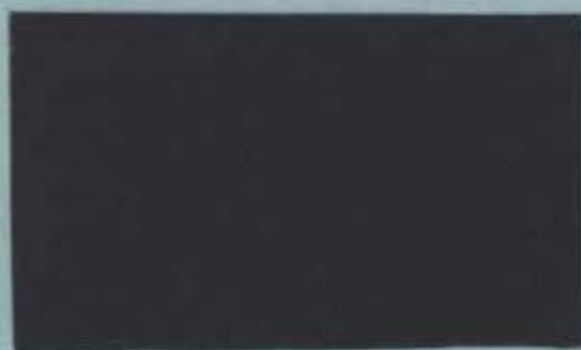


**RURAL DEVELOPMENT PROGRAMME
AND
RURAL CREDIT PROJECT**



BRAC

**BANGLADESH RURAL
ADVANCEMENT COMMITTEE**

RURAL DEVELOPMENT PROGRAMME (RDP)

&

RURAL CREDIT PROJECT (RCP)

**HALF YEARLY REPORT
JUNE 1992**

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SUMMARY

The Rural development Programme (RDP) and the BRAC Bank Project formally called the Rural Credit Project (RCP) are the cornerstone of BRAC interventions. These two programmes work towards alleviating poverty and empowering the rural poor which are the cardinal objectives of BRAC. RDP was introduced in 1986, RCP in January 1990. Activitywise, these are similar and complementary programmes. In 1990, BRAC devised an innovative approach to expand and sustain RDP activities. Under this approach, RDP operates for a period of four years in a newly intervened area, developing the base for the viable institutional framework required for accelerating credit activities without BRAC's subsidized support. RCP then takes over the RDP branch.

The Rural Credit Project is a continuation of RDP initiated activities with its major emphasis on credit operations. The transfer of a branch from RDP to RCP takes place when the outstanding loans made to village organization members in a given branch are sufficiently large (approximately Tk.8 million) so that the income generated at the present rate of interest (20%) will cover the ongoing operating costs. This is a major step towards guaranteeing the sustainability of RDP's approach.

RDP and RCP incorporate four major types of activities: (i) institution building including functional education and training; (ii) credit operation; (iii) income and employment generation; and, (iv) support services programme. Each activity encompasses a number of sub-activities.

The nucleus of RDP and RCP is the branch office (BO). A BO is generally staffed by one manager, 3 programme organizers (PO) and 12 gram sheboks or shebikas (GS). As the activities gain strength, special purpose POs or GSs are deployed in a branch to promote sector programmes such as education, sericulture, poultry, etc. A branch covers 120 village organizations (VOs) - 50 for landless men and 70 for landless women -with a combined membership of 6,000 to 7,000. Evidence shows that considerable changes took place during the reporting period (January to June 1992). RDP has transferred 20 branches to RCP and has intervened in 20 new areas. The number of RDP branches now stands at 90 and RCP at 50. These two programmes together now cover 6,037 villages spread over 98 thanas (upazilas) of 31 districts of Bangladesh. The period under discussion was an eventful one in many respects. A mid-term evaluation of RDP and RCP activities was carried out in March 1992. This was followed by an appraisal of RDP, proposed, Phase III (1993-1995) in April 1992. In addition to that, there were two special reviews conducted during the reporting period: one on the deep tubewell programme in February and the other one on the sericulture programme in May-June. Mentionable progress also took place in view of the programme activities. These are summarised in the following pages.

Institution Building

Institution building is the core of all activities and aims at empowering the landless poor. Towards this end, BRAC organises landless individuals into village-based organizations, separately for men and women. During January-June 1992, a total of 1,621 village organizations (1,388 in RDP and 233 in RCP) with a membership of 74,195 scattered over 700 villages were added to RDP and RCP. This brings the total number of VOs and membership to 13,012 and 672,320 respectively which corresponds to an increase of 14% and 12% respectively. Genderwise breakdown of information indicates a higher growth rate for women's groups (87%) and membership (89%). This is due to a change in BRAC's policy of emphasizing women's empowerment. Performance regarding VOs and membership is satisfactory in terms of achievement of target. Targets for VOs and membership were achieved by 106% and 110% respectively.

Information on functional education, an important activity of institution building, suggests a similar growth. Number of functional education graduates has increased by 16% from 333,057 in December 1991 to 385,862 in June 1992. A working group was formed in May 1992 to review the functional education and issue based meetings materials. Records on other human and skills development training also indicate a satisfactory situation. A total of 111,413 group members have been provided with different human and skills development training (including FE and Legal courses) during the reporting period. This equals a 18% increase compared to December 1991.

Savings during the reporting period have increased by Tk.39 million (i.e. 19%) from Tk.206 million in December 1991 to Tk.244 million in June 1992. The Group Trust Fund has increased by 28% from Tk. 51 million in December 1991 to Tk. 65 million in June 1992. Savings and Group Trust Fund together now stand at Tk.309 million which corresponds to 17% of RDP and RCP's cumulative disbursement and 44% of outstanding. Target for savings has been realised by 90%.

Credit

A total of Tk.349 million has been disbursed during the reporting period. This corresponds to 19% of cumulative disbursement which now stands at Tk.1,820 million. More than 73% of total disbursement during the reporting period went to women while the share for women in cumulative disbursement is 67%. This can be attributed to a shift in policy.

Sectorwise breakdown of information reveals that about 47% of the disbursements during the reporting period went to the rural trade sector. This was followed by food processing (24%) and irrigation (13%). These three sectors account for 84% of total disbursements in the reporting period. This is due to the following factors. To streamline the credit operation, repayment period of all general loans (i.e. all loans other than

collectively implemented schemes or housing) have been restricted to two years. Subsequently, the preference for investment of loans went to those sectors which ensure a quick return. Rural trading is well known to be one of these sectors. In addition, first time borrowers also prefer to invest money in trade as risk involvement is less and does not necessarily require any skills or large amounts of money.

Further analysis of data shows that overall target for disbursement has been achieved by 77%. The shortfall is an outcome of the factors which are related to the changes regarding credit operations. As the number of borrowers per household has been limited to two, the number of outstanding loans per borrower has also been limited to two. As indicated before, repayment for all general loans is one to two years.

An investigation into the portfolio quality shows that 87% of total outstanding (i.e. Tk. 699.44 million) is current loan (i.e. within the loan life period), 9% late, 3% overdue, and 1% 'not yet transferred'.

Sectorwise breakdown of information shows that 68% of late loans and 75% of overdue are concentrated in the rural trading, food processing and livestock sectors. Overall recovery rate now stands at 97%. Recovery rate in most of the areas is satisfactory. Below average recovery rates are found in 19 branches (16%). It is worth mentioning here that not all overdue loans (including 'not yet transferred') fall into the bad loan category. Experience suggests that some overdue is performing although repayments are not regular. An amount of Tk.254,655 has been realised from amongst the overdue loanees during the reporting period. Target for outstanding loan during the reporting period has been achieved by 99%. This brings the total outstanding amount to Tk.699.44 million, a 15% increase since December 1991.

Sector Programmes

Performance of RDP and RCP with regard to sectoral activities is also impressive. Almost all the sectoral activities show considerable changes during the reporting period.

Irrigation, which has potentials not only in terms of income and asset generation but also in view of social considerations (changes in the dependency structure), experienced rapid changes over the previous cropping cycle. A total of 626 deep tubewells were under operation during the present boro crop season covering a total of 25,498 acre. Available information suggests that coverage of deep tubewells would have been much higher if new tubewells were sunk in time. The role of the irrigation sector is quickly changing in terms of absorbing BRAC loans. Cumulative disbursement is now Tk.160 million or 9% of total.

Poultry is increasingly becoming a regular source of income particularly for women group members. BRAC's poultry programme

is a unique case of micro level enterprise development in Bangladesh. It has increased the production levels for birds and eggs and helped thousands of poor, rural women in earning an income. A multitude of support services have been developed for the effective implementation of the programme. The major components of the programme are: training of cadres as poultry workers; regular vaccination; establishment of day-old chick rearing units; development of key rearers; egg collectors to do the marketing; establishment of feed sale centres; credit; and follow-up on a regular basis.

