Board (BSB). The results were so promising that it was replicated in other RDP areas and has expanded into a separate and complete industry which are vertically and horizontally linked with the output of one being the input of the other. Presently, BRAC is a major silk producer of the country having produced around 15,000 kg. of cocoons in six months. The total cocoon production of the country is 399,069 annually and it is confidently expected that by the year 1992-3, BRAC will be producing 319,379 cocoons and become the single largest silk producer in the country after the Sericulture Board.

The raw silk production of the country today is 30 metric tons and BRACs target for 1992-3 is 20 metric tons annually.

Advantages of the Programme

- o Sericulture is a labour intensive rural industry and can absorb the excess labour force in these areas
- o Both young and old can engage in this activity from the same household
- o It is a low investment, less risk activity
- o It gives returns in quick succession yielding income every two and a half to three months for growers and after every month for rearers

- o Mulberry trees do not require cultivated land
- o Sericulture involves simple technologies which are easy to understand
- o Bye-products of sericulture ,such as, mulberry twigs, silkworm litter, pierced and unreelable cocoons,pupae and reeling waste are all useful in one form or other and provides an income.

Mulberry Cultivation

Mulberry leaf is the main food material for silkworms. Mulberry cultivation can be of three types; a) bush, b) mid-cut and c) trees. The first two kinds need land, and, as land is scarce for the landless, the most suitable alternative is tree plantation around homestead land, roadside embankments and on fallow land, such as, the sides of slopes.

For trees, saplings are required, and BRACs group members have started small nurseries with technical assistance from BSB and BRAC.

Bangladesh, with flat, fertile alluvial land and sub-tropical monsoon climate is highly suitable for mulberry plantation and silkworm rearing. In this climate, growth of mulberry plant is continuous allowing silkworm rearing to take place four to six times a year.

Homestead Plantation

For homestead plantation, growers are selected from among those who have some homestead and pond embankment land. Saplings are supplied to them during August - September either from group members' nurseries or from BSB. Continuous follow up is provided by BRACs sericulture technician and POs.

Roadside Plantation

This kind of cultivation is carried on by landless women of BRACs group. Those living near the roads are selected for roadside cultivation and the roads are leased from the Union or Upazila Parishads for a period of 20 years. Twenty years was set as the cut off point as the leaf yield falls considerably after that period. However, there is an option for a new lease to be negotiated if the trees are still productive. BRACs group members, who look after these trees, will be the only beneficiary of the leaf yield.

Each woman will plant and look after 400 trees from sunrise to sunset and do necessary maintenance. Every month a refresher course on nurturing and maintenance of trees is held. For this roadside plantation scheme each grower receives 3 kg. of wheat daily. After one year, the growers are given training on rearing practices. BRACs sericulture programme is carried on in five zones : Manikganj, Pabna, Jessore, Rangpur and Jamalpur.

Silkworm Rearing

Most of the women who grow mulberry trees also rear silkworms. In a few cases, the mulberry grower sells leaf to the rearer and there are also growers, rearers and spinners in the same household, especially in the case of non-mulberry silk, such as eri. Invariably, the rearers rear the silkworms in their homes and sometimes in a separate rearing room or rearing house. The life cycle of a silkworm is 45 days as follows:

eggs - 10-12 days
larva - 20-25 days
pupa - 5 days
adult - 4 days

Each rearer does 4 cycles of rearing (bondh) per year.

For each 20 rearers, one rearer is identified as a "Chawki" rearer. She will buy 1000 disease - free layings (DFLs) which is approximately 40,000 eggs (as each laying results in 400 eggs) from BSB and rear them upto the third moult or the second stage of larva, which is 10 days. At this stage, they need careful nurturing and feeding. Each "chawki" rearer is provided with a "Chawki" rearing house. Even the leaves that they are fed on are plucked from the top two or three leaves which are tender and the terminal bud removed to allow auxilliary buds to develop rapidly as they would otherwise remain dormant. The leaves are usually plucked in the early morning hours as it has higher food value compared to those harvested in the late afternoon due to photosynthesis during day time. The leaves are stored in moist, cool and clean places to preserve succulency. They are then finely chopped and given at specified feed times. The "chawki" rearers use bamboo trays for rearing, and when the young larvae are ready distributes them to other rearers. These rearers look after the larva till they are ready for the cocoon forming stage at which point they are transferred from the trays to bamboo stands known as "chandrikas". When the pupa stage is complete the cocoons are sold to BRACs reeling groups or to BSB at fixed prices. In two of the zones, Manikganj and Jamalpur, the cocoons are sold to the women's groups at the AAF production centres, while in the other zones, except for a few cases, the cocoons are sold to the Sericulture Board.