As expected, the programme has grown considerably during the reporting period. The number of poultry rearers now stands at 121,318 and poultry workers at 4,993. This corresponds to an 23% and 12% increase respectively. A similar growth can be seen in the livestock sector. At present there are 1,246 trained paravets who extend their services to a total of 59,877 trained cow rearers.

Since more and more group members are taking up cow rearing as a regular source of income, and as a profession, the necessity to improve the breed has arisen. BRAC is responding by opening up breeding centres. At present there are 58 artificial insemination centres in different areas. Livestock including poultry is the second largest sector receiving BRAC credit. Cumulative disbursement in this sector stands at Tk.292.5 million.

Fishculture is another sector that is expanding quickly. The number of ponds under fish culture has increased by 3,132 or 86%, from 3,648 in December 1991 to 6,780 in June 1992. Water body under fishculture has increased by 337 acres, or 46%, from 740 acres in December 1991 to 1,077 acres in June 1992. A good number of activities are carried out under this programme and range from hatchery to restocking of open water resources (e.g. beel and baor). BRAC is also carrying out experimental projects to introduce new species of fish in the country.

Great potentials exist in sericulture in view of income and employment generation particularly for women, as this is a home-based activity and can be carried out simultaneously with other activities. BRAC is promoting the expansion of sericulture especially in non-traditional areas. Total cocoon production during the reporting period stands at 13,772 kagoon. Number of chawki rearers and silk worm rearers also show good progress during the reporting period, 50% and 2% increase respectively as compared to December 1991.

Support Services

Statistics on support services indicate a good record. BRAC's Non-formal Primary Education programme opened 3,233 schools, including 10 schools opened under the urban pilot scheme introduced in March 1992. Number of on-going schools now stands at 8,666 with 262,851 students.

A similar situation can be noted regarding IGVGDP. The programme approaching the end of its existing cycle has so far trained a total of 57,929 cardholders as poultry rearers. Number of poultry workers in IGVGDP areas now stands at 5,867. Total loan disbursement in this sector amounts to Tk.61 million. Recovery rate is 100%. It is worth mentioning that the credit programmes for IGVGDP are financed by money provided by the Directorate of Relief and Rehabilitation. Other support service programmes also indicate impressive performances. REP so far has transferred eight projects to RDP for wider replication. MDP has organized a total of 20 training courses including two new courses (viz. credit management and operational management), for BRAC staff only. RED has completed 8 studies relevant to RDP during the reporting period. The monitoring department has monitored about 13 indicators during the reporting period and initiated new tools (e.g. delinquency) for monitoring credit. Preparation works for VO assessment have been completed. The survey will be carried out during the second half of the year.







Statistics at a glance

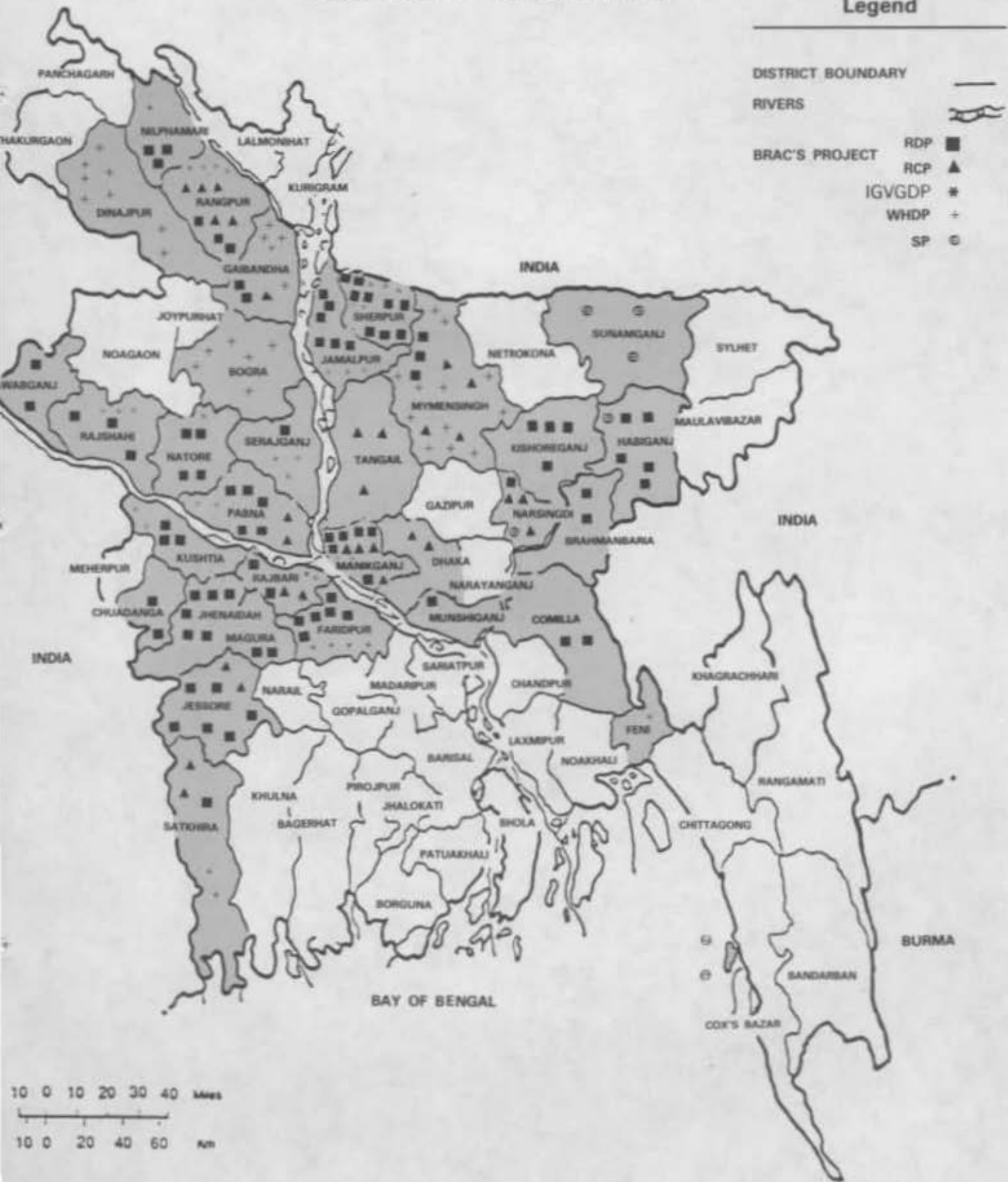
Sl No	Information	Cumulative upto January 1, 1992	Cumulative upto June 30, 1992	Increase January-June 1992	
				Number/Amount	Percent
1.	Villages covered	5,337	6,037	700	13
2.	Households covered	378,860	484,654	105,794	27
3.	Village Organisations	11,391	13,012	1,621	14
4.	Membership	598,125	672,320	74,195	12
5.	Total Savings (Tk. in million)	205.51	244.24	38.73	19
6.	Functional Education (Graduates)	333,057	385,862	52,805	16
7.	Human Development Training (including FE Graduates)	424,086	494,114	70,028	17
8.	Training	206,621	248,006	41,385	20
9.	Disbursement (Tk. in million)	1,471.49	1,820.26	348.76	24
10.	Outstanding (Tk. in million)	607.04	699.44	92.39	15
11.	No. of DTW	626	626	Nil	NA
12.	Area (acre) under DTW	25,498	25,498	Nil	NA
13.	No. of Poultry Rearers	105,051	121,318	16,267	15
14.	No. of Poultry Workers	4,463	4,993	530	12
15.	No. of Ponds under Fishculture	3,648	6,780	3,132	86
16.	Area (acres) under Fishculture	740	1,077	337	46
17.	Number of NFPE and KK Schools (ongoing)	5,433	8,666	3,233	60

MAP SHOWING THE R.D.P. R.C.P. IGVGDP

WHDP AND SP WORKING AREAS

Legend

- DISTRICT BOUNDARY ———
- RIVERS 
- BRAC'S PROJECT
 - RDP 
 - RCP 
 - IGVGDP 
 - WHDP 
 - SP 



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**LIST OF AREAS AND BRANCHES BY DISTRICT,
THANA AND YEAR OF FORMATION**

Sl. No.	Name of District	Sl. No.	Name of Thana	Name of Area/Branch	Status of Area/Branch	Year of formation	
01	Dhaka	01	Dhamrai	Kawalipara	Y6	1980	
			-Do-	Chowhat	Y5	1983	
02	Manikgong	02	Manikgong Sadar	Manikgong	Y5	1976	
			-Do-	Garpara	Y6	1976	
			-Do-	Krishnapur	Y6	1980	
			-Do-	Balirtek	Y6	1976	
			-Do-	Betila	Y5	1976	
		03	Gheor	Gheor-1	Gheor-1	Y5	1979
				-Do-	Gheor-2	Y2A	1990
		04	Daulatpur	Daulatpur	Daulatpur	Y5	1981
				05	Saturia	Saturia	Daragram
		-Do-	Horgoj			Y7	1980
03	Munshigonj	06	Gazaria	Gazaria	Y5	1980	
04	Narsingdi	07	Narsingdi sadar	Narsingdi	Y6	1980	
			-Do-	Amdia	Y6	1983	
		08	Shibpur	Shibpur	Y6	1979	
05	Mymensingh	09	Monohardi	Kachikata	Y5	1983	
		10	Kotwali	Dapunia (Kotwali-1)	Y6	1982	
				-Do-	Churkhai (Kotwali-2)	Y3A	1989
		11	Trishal	Trishal	Trishal	Y7	1983
				-Do-	Boilur	Y6	1984
		12	Gouripur	Gouripur*	Y1	1992	
		13	Mukttagacha	Mukttagacha-1*	Mukttagacha-1*	Y1	1992
				Mukttagacha-2* (Chenchua)	Mukttagacha-2* (Chenchua)	Y1	1992
		14	Fulpur	Fulpur-1*	Fulpur-1*	Y1	1992
				-Do-	Shamvuganj* (Fulpur-2)	Y1	1992
06	Kishoregonj	15	Fulbaria	Fulbaria	Y6	1982	
		16	Ishworgonj	Ishworganj	Y2B	1991	
		17	Nandail	Nandail	Y2B	1991	
		18	Kishoregonj Sadar	Kishoregonj	Kishoregonj	Y2A	1990
				Austogram	Austogram	Y2A	1990
07	Tangail	20	Kotiadi	Kotiadi	Y2A	1990	
		21	Tarail	Tarail	Y2B	1991	
		22	Mirzapur	Mirzapur	Mirzapur	Y6	1982
				-Do-	Mohera	Y6	1980
-Do-	Warshi	Warshi	Y6	1982			

Sl. No.	Name of District	Sl. No.	Name of Thana	Name of Area/Branch	Status of Area/Branch	Year of formation
08	Serajganj	23	Serajganj Sadar	Serajganj	Y2B	1991
		24	Shahzadpur	Shahzadpur*	Y1	1992
		25	Ullapara	Ullapara*	Y1	1992
09	Pabna	26	Pabna Sadar	Pabna	Y7	1980
		27	Chatmohor	Chatmohor	Y7	1982
		28	Atghoria	Atghoria	Y4A	1980
		29	Bera	Bera	Y3B	1989
		30	Santhia	Santhia-1	Y4B	1989
			-Do-	Santhia-2	Y2A	1990
10	Natore	31	Ishwardi	Dashuria	Y2B	1991
		32	Natore Sadar	Natore	Y4A	1987
			-Do-	Hobiatpur (Natore-2)	Y4B	1989
		33	Lalpur	Lalpur*	Y1	1992
		34	Boraigram	Bonpara (Boraigram-1)	Y4A	1980
	-Do-	Dhanaidah (Boraigram-2)	Y4B	1989		
11	Bogra	35	Bogra	Bogra*	Y1	1992
		36	Kahalu	Kahalu*	Y1	1992
12	Rajshahi	37	Putia	Putia	Y3B	1990
		38	Durgapur	Durgapur	Y3B	1990
		39	Paba	Paba	Y2B	1991
		40	Mohonpur	Mohonpur*	Y1	1992
13	Chapai-N.Gonj	41	Chapai-N.Gonj Sadar	Chapai-N.Gonj	Y5	1987
		42	Bholahat	Bholahat	Y5	1987
14	Gaibandha	43	Gaibandha Sadar	Gaibandha	Y5	1984
			- Do -	Laxmipur	Y6	1986
		44	Gobindaganj	Gobindaganj*	Y1	1992
15	Nilphamari	45	Palashbari	Palashbari	Y2B	1991
		46	Nilphamari Sadar	Nilphamari	Y4B	1989
		47	Syedpur	Syedpur	Y4B	1989
16	Rangpur	48	Kishoriegonj	Kishoriegonj	Y2B	1991
		49	Rangpur Sadar	Rangpur	Y6	1984
			-Do-	Nazirhat	Y7	1986
			-Do-	Paglapir	Y7	1986
			-Do-	Darshona	Y7	1986
		50	Kawnia	Kawnia	Y6	1984
		51	Taragonj	Taragonj	Y4B	1989
			-Do-	Ikarchali (Taragonj-2)	Y2A	1990

Sl. No.	Name of District	Sl. No.	Name of Thana	Name of Area/Branch	Status of Area/Branch	Year of formation
		52	Mithapukur	Mithapukur	Y2B	1991
17	Dinajpur	53	Dinajpur Sadar	Dinajpur*	Y1	1992
		54	Fulbari	Fulbari*	Y1	1992
		55	Parbotipur	Parbotipur*	Y1	1992
18	Rajbari	56	Rajbari Sadar	Rajbari	Y4A	1987
			-Do-	Ahladipur	Y6	1987
		57	Baliakandi	Baliakandi	Y3B	1990
		58	Gualondo	Gualondo	Y6	1982
19	Faridpur	59	Faridpur Sadar	Faridpur	Y3B	1990
		60	Alfadanga	Alfadanga*	Y1	1992
		61	Nagarkanda	Nagarkanda	Y2B	1991
		62	Bhanga	Bhanga*	Y1	1992
		63	Boalmari	Boalmari-1	Y3B	1990
			- Do -	Boalmari-2	Y2B	1991
		64	Modhukhali	Modhukhali	Y3B	1990
		65	Sadarpur	Sadarpur	Y2B	1991
20	Magura	66	Magura Sadar	Magura	Y3B	1990
		67	Mohammadpur	Mohammadpur	Y2B	1991
21	Jhenaidah	68	Jhenaidah Sadar	Jhenaidah	Y3A	1989
			-Do-	Dak Bangla Bazar (Jhenaidah-2)	Y3A	1989
			-Do-	Harinakundu	Y2B	1991
		69	Shailakupa	Shailakupa*	Y1	1992
		70	Koatchandpur	Koatchandpur	Y3B	1990
		71	Kaligonj	Kaligonj	Y2A	1990
		72	Moheshpur	Moheshpur	Y3B	1990
22.	Jessore	73	Jessore Sadar	Jessore	Y3A	1989
		74	Jhikargacha	Jhikargacha	Y7	1982
			-Do-	Bankra	Y5	1980
			-Do-	Navaron	Y7	1980
		75	Monirampur	Monirampur	Y4B	1989
			-Do-	Rajganj (Monirampur-2)	Y4A	1989
		76	Chowgacha	Chowgacha	Y2A	1990
		77	Keshabpur	Keshabpur	Y2A	1990
23	Chuadanga	78	Chuadanga	Chuadanga	Y2B	1991
		79	Damurhuda	Damurhuda*	Y1	1992
		80	Jibannagar	Jibannagar	Y2A	1990