Silkworm Reeling

The reeler stifles the cocoon (that is, kill the pupa) by sun drying or electric dryer. Silk reeling is still a cottage industry in Bangladesh. The unwinding of the silk filament into one yarn is called "reeling". However, only the mulberry silk cocoon has a continuous silk filament and reeling is only done for mulberry cocoons. In the case of non-mulberry cocoons, such as, eri, which feeds on castor leaves, the absence of continuous filament and hardness of shell necessitates spinning of the yarn. This spinning of eri silk is usually done in "charkas" and is home based. Therefore, sometimes in the same household, one sees growers, rearers and spinners.

Reeling, however, is done in BRAC at its training, production and service centres in Manikganj and Jamalpur. The reeling is done in a reeling equipment called the mini filature. The filature has small reels overhead and separate equipment for re-reeling. Basically, the filature has separate parts, viz., the cooking unit, the aluminium reel and the basin. Each basin has 6 ends. After boiling the cocoons, the filament ends are identified and reeled through an reel.

Raw silk, is measured in renditta. Renditta is the number of kilograms of fresh cocoons required to render one kilogram of raw silk. BRACs renditta is, presently, 17.

Raw silk is invariably twisted and then sold to the weavers for handloom weaving.

**Annex 11: Itemwise Distribution of Rural Transport Loan
(Cumulative Upto June '90)**

Sl No	Item	Men		Women		Total	
		No. of Loan	Principal Disbursement	No. of Loan	Principal Disbursement	No. of Loan	Principal Disbursement
	Rural Transport:	5951	14537526	363	847824	6314	15385350
1.	Bicycle (Carrier)	66	188500	Nil	Nil	66	188500
2.	Bicycle	2	5000	2	8000	4	13000
3.	Buffalo Cart	99	305186	19	21500	118	326686
4.	Bullock Cart	248	525373	3	9000	251	534373
5.	Country Boat	432	542176	99	223058	531	765234
6.	Horse Cart	44	93240	5	9442	49	102682
7.	Mechanized Boat	9	27000	7	18000	16	45000
8.	Push Cart	250	359600	16	21000	266	380600
9.	Repairing Shop	202	142753	Nil	Nil	202	142753
10.	Rickshaw	4102	10989599	187	466687	4289	11456286
11.	Rickshaw Van	497	1359099	25	71137	522	1430236
12.	Tempo	Nil	Nil	Nil	Nil	Nil	Nil