Sl. No.	Name of District	Sl. No.	Name of Thana	Name of Area/Branch	Status of Area/Branch	Year of formation
24	Satkhira	81	Satkhira Sadar	Satkhira	Y5	1987
		82	Kalaroa	Kalaroa	Y6	1984
		-Do-	Kazirhat	Kazirhat	Y6	1982
25	Kustia	83	Kustia Sadar	Kustia	Y3A	1989
		-Do-	Bittipara (Kustia-2)	Bittipara (Kustia-2)	Y3A	1989
		84	Kumarkhali	Kumarkhali	Y2B	1991
26	Jamalpur	85	Jamalpur Sadar	Jamalpur	Y5	1987
		-Do-	Titpalla (Jamalpur-2)	Titpalla (Jamalpur-2)	Y4A	1988
		-Do-	Nandina (Jamalpur-3)	Nandina (Jamalpur-3)	Y4B	1988
		86	Sarisabari	Sarisabari	Y2B	1991
		87	Bakshigonj	Bakshigonj	Y4A	1987
27	Sherpur	-Do-	Kamalpur (Bakshigonj-2)	Kamalpur (Bakshigonj-2)	Y5	1980
		88	Sherpur Sadar	Sherpur	Y4A	1988
		-Do-	Bhayadanga	Bhayadanga	Y5	1980
		89	Nakla	Nakla	Y3A	1989
		90	Nalitabari	Nalitabari	Y5	1980
		-Do-	Nonni	Nonni	Y5	1980
		91	Jhinaigati	Jhinaigati	Y5	1980
		-Do-	Dhanshail	Dhanshail	Y5	1980
28	Comilla	92	Sreobordi	Sreobordi	Y5	1986
		-Do-	Tinani	Tinani	Y3A	1989
		93	Chowddagram	Munsirhat (Chowddagram-1)	Y3A	1989
		-Do-	Gunobati (Chowddagram-2)	Gunobati (Chowddagram-2)	Y3A	1989
29	Chandpur	94	Matlab	Matlab*	Y1	1992
30	Brahmanbaria	95	Brahmanbaria Sadar	Brahmanbaria-1	Y2B	1991
		-Do-	Brahmanbaria-2	Brahmanbaria-2	Y2B	1991
31	Hobigonj	96	Hobigonj Sadar	Hobigonj	Y4A	1988
		-Do-	Sutang (Hobiganj-2)	Sutang (Hobiganj-2)	Y4B	1989
		97	Baniachong	Baniachong	Y4A	1988
		-Do-	Zatrapasha (Banicahong-2)	Zatrapasha (Banicahong-2)	Y4B	1989
		98	Bahubal	Bahubal	Y2B	1991

Sl. No.	Name of District	Sl. No.	Name of Thana	Name of Area/Branch	Status of Area/Branch	Year of formation
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SPECIAL PROJECTS

	Narsingdi	Monohordi	Hatirdia	Integrated Development Project	Special Project
	Hobiganj	Baniachong	Markuli	HDP	*
32	Sunamganj	99 Sulla	G.gaon	"	"
		100 Derai	Derai	"	"
		-Do-	Shymarchar	"	"
33	Cox's Bazar	101 Kutubdia	Kutubdia-1	PCRDP	"
			Kutubdia-2	"	"

Note: * Opened in February 1992

RCP : Number of branches stands at 50

Year-7 branches (10) has been transferred to RCP in 1990

Year-6 branches (20) has been transferred to RCP in 1991

Year-5 branches (20) has been transferred to RCP in 1992

RDP : Number of RDP areas stands at 90

Year-4 areas : 20

Year-3 areas : 20

Year-2 areas : 30

Year-1 areas : 20

INTRODUCTION

Bangladesh Rural Advancement Committee (BRAC) is a non-government development organisation involved in empowering the rural landless through socio-economic activities. Since its inception in 1972 it has grown into a full-fledged development organisation of international repute. Over the years, BRAC has experimented with various modalities of development programmes suitable for the landless, rural, and disadvantaged population. The main thrust of BRAC is to develop a viable organisation for the poor and extend credit facilities to improve their socio-economic condition. The development of rural women who are doubly disadvantaged, being members of not only poor households but also of a male dominated society, is emphasized in BRAC.

The Rural Development Programme (RDP) is BRAC's major integrated, multi-sectoral programme and the front line activity for implementation of BRAC's strategy. It plays a critical role in development, implementation and expansion of BRAC's activities. The intervention of BRAC in new areas is initiated by RDP which operates for a minimum period of four years in the newly intervened areas developing a viable, institutional environment necessary for initiating subsequent credit activities without RDP's subsidized supports.

A BRAC Bank project, formally called Rural Credit Project (RCP), takes over a branch only when it is capable of efficient credit operations. Thus, intervening in new areas and developing the existing areas as RCP's are two important features of RDP activities. RCP, which began its activities by buying out ten branches from RDP in 1990, added another twenty branches to its list in January 1992. This brings the total numbers of RCP branches to 50 which are spread over 31 thanas (upazilas) in 15 districts. The number of RDP branches (or areas) is now 90 covering 74 thanas in 25 districts.

RDP's approach focuses on four major types of activities. These are:

- Institution Building;
- Credit Operation;
- Income and Employment Generation; and,
- Support Services.

An RDP/RCP branch office is generally staffed by 6-7 persons and includes one Manager, 3-4 Programme Organisers (POs) and two Accountants. They are assisted by 10 locally recruited workers known as Gram Shebok/Shebikas (GS). A branch office covers 120 village organisations (VO), with a membership of about 6,000.

1.0 INSTITUTION BUILDING

Institution building is not only a fundamental task but also a key factor in successfully operating multidimensional and integrated, rural development programmes. Institutional

development in RDP involves a number of stages and time for consolidation. The various stages of institution building are presented below.

1.1 VILLAGE ORGANIZATION (VO)

The process of institution building starts with BRAC's intervention in new areas and identification of the target population (landless poor) eligible for membership through an informal survey. After that, group discussions take place between the people identified who have expressed their interest in development and BRAC's Programme Organisers.

Within a short period of one or two months, these group discussions attract 30 to 40 people on a regular basis. The time is now ripe for introducing rules, formalizing groups and forming a VO. The minimum size of a VO is 45 and the maximum 55.

Each VO is subdivided into small groups comprising 5 to 7 members. Each small group has a Secretary elected for a period of two years. Each VO is managed by a Management Committee (MC) consisting of 7-10 members which includes a Chairman, a Secretary and a Cashier. Members of the MC are chosen from amongst the Secretaries of the small groups. The leader of a small group cannot be on the MC for more than one year. By June 1992, RDP had reached 3,183 villages spread over 74 thanas in 25 Districts through a network of 90 Area Offices.

During 1992 a total of 1,388 VOs with a membership of 68,033 (87% women) scattered over 514 villages were added to RDP. Available data continues to indicate a higher growth rate for women's groups and memberships. This is due to BRAC's policy of emphasizing women's development. Overall target in view of VO and membership, has been achieved by 106% and 108% respectively. Further analysis of data indicate a linear growth rate among the branches. Average size of the groups (i.e. VO) in RDP areas is 51. This is more than the set standard of 50. A similar change can also be seen in RCP areas.

RCP which began its operation in January 1990, now covers 2,854 villages and 218,408 households. The Number of groups now stands at 6,388 with a total membership of 334,040. This brings the average size of the groups to 52 which is more than the requirement of 50. Target of membership has been achieved by 111%. A total of 6,857 members who joined the group during the reporting period were women. This is due to BRAC's policy of emphasis on women membership. Meanwhile 695 male members left the group which was due to changes that have been introduced during the second quarter of the year. The number of members per household can no longer exceed two and subsequently the households that had more than two members are now complying with the new rule.

Table 1: Coverage

Status	Overall and Periodic Performance				
	Cumulative upto January 1, 1992	Target upto June '92 (as per revised proposal)	Cumulative upto June 30, 1992	Actual as a % of projection	Percent Increase over January 1, 1992
VILLAGES COVERED					
Total	5,337	NA	6,037	NA	13
RCP	2,668	NA	2,854	NA	7
RDP	2,669	NA	3,183	NA	19
VOS FORMED					
Total	11,391	12,250	13,012	106	14
RCP	6,155	6,000	6,388	106	4
RDP	5,236	6,250	6,624	106	27
MEMBERSHIP					
Total	598,125	612,500	672,320	110	12
RCP	327,878	300,000	334,040	111	2
RDP	270,247	312,500	338,280	108	25
NA : Not Applicable					

1.2 FUNCTIONAL EDUCATION (FE) AND TRAINING

Once group formation is accomplished, group norms such as conscientization, weekly meetings, regular savings habit and training of group members on human resource development and skills are established. Among the various means of group development processes, FE is considered the best tool to make group members aware of the existing flaws in society and their dormant potential as agents to create an environment of self help and mutual aid.