**Annex 12: Itemwise Distribution of Rural Industries Loan
(Cumulative Upto June 1990)**

Sl. No.	Item	Men		Women		Total	
		No. of Loan	Principal	No. of Loan	Principal	No. of Loan	Principal
	Rural Industries:	7353	12041484	13891	21024806	21244	33066290
01.	Bamboo Works	176	240500	1280	1233418	1456	1473918
02.	Bidhi Making	62	16200	31	75200	93	91400
03.	Block Printing	Nil	Nil	162	924783	162	924783
04.	Boat Making	231	277400	56	132000	287	409400
05.	Brickfield	939	1892700	3931	2431300	4870	4324000
06.	Carpentry	70	91450	14	5750	84	97200
07.	Cart Making	7	20000	10	15950	17	35950
08.	Cottage Industries	496	693175	1202	1888400	1698	2581575
09.	Dari Making (Bamboo Splinter)	14	36000	47	44000	61	80000
10.	Embroidery	Nil	Nil	264	790567	264	790567
11.	Hand Loom	23	39000	73	101500	96	140500
12.	Handicraft	Nil	Nil	38	52000	38	52000
13.	Ice Cream Plant	Nil	Nil	Nil	Nil	Nil	Nil
14.	Katha Making	Nil	Nil	864	536500	864	536500
15.	Khoyer Making	1	2000	6	7500	7	9500
16.	Leather Processing	100	327318	175	351024	275	678342
17.	Net Making	144	207858	1188	1668897	1332	1876755
18.	Paper Packed	Nil	Nil	6	2700	6	2700
19.	Pottery	6	2700	33	47800	39	50500
20.	Rice Mill	141	128000	125	76000	266	204000
21.	Sericulture(Rearing)	55	58611	175	82734	230	141345
22.	Tailoring	122	221129	301	1337376	423	1558505
23.	Tally Making	28	83200	209	412472	237	495672
24.	Turmeric Dust	38	35500	9	8480	47	43980
25.	Twisting	Nil	Nil	26	305000	26	305000
26.	Weaving (Operation)	4699	7665743	3666	8493455	8365	16159198
27.	Worm Rearing	1	3000	Nil	Nil	1	3000

Annexure 13: List of On-going Project of REP

A. EXPERIMENTAL PROJECT

Sl.No.	Project Name	Area	No of Project	Duration
01.	Shrimp-Carp Poly Culture (Semi-intensive)	Kalaroa Sathkhira	5	'89 - '90
02.	Duck-Cum-Fish Integrated Farming	Boilor Mymenshingh	1	'89 - 90
03.	Shrimp Nursery	Kolaroa Sathkhira	2	'90 -
04.	Pearl Culture	Boilor Mymenshingh		'89 - 90
05.	Mechanical Workshop	Mirzapur Tangail	1	'89
06.	Layer-Fish Integrated Farming	Boilor Mymenshing	3	'89 - 91
07.	Integrated Farming	Trishal Mymenshing	7	'90
08.	Papaya Cultivation	Jhikargacha Navaroon	3	'90 -
09.	Lemon Cultivation	"	3	'90 -
10.	Guava Gardening	"	2	'90 -
11.	Kankrol Cultivation	"	3	'90 -
12.	Small Carp Hatchery	Kalaroa & Boilor	2	'90 -
13.	Agro Forestry	Kamalpur Jamalpur	9	'90 -
14.	Layer Cage Culture in Rural Condition	Gheor	1	'90 - '91
15.	Feed Efficiency on Different Breed & Variety of Poultry	Gheor	32	'90 - '91
16.	Broiler Fish Integrated Farming	Boilor	1	,89 -

B. PILOT PROJECTS:

Sl.No.	Project Name	Area	No of Project	Duration
* 01.	Dye House	AAF Manikgonj	1	'88 -
** 02.	Dhury Making	Nazirhat	10 Women	'88 -
** 03.	Block Printing Development	AAF Manikgonj	1	'86 -
04.	Turbid Water Fish Culture	Boilor	4	'90 -
* 05.	Block Printing Drier	A.A.F Manikgonj	1	'89 -
** 06.	Chawki Rearing	Krishnapur	1	'89 - '91
07.	Pigeon Rearing	Kalaora	4	'90 -

* Projects are only monitored by REP staff.

** Projects are supervised and controlled by RDP and RCP staff.

**Annexure 14: List of Indicators and Weight
(Translated Copy)**

Indicator	Weight
1. Membership (Cumulative Figure)	3
2. Households coverage (Cumulative Figure)	3
3. Number of weekly meetings held (During Last One Year)	3
4. Number of Monthly Meetings held (During Last One Year)	3
5. Number of FE Graduates (Cumulative Figure)	2
6. Leadership Training Received (Cumulative Number)	2
7. Planning and Management Training received (Cumulative Number)	2
8. Skill training received (Cumulative Number)	2
9. Outstanding borrower (Latest Position)	6
10. Overdue borrower (Latest Position)	5
11. Per capita savings (Latest Position)	3
12. Attendance rate in Monthly Meetings (During Last One Year)	6
13. Individual Savings Pass Book (Upto date, or not: Reporting time)	2
14. Individual Loan Pass Book (Upto date, or not: Reporting time)	2
15. Group's Pass Book (Upto Date or Not: Reporting time)	2
16. Group's Resolution Book (Adequately, used or not: During Last One Year)	3
17. Preservation of collection sheets by VO (Adequate or not: During Last One Year)	2
18. Group's Monthly Report (Nos. of report prepared during Last One Year)	3
19. Election of Management Committee of the group (held or not)	2
20. Number of HHs with sanitary latrine (Cumulative Position)	4