The Functional Education Course (FEC) comprises 25 members (consisting of 5 small groups). The course consists of two parts: social awareness and literacy. The awareness part is compulsory for all group members. The process of conscientization of group members in a planned manner starts with the FE course. Through June, 1992 a total of 385,862 group members have received Functional Education Training and of these, 70,028 (18%) were during the reporting period. Due to its importance, BRAC from time to time reviews its functional education materials and a review was initiated in May 1992. A working group has been formed towards this end which will also review the materials of the issue based meetings. Besides functional education, BRAC also provides group members with other human and skills development training to develop human potential, leadership and managerial qualities and occupational skills, a pre-condition of transforming a VO into an effective and sustainable institution. It is worth mentioning that the *planning and management training course has been substantially reorganised during the reporting period. It has been divided and enriched into 5 separate courses which offer planning and management skills on credit, sericulture, fishculture, irrigation and poultry & livestock. A total of 11,143 group members have received human and skills development training (including the FE and legal awareness courses) during the reporting period. Statistics in Table 2 show that overall training performance is satisfactory in view of achievement of target.*

Table 2 : Human and Skills Development Training

Information	Cumulative upto January 1, 1992	Target for January 1, to June 30, 1992	Achievement of Targets Jan - June '92		Cumulative upto June 30, 1992
			Number	Percent	
Human Development ¹	424,086	81,741	70,028	86	494,114
Skill Development ²	206,621	34,882	41,385	119	248,006
TOTAL	630,707	116,624	111,413	96	742,120

1.3 GROUP MEETINGS

The group members meet once a week. At this meeting prospects, problems and issues which affect the group are discussed with the major focus being on various aspects of financial transactions (loan realisation and collection of savings etc.). This meeting, however, should not be viewed as a tool of credit activities only. The norms and disciplines which are set for this meeting effectively promote the institution building activities. Attending weekly meetings on a timely & regularly basis and actively participating in the decision making are important aspects of institution building.

An issue-based meeting is held once a month and conducted by the PO. Various social issues, particularly relating to socio economic condition which affect the lives of the landless poor, are discussed and analysed. Based on the discussions, various actions are planned. This kind of meeting is of special significance in the institutional development process.

A village-based meeting is held generally at the Branch Office, four times a year with the leaders of small groups for both men and women. This is organised by the PO. At the meeting various issues on organisational norms, rules and financial disciplines are discussed. These meetings play a significant role in the institution building process. These meetings are carried on in the same manner when RCP takes over from RDP.

1. This includes FE graduates, teachers, legal awareness, CR, Planning and Management (I and II).
2. Comprises Poultry Workers, Poultry Rearers, Paravets, Chick Rearers, Cow Rearers, Horticulture Nursery, Irrigation Scheme Management, Paddy Cultivation, Vegetable, Fish Culture, (Nursery and Pond) and Silkworm Rearers.

1.4 SAVINGS AND GROUP TRUST FUND

Group members are encouraged to start a savings programme through regular weekly savings. Each member deposits Tk.2.00 weekly. This aims at developing their saving habits and installing a financial resource base to reduce their vulnerability when a small amount of money is required in an emergency.

Table 3 : Savings : Total and Members Own Contribution

Information	Position upto January 1, 1992	Target upto June 30 '92 (as per revised proposal)	Position upto June 30, 1992	Actual as a % of projection	Percent Increase over Jan. 1, 1992
TOTAL SAVINGS					
Total	205,511,553	271,390,434	244,242,544	90	19
RCP	147,446,263	213,529,184	163,105,970	76	11
RDP	58,065,290	57,861,250	81,136,574	140	40
MEMBERS' OWN CONTRIBUTION					
Total	148,136,654	152,531,684	169,299,682	111	14
RCP	105,871,684	117,871,684	112,304,743	95	6
RDP	42,264,970	34,660,000	56,994,939	164	35

Upto June 1992, a total of Tk.244 million, men Tk.69 million and women Tk.175 million, was saved by group members of which Tk.39 million (19%) has been generated during the reporting period. Overall target of savings has been achieved by 111% and 90% respectively for members own savings and total savings. Performances of RCP branches regarding total savings fall a little behind target. This is largely due to a fall in disbursement in these branches. Growth in RDP is satisfactory. In addition to savings, the Group Trust Fund, has increased by 28% from Tk.50.7 million in December 1991 to Tk.64.8 million in June 1992. Savings and Group Trust Fund together now stand at Tk.309 million which equals 17% of RDP and RCP's cumulative disbursement and 44% of outstanding. More than 78% of the savings represent women's contribution during the reporting period. Per capita savings of women is also higher than men: Tk.371 and Tk.344 respectively for women and men.

1.5 INSURANCE

An insurance policy for VO members was introduced on the 15th of June 1990. A group member needs to fulfil the following criteria to be eligible for the insurance policy: one year as a group member; below age 54; and enrolled as a member in the insurance policy.

The insurance benefit has been fixed at Tk.5,000. The insurance money will be given to the nominee of the insured member after his/her death. No member needs to pay any premium. The fund is generated by the 1% compulsory deduction from loan disbursements. Till June 1992, RDP had 69,146 group members who were covered by the insurance policy which is about 40% of the eligible membership. RCP had 106,219 group members who were covered. This is about 32% of total membership and more than 40% of the eligible members.

2.0 CREDIT

Credit is a major component of RDP's approach to development. Credit enables group members to support various economic activities and generates income and employment. In RDP, credit given to improve the socio-economic conditions of the poor is not only an end but also a means towards the institution building process.

The process of credit operation under RCP is the same as in RDP with the exception of: (i) the average size of loan amount (Tk.1,800 in RCP and Tk.1,736 in RDP); and, the amount of outstanding (Tk.9.2 million per branch in RCP and Tk.3.3 million in RDP in June, 1992). BRAC operates a Revolving Loan Fund (RLF) designed to meet the needs of its organized group members who are largely excluded from institutional credit sources. Loans realised are credited to and form a part of the RLF which is used for extending further credit. This revolving process (lending-recovering-lending) ensures credit facilities to all group members and creates a feeling among them of helping each other by repaying the loan amount promptly.

2.1 OBJECTIVES

The following are the objectives of BRAC's Credit Programmes:

- Generate employment and income both for men and women;
- Mobilise unutilized and underutilized local resources such as use of derelict ponds, planting trees on roadside embankments;
- Introduce new kinds of rural industries such as sericulture;
- Diffuse technology such as irrigation, and promote better health care such as sanitation.

2.2 CRITERIA

There are certain basic rules which serve as guidelines for granting loans against various economic activities. These are:

- Priority is given to schemes/projects with economic and social profitability potential;
- No collateral is (in the traditional sense) required;
- All loans provided are subject to continuous and intensive monitoring and supervision;
- No loan is given to a borrower to buy land from other group members;
- Loans are granted at 20% interest rates calculated on reducing balance and repayable in weekly instalments.

In addition, a member or borrower needs to fulfil the following conditions:

- Must have completed functional education training, Social Awareness;
- Must have a record of regular attendance at the weekly meetings and regular savings deposits;
- Must have clear knowledge of the 17 promises;
- Must have savings equivalent to 5% of the loan requested for the first time, 10% for the second time and 15% for all subsequent loans.

2.3 OPERATIONAL PROCEDURES: DISBURSEMENT AND RECOVERY

Loan proposals are screened and approved by the group during their weekly meetings. To have a loan proposal approved by the group, two thirds of the members must be present. Participation and group responsibility are thus essential elements of the loan process. After approval, the loan proposal is submitted to the Branch Manager through the responsible BRAC POs. The loan amount is disbursed to the borrower in cash in the presence of the MC of the group.

Loans disbursed are recoverable in weekly instalments. Once a week the GS visits each village to collect all loan instalments from the group (both women's and men's) of the same village in the presence of all group members, including management committee members, and enters the account into the borrower's pass book. The same day the GS deposits the money with the Accountant at BRAC's Branch Office. The number of borrowers in a household has been limited to two persons. Similarly, the number of outstanding loans per borrower is restricted to two. As indicated before, repayment period for all general loans is one to two year.

2.4 PERFORMANCE OF CREDIT OPERATIONS

2.4.1 Disbursement and Outstanding

Disbursement for RDP* has increased by 47% from Tk.341 million in December 1991 to Tk.502 million in June 1992 and outstanding by 39% from Tk.169 million to Tk.236 million. It may be mentioned here that no disbursement takes place in the new branches until the groups are at least 3-6 months' matured. Available information shows that 74% of total disbursement during the reporting period went to women while the share of women in cumulative disbursement was 67% (see Annexure 1). This can be attributed to BRAC's policy of emphasizing women's development. These performances are also satisfactory with respect to targets for disbursement and outstanding which were achieved by 108% and 128% respectively.

Disbursement for RCP during the reporting period has increased by 17% from Tk.1,130 million in December 1991 to Tk.1,318 million in June 1992. A total of Tk.188 million has been disbursed in 1992 to finance various income and employment generating activities. The target of cumulative disbursement upto the reporting period has been achieved by 69% (see Table 5). This is largely due to the changes which have been enforced during 1991: restriction of number of loans per borrower to two and number of borrowers per household to two. The cumulative disbursement and outstanding upto the reporting period, June 1992, stood at Tk.1,318 million, Tk.464 million respectively.

Gender breakdown of statistics suggests that women are leading in the income generating activities compared to their male counterparts. More than 76%, Tk.188 million, of disbursement during the reporting period went to women who are also leading in cumulative disbursement. The increased participation of women in credit gives them the chance to take part in production activities and to eventually improve their social status.

* Excluding 20 new branches which have been opened during February/March 1992.

Table 4: Achievement of Target for Disbursement and Outstanding

Information	Programme	Position upto January 1, 1992	Target upto June 30, '92 (as per revised proposal)	Position upto June 30, 1992	Actual as a % of pro- jection	Percent Increase over January 1, 1992
Disbursement	All total	1,471,496,822	2,377,175,000	1,820,260,916	77	24
	RCP	1,130,273,086	1,913,150,000	1,317,896,216	69	17
	RDP	341,223,736	464,025,000	502,364,700	108	47
Outstanding	All total	607,046,317	706,886,328	699,440,808	99	15
	RCP	437,489,765	522,022,488	463,699,618	89	6
	RDP	169,556,552	184,863,840	235,741,190	128	39

Sectorwise breakdown of information for RDP reveals that nearly 50% of the disbursements during the reporting period went to the rural trading sector alone. This is followed by food processing (24%) and irrigation (13%). These three sectors account for 85% of total disbursements in the reporting period. A similar situation exists for RCP. Rural trading, irrigation and food processing account for 85% of total disbursement for this reporting period (see Annexure 2). This can be attributed to a number of factors. Repayment period of all general loans (i.e. all loans other than collectively implemented schemes e.g. deep tubewells) has been restricted to two years. This change came into effect in June 1991. Subsequently, most of the loans went to those sectors that ensured quick returns such as rural trading and food processing. In addition, first time borrowers also preferred to invest money in trade or food processing as risk involvement is less and does not necessarily require any skills or large amounts of money. Large investments in the irrigation sector indicate considerable expansion of this sector (see Section 3.1.2).

The effects of the above policy changes can also be seen in the term structure of disbursement. Short term loans as a percent of total disbursement during the reporting period accounted for 92 percent while the medium and long term loans represented only 1% and 7% of disbursement respectively (see table-5).

**Table 5: Termwise Distribution of Disbursement
(January-June 1992)**

Sl No	Name of Sector	Short term (upto 1 year)		Medium term (1-3 years)		Long term (>3 years)		Total (Amount)
		Amount	%	Amount	%	Amount	%	
1. Agriculture	RCP	8,891,000	97.94	41,500	0.47	141,000	1.59	8,873,500
	RDP	5,359,000	97.82	94,500	1.72	36,500	0.66	5,490,000
	Total	14,050,000	97.82	136,000	0.95	177,500	1.24	14,363,500
2. Irrigation	RCP	13,830,580	58.43	28,000	0.12	9,812,850	41.45	23,871,230
	RDP	9,585,750	42.95	88,000	0.39	12,646,500	56.66	22,320,250
	Total	23,416,330	50.91	116,000	0.25	22,459,150	48.83	45,991,480
3. Fisheries	RCP	201,000	23.79	18,500	2.19	625,500	74.02	845,000
	RDP	1,322,000	50.59	766,500	29.34	524,500	20.07	2,613,000
	Total	1,523,000	44.04	785,000	22.7	1,150,000	33.26	3,458,000
4. Livestock	RCP	6,716,300	97.15	185,000	2.68	12,000	0.17	6,913,300
	RDP	7,050,089	95.52	295,500	4.00	35,500	0.48	7,381,089
	Total	13,766,389	96.31	480,500	3.36	47,500	0.33	14,294,389
5. Cottage Industry	RCP	6,780,500	92.30	63,500	0.86	502,000	6.83	7,346,000
	RDP	3,007,000	98.11	46,000	1.50	12,000	0.39	3,065,000
	Total	9,787,500	94.01	109,500	1.05	514,000	4.94	10,411,000
6. Services	RCP	374,500	99.47	NIL	00	2,000	0.53	376,500
	RDP	280,000	83.35	NIL	00	162,000	38.85	442,000
	Total	654,500	79.96	NIL	00	164,000	20.04	818,500
7. Rural Transport	RCP	2,433,500	95.90	104,000	4.10	NIL	00	2,537,500
	RDP	4,075,000	99.00	41,000	1.00	NIL	00	4,116,000
	Total	6,508,500	97.82	145,000	2.18	NIL	00	6,653,500
8. Rural Trading	RCP	84,886,450	99.78	124,000	0.15	81,000	0.07	85,071,450
	RDP	78,838,419	99.87	53,500	0.07	51,000	0.06	78,942,919
	Total	163,724,869	99.82	177,500	0.11	112,000	0.07	164,014,389
9. Food Processing	RCP	50,010,800	99.92	29,000	0.06	11,000	0.02	50,050,800
	RDP	35,219,706	99.94	16,000	0.05	5,000	0.01	35,240,706
	Total	85,230,506	99.93	45,000	0.05	16,000	0.02	85,291,506
10. Health	RCP	27,000	100.0	NIL	00	NIL	00	27,000
	RDP	32,000	100.0	NIL	00	NIL	00	32,000
	Total	59,000	100.0	NIL	00	NIL	00	59,000
11. Miscellaneous	RCP	1,907,350	99.82	3,500	0.18	NIL	00.	1,910,850
	RDP	1,448,500	96.70	13,500	0.90	36,000	2.40	1,498,000
	Total	3,355,850	98.45	17,000	0.50	36,000	1.60	3,408,850
Total	RCP	175,858,980	93.76	597,000	0.32	11,167,150	5.93	187,623,130
	RDP	148,217,464	90.74	1,414,500	0.88	13,509,000	8.38	161,140,964
	Total	322,076,444	92.35	2,011,500	0.58	24,676,150	7.08	348,764,094

2.4.2 Quality of Portfolio and Recovery

Target of outstanding for RDP during the reporting period has been overachieved by 128%. An analysis of data suggests a linear growth. Outstanding in the reporting period has increased by 39% from Tk.170 million in December 1991 to Tk.236 million in June 1992. Standardwise breakdown of information indicates that more than 91% of total outstanding can be found in the 'current' loan (i.e. within the loan life period) category while 'late'³, 'overdue'⁴ and 'not yet transferred'⁵ accounts can be found in the trade and food processing sectors.