Indicator	Weight
21. Percent of eligible children attend school (Cumulative Figure)	3
22. Percent of eligible children immunized (Cumulative Figure)	3
23. Number of divorce case registered among group member households during last One Year	4
24. Number of polygamy recorded among group member households during last One Year	4
25. Number of Group Member so far benefited from credit (cumulative)	5
26. Percentage of NFPE Graduates enrolled in Govt. Primary Schools (During last one year)	4
27. Percentage of Kishoree (PEOC) graduates married before eighteen years old (During last one year)	4
28. Percentage of Pregnant mothers immunized (During last one year)	4
29. Percentage of mothers having second baby in less than three years (During last one year)	4
30. Percentage of VO's decisions which were implemented (During last one year)	5

Annexure 15: Indicators for which the VOs receiving zero score (Number of VO)

NAME OF AREA	TOT-AL	I N D I C A T O R S																								
		01	02	03	04	05	06	07	08	09	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25
MIRZAPUR	70	47	41	2	30	59	32	24	19	32	50	19	24	64	68	17	32	1	70	0	44	36	70	12	15	14
BALASORA	98	92	84	11	77	93	76	73	41	95	13	99	17	73	47	29	76	38	98	97	96	97	57	16	15	10
KALINHAT	78	74	71	15	38	78	41	31	14	75	66	42	8	52	62	15	35	9	78	20	78	77	38	42	25	15

ANNEX 16 : BRIEF ON MONITORING REPORTS

As mentioned in the text, one Programme Organiser (Monitoring) has been deployed in each region from April 1990, who collects and checks data. A total of three reports have been published during the reporting period which focus on Revised Credit Procedure. The reason behind selecting this issue refers to the priority of programme management. Details of these reports are:

Sl. Subject	Monitoring Checklist	Number of area covered	Sample size	Findings
1. Implementation of Revised Credit Procedure (Documentary aspects)	<p>a. Resou-tion for loan by VO</p> <p>b. Admi-nistra-tion of Loan Pass Books.</p> <p>c. Requ-ired savings VS Actual Savings of borrow-ers</p>	18 RDP areas from 6 regions	All borro-were who rece-ved loan in March 1990	<p>a. A total of Tk. 6634000 has been disbursed to 3463 borrowers in 18 areas. Per capita loan size stood at Tk. 1915. This is consistent to procedure.</p> <p>b. Lowest disbursement was made by Kackikata, a third year branch: Tk. 177500 has been disbursed to 119 members. Per capita loan amount comes to Tk. 1491 only.</p> <p>c. A total of 141 (i.e. 4%) borrowers received loan without prior approval of the VO's i.e. their loan applications were not discussed in the VO's meeting. However the Management Committee of the group recommended their loan application form.</p> <p>d. In 3% cases the borrowers did not have the required savings i.e. less than required by procedure.</p> <p>e. Inadequacy found in view of Loan/Pass Book administration too: 13% of the loan pass books were not up-to-date.</p>