Table 6: Sectorwise Distribution of Portfolio: RDP
As of June 1992

Sl. No.	Name of Sectors	Total disbursement	Total Outstanding	Current Loan Outstanding		Late Loan Outstanding		Overdue Loan Outstanding					
								Overdue		NYT		Overdue+NYT	
				Amount	%	Amount	%	Amount	%	Amount	%	Amount	%
** Grand Total		502,364,700	235,741,190	215,798,769	91.54	16,140,741	6.85	3,801,680	1.61	1,456,041	.62	5,257,721	2.23
1. Agriculture		13,897,018	7,964,863	6,972,922	87.55	703,955	8.84	287,986	3.62	145,945	1.83	433,931	5.45
2. Irrigation		49,521,331	41,634,984	40,155,646	96.45	1,325,491	3.18	153,847	.37	391,786	.94	545,633	1.31
3. Fisheries		6,384,014	5,480,540	5,334,711	97.70	114,218	2.09	11,613	.21	294,925	5.40	306,538	5.61
4. Livestock		50,489,800	23,011,119	19,271,094	83.75	3,212,194	13.96	527,831	2.29	219,193	.95	747,024	3.25
5. Cottage Industry		6,626,527	5,756,817	5,388,657	93.60	306,553	5.33	61,607	1.07	49,809	.87	111,416	1.94
6. Services		3,663,714	1,110,376	1,055,068	95.02	47,105	4.24	8,205	.74	78,618	6.90	84,823	7.64
7. Rural Transport		22,858,653	8,668,705	7,827,249	90.29	771,652	8.90	69,804	.81	25,594	.30	95,398	1.10
8. Rural Trading		284,873,475	103,457,547	96,445,676	93.22	5,577,210	5.39	1,434,661	1.39	230,034	.22	1,664,695	1.61
9. Food Processing		61,827,458	37,991,111	32,691,503	86.05	4,066,188	10.70	1,233,420	3.25	570	.00	1,233,990	3.25
10. Health		881,000	236,743	230,701	97.45	5,582	2.36	480	.19	15,456	6.53	15,916	6.72
11. Miscellaneous		1,741,650	448,385	425,544	94.91	10,595	2.36	12,248	2.73	6,111	1.36	18,357	4.09

Sectorwise breakdown of information for RDP shows that 80% of late loans and 84% of overdue are concentrated in three sectors, viz. rural trading, food processing and livestock, while more than 47% of the 'not yet transferred' loans can be found in the fisheries and irrigation sectors. Within RDP, overdue and 'not yet transferred' amounts were Tk.5 million which is equal to 0.9% of disbursement and 2% of outstanding (see table 6).

3 Late loan is the amount of loan which remains unrealised during the original loan life and an extension (not exceeding 50 weeks) is granted to recover the money.

4 Overdue is defined as the amount which remains unrealised even after the expiry of the extended period.

5 Not yet transferred is not a loan standard. This includes the amount of loan which could not be reorganised during procedural changes in 1989 mainly due to non-existence of borrower (death and migration) or the collective nature of the enterprise.

Recovery rate now stands at 98%. Branchwise breakdown of information suggests that 55 branches (79%) have a record of 100% recovery rate; 11 branches (16%) are at average, or above but less than 100%; and only 4 branches performed below average. Recovery rate of those worst performing branches ranged from 90% to 97% (see Annexure 3). Poor recovery records in these branches are largely due to collective investments which were made during the early 1980s. Meanwhile, many members of those groups either left the groups, or migrated out. As a result, a good portion of the loans could not be transferred to individual members but had to be left with the group as a collective liability. A careful review of these loans is taking place which will be finalised in early 1993. It is, however, worth mentioning that not all overdue (including 'not yet transferred') fall in the bad loan category. A total of Tk.145,136 has been realised from amongst the overdue loans during the reporting period (see Annexure 4).

Outstanding loan for RCP during the reporting period has increased by 6% from Tk.437 million in December 1991 to Tk.464 million in June 1992. Sectorwise distribution of information suggests that more than 80% of the outstanding loan is concentrated in the irrigation, livestock, food processing and rural trades sectors. Standardwise breakdown of information indicates that 84% of outstanding loans are 'current' while 11% are 'late', 5% are 'overdue' and 2% are 'not yet transferred' (see Table 7). Most of the 'late' and 'overdue' loans are concentrated in the rural trade, food processing, livestock and irrigation sectors while the bulk of 'not yet transferred' money is in the cottage industry and irrigation sectors.

Table 7: Sectorwise Distribution of Loan Portfolio: RCP
As of June 1992

Sl. No.	Name of Sectors	Total disbursement	Total Outstanding	Current Loan Outstanding		Late Loan Outstanding		Overdue Loan Outstanding					
								Overdue		NYT		Overdue+NYT	
				Amount	%	Amount	%	Amount	%	Amount	%	Amount	%
** Grand Total		1,317,898,216	483,699,618	391,070,207	84.34	49,344,925	10.64	23,284,486	5.02	7,486,260	1.61	30,770,746	6.33
1. Agriculture		74,430,067	26,773,964	21,273,813	79.48	3,973,504	14.84	1,526,647	5.70	1,271,047	4.75	2,797,694	10.29
2. Irrigation		110,542,177	76,182,939	68,922,307	90.47	5,302,765	6.96	1,957,867	2.57	2,628,970	3.45	4,586,837	6.02
3. Fisheries		10,089,837	4,281,739	3,484,561	81.38	219,590	5.13	577,588	13.49	481,010	11.23	1,058,598	24.97
4. Livestock		242,106,090	89,715,607	77,281,474	86.14	9,490,166	10.58	2,943,967	3.28	458,763	.51	3,402,730	3.79
5. Cottage Industry		69,017,056	24,113,631	21,051,033	87.30	2,117,084	8.78	945,514	3.92	1,359,316	5.64	2,304,830	9.33
6. Services		13,595,171	2,393,053	2,167,218	90.56	184,268	7.70	41,567	1.74	14,870	.62	56,437	2.37
7. Rural Transport		53,696,927	17,585,555	13,837,709	78.69	2,740,558	15.56	1,007,288	5.73	195,778	1.11	1,203,066	6.84
8. Rural Trading		587,862,991	129,102,951	106,510,016	82.50	14,379,862	11.14	8,213,053	6.36	799,534	.62	9,012,647	6.98
9. Food Processing		150,710,328	92,593,440	75,964,984	82.04	10,689,587	11.54	5,938,869	6.41	271,957	.29	6,210,826	6.51
10. Health		1,832,600	369,766	305,791	82.69	50,926	13.77	13,079	3.54	0	.00	13,079	3.54
11. Miscellaneous		4,212,952	586,973	271,331	46.23	196,595	33.49	119,047	20.28	4,955	.84	124,002	21.15

For RCP, 'overdue', along with 'not yet transferred' now stands at Tk.31 million. This equals 2.3% of disbursement and 5.6% of outstanding. Recovery rate is 97% and maintaining the year end position of 1991. Performance of most of the branches are satisfactory. More than two-thirds of the branches have the average, or above, record and 17 branches performed below average (see Annexure 5). Some actions have already been taken to improve the average recovery rate. These included: limiting the number of outstanding loans per borrower to two; keeping the number of borrowers, and members, per household to two; introducing better monitoring tools viz. delinquency, loan aging and other ratios; launching new training courses (e.g. operation management course for branch managers) to build up the management capacity of Programme Organisers (POs) and Managers; and improving accountability aspects of branch staff. One of the three POs is now responsible for credit; another one for institution building; and the third one for sector programmes. In addition, BRAC is also planning to introduce an 'incentive system' particularly for GSs who attend VOs' weekly meetings and collect loan installments and savings. The 'system' will be tested out before it is introduced in all branches. The pilot will be started during the second half of the year.

Further analysis of overdue related data indicates that a total of Tk.109,519 has been realised from amongst the worst segment (.i.e. 'not yet transferred') of the portfolio (see annexure 6) during the reporting period.

3.0 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 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, prospects for the landless are rather bleak and uncertain.

BRAC addresses this problem by introducing new technologies and programmes which have potentialities for income and employment generation or by providing credit for other employment generating activities.