Sl. Subject	Monitoring Checklist	Number of area covered	Sample size	Findings
2. Implementation of Revised Credit Procedure (Documentary aspects)	<ul style="list-style-type: none"> a. Loan Application Form b. Outstanding and instalment fail (overdue) position. c. Use of loan subsidiary 	24 Areas from 6 regions (Not covered by previous report)	All borrowers who received loan in March 1990	<ul style="list-style-type: none"> a. Only one borrower did not apply for loan in prescribed form. This is statistically insignificant. Note that a total of 3650 group members from 24 areas received loan in March, 1990. Per capita loan size was Tk. 1720. Lowest in Jessore, Tk. 609 and highest in Chapai Nawabgonj (Tk. 1925). b. A total of 467 borrower (i.e. 13% of the total) understated their previous outstanding loans while 6% of the borrower understated instalment fail amount. c. Inconsistencies found in subsidiary loan ledger too, e.g. code number of the borrower does not correspond to his/her name.
3. Implementation of Revised Credit Procedure (Documentary aspects)	<ul style="list-style-type: none"> a. Loan application form. b. Administration of Loan Pass Book c. Administration of Guarantee bond 	25 RDP areas from 6 region	All borrowers who received loan in April 1990	<ul style="list-style-type: none"> a. One borrower did not apply for loan in prescribed form. b. Six percent (261) of the pass books are not adequately administered, e.g. date of issue of pass books date of disbursement etc. c. A total of six borrower (Statistically insignificant) did not sign prescribed guarantee bond

Annexure 17: List of Studies Completed During the Reporting Period

Gender Differences and Role of Women in the Households: The case of female loanees of BRAC.

Abstract:

The objective of the study was to identify the role of women in the familial activities surrounding the household economy; extent of their control in decision making and their performance in BRAC - financed economic schemes.

The study comes up with some interesting findings and conclusions. In spite of a network of gender differentiation, women are performing a wide range of economic activities which are crucially important for the household economy. In addition to their regular work, women are being increasingly involved in quite a number of agricultural and non-agricultural decisions independently and sometimes jointly with their husbands. But certain discriminatory factors still operate within the family circle. The women are involved in decisions which are less crucial, less risky with less financial involvement compared to that of their menfolk.

Who Don't Get Loan and Why : A Look into Unequal Credit Mobility in Landless Groups

Abstract:

To enquire into the issue of unequal credit mobility among the BRAC - group members, a sample of 280 households, of which 50% were loanees and 50% non-loanees, were selected and

interviewed. Some 82 BRAC staff were also interviewed. The sample households came from 33 VOs in five RDP areas in Manikganj, Pabna and Rajbari.

The socio-economic data of both loanee and non-loanee households challenge the conventional notion within BRAC that it is the most dispossessed segment of the target people who are not getting loans. This is not true. Both types of households possess a complex mixture of well off and destitute persons for which any distinct demarcation with regard to socio-economic characteristics cannot be made.

"Non-fulfilment of pre-conditions for receiving a loan" was identified as the major reason affecting equal credit mobility.

"Failure of the management" and "Reluctance of the leaders to provide credit" together came up as the second most important reason.

"Reluctance of the member in demanding credit" was another of the reasons.

BRAC staff identified "Non-BRAC intervention" i.e. factors beyond the control of BRAC as another important reason.

"Improving participation and activity of the members in the samity" was suggested as the most effective way to solve the issue.

BRAC staff opined on "Intensifying their own role for improving participation through constientization".

"Recovery of old debts" and "Expanding the scope of work opportunities for the organised groups came up as other notable measures.

Production and Employment Aspects of Small Enterprises for Women: A Case Study of Betila Production Centre.

Abstract:

The study was designed to assess the performance, profitability and distribution aspects of profit of Betila, one of the 24 sub-centres under the Ayesha Abed Foundation (AAF) in Manikganj, covering the period September 1988 to August 1989.

During this period the sub-centre, earned a gross revenue of Tk. 997,335 and a net return of Tk. 250,919. Altogether, 94 workers are employed in the sub-centre, 81 women and 13 men. Of the total workers 85 are on daily wage basis, 75 of them being women. It was found that the wage rate of the workers in the sub-centre was lower than the prevailing rate of the rural wage earners of Bangladesh as well as the mean wages of Manikganj area (Tk.27.50). The women workers engaged on both daily and monthly basis earned less than their male counterparts.

A high drop out rate among female workers (below 15 years) was observed.

Certain recommendations aimed at increasing the income of the workers, most of whom are disadvantaged women, were made. They include, timely and adequate supply of raw materials from AAF to the sub-centre; skills training to the workers to raise their productivity and improvement in the existing management system.