3.1 AGRICULTURE AND IRRIGATION

3.1.1 Agriculture

Agriculture provides the maximum concentration of employment throughout RDP and RCP. Presently, the women's groups are getting more and more involved in agricultural activities as a source of income and employment generation, although men still predominate in this sector. A total Tk.14 million or 4% has been advanced to this sector during the reporting period. Cumulative disbursement in this sector stands at Tk.88 million which equals 5% of total disbursement. Average loan size is Tk.1,287.

3.1.2 Irrigation

a. Background and Objectives

RDP has introduced a new concept in agriculture - to enable those who do not possess land, a primary means of production, to control water, a major means of production. The most significant aspect of the irrigation scheme is the creation of a process affecting changes in the existing resource distribution pattern and power structure through ownership of a means of production and thus, gaining access to power and resources.

The objectives of the irrigation programme are to:

- increase the nation's agricultural production through intensification of cultivation;
- ensure a more equitable distribution of resources;
- generate income/employment opportunities for the rural landless poor;
- develop management skills of the landless poor and transmit modern technology to them;

- enhance social and economic power and prestige of the rural disadvantaged.

b. Process

When a Village Organization (VO) expresses their interest in undertaking an irrigation scheme at a meeting, the BRAC Programme Organiser then initiates a feasibility study on the technical, agronomic and financial components of the scheme. If the scheme is found feasible, a loan proposal is prepared indicating the expected input and output of the scheme. Normally, for a Deep Tubewell (DTW) scheme, two VOs, one male and one female, are selected, each comprising about 50 members. After being selected, the members buy shares in the DTW irrigation scheme. Eighty per cent of the ownership rights of the capital asset are with the group members and the remaining 20% with BRAC. BRAC also bears 20% of the total operation and maintenance costs of the scheme by buying the requisite amount of shares.

The group buys the irrigation devices from Bangladesh Agricultural Development Corporation (BADC) according to their requirements with financial assistance from BRAC. For smooth implementation of the scheme a Management Committee (MC) is formed with 10% of the shareholders of the scheme.

For operation and maintenance of the scheme a 5-7 member Scheme Operation Committee (SOC) is formed. The SOC appoints a Manager from amongst its members. The SOC consists of: Chairman, Vice-Chairman, a Manager and 2-4 Members.

For proper water management, the command area of each DTW is divided into 4/5 blocks depending on topography, transplanting time and soil type. Main and field channels are designed by professional BRAC staff, so that flow of water can be regulated blockwise and distributed to each plot through field channels. Channels are maintained by the group appointed lineman. Considering the demand of crops and other parameters of soil and crops, an advance irrigation schedule for each tubewell/pump is prepared by BRAC's Programme Organiser in charge of irrigation in consultation with farmers and their group management committee.

During the operation period of the scheme, BRAC provides technical and other support services by deploying Programme Organisers (Mechanics) and Gram Sheboks (GS) who assist in drain making, machine overhauling, water distribution, fertilizer management, pest control and harvesting. For this extension service BRAC has a charge that is added to the operation and maintenance cost. The 'service charge' has been reviewed during the reporting period and set at 20 kg. paddy per acre. Previously the charge was 20, 30 and 40 kg per acre for the first, second and third & above, years of operation.

For water, the groups charge the farmers one third or one quarter share of the crops produced. The manager and driver with the

assistance of the shareholders collect the share of the crop harvested. Eighty per cent of the total crop received as share is distributed among the shareholders on a proportional basis; the remaining 20% goes to BRAC funds.

c. Performance

To buy the shares, VO members can obtain credit from BRAC for capital investment and for operation and maintenance costs of upto a maximum of Tk.2,000 for each category of shares. A total of Tk.46 million (13%) has been advanced during the reporting period. This equates to a 40% increase in disbursement over the reporting period. Cumulative disbursement is Tk.160 million (i.e. 9% of total). Disbursement in this sector has increased as the programme has expanded. A total of 626 tubewells are under operation bringing a total of 25,498 acres of land under irrigation. Average, irrigated area thus comes to 41 acres. This is less than the optimum level (45-50 acres per tubewell) which is mainly due to the higher number of newly installed tubewells. A total of 358 tubewells including 2 old one, have been installed during the boro (rice) cycle of 1991/92. Coverage of tubewells is generally low during the first year of operation and reaches an optimum level during the second or third year. This is due to the limited time available for planning (ie. reaching agreement with the farmers) in the first year of operation. In addition to that 58 of 358 machines were installed late. Due to pressure from the land owning farmers and potential future threat of installing shallow tubewells in the command areas, the shareholding VOs of these 58 tubewells have decided to bring the tubewells into operation even without BRAC assistance. Other details (e.g. production) of the irrigation programme will be available in the 1992 annual report since harvest is going on and will be completed in July. It may be mentioned here that a separate report on deep tubewells will be prepared by BRAC in August 1992 which will provide details on many important aspects.

3.2 POULTRY AND LIVESTOCK

3.2.1 Poultry

a. Background and Components

BRAC's Poultry program started in 1979 at its Manikganj Project on an experimental basis. Later BRAC designed a specific model for poultry development which is implemented with assistance from the Government and includes the following components.

- Training of cadres as poultry workers;
- Regular vaccination;
- Development of key rearers;
- Establishment of day-old chick rearing units;
- Establishment of feed sales centres;
- Egg collectors;
- Credit;
- Follow up on regular basis.

b. Objectives

The objectives of the poultry programme are to:

- increase income scope, particularly of women;
- reduce poultry mortality;
- increase the poultry population;
- fulfil the protein deficiency among the rural poor.

c. Process and Progress

One woman from each village is selected as a poultry worker and given five days training on poultry vaccination, management and basic treatment of diseases. The poultry workers are responsible for the vaccination, necessary treatment of the diseased birds and dissemination of information on better poultry rearing practices. A one-day refresher's course is held once a month. The poultry worker collects vaccines from the BRAC office twice a month at cost price.

The poultry workers are routinely provided with the vaccines and equipment that they require for the vaccination services. The worker charges a token fee of Tk.0.25 per chick and Tk.0.50 per adult bird. The average monthly income of a poultry worker is about Tk.250. To ensure continuity of the vaccination process, interested women are selected (20 to 30 per village) and are given three (3) days of training on poultry rearing methods and graduate as Poultry Key Rearers. Every key rearer must have one hybrid cock and 10 hens (4-5 HYV) and the recommended housing system. This home-based activity brings in an average monthly income of Tk. 130. It is expected that at maturity a branch will have 2,000 rearers. The income of the rearers at that level will approach the target of Tk.150 per month.

To maintain a continuous supply of birds, 20 to 30 chick rearing units per matured branch are required. The Directorate of Livestock supplies the day-old chicks at the rate of Tk.7 per bird and the chick rearer raises it for two months and then sells it to the key rearers at the rate of Tk.33 per bird. The average monthly income of chick rearers with 200 chicks is about Tk. 500. The chick rearers are given 3 days training on chick rearing and Tk.4000-6000 credit for establishing units. The chick rearers and poultry workers are provided with a one-day refresher's course monthly. To run the mini farms and chick rearing units properly, BRAC establishes one poultry feed sale centre in each feasible area. With the spread of the hybrid variety of birds, people are gradually getting habituated to buying balanced feed. There are 69 feed selling centres, an increase of 13% over the reporting period.

In each village, one poultry worker is chosen to act as an egg collector for the entire village and she collects the eggs from those involved in poultry rearing. Twice weekly, agents come around to collect the eggs from her. There are three agents for

each BRAC branch who are responsible for buying the eggs from the collectors and marketing them. To ensure utilization of the skills acquired and increase their income earning capacity, credit support is provided to key and chick rearers involved in the poultry programme.

The number of chick rearers now stands at 1,360, an increase of 23% over the reporting period. A similar increase can be seen in other areas too. Number of poultry rearers has increased by 15% from 105,051 in December 1991 to 121,218 in June 1992. Number of poultry workers has increased by 530 or 12%. This brings the total number of workers to 4,993.

Table 8 : Poultry Programme : June 1992

Item	Position upto January 1, 1992	Position upto June 30, 1992	Increase from January-June 1992	
			Number	Percent
Chick rearers				
Total	1,106	1,360	254	23
RCP	381	381	Nil	NA
RDP	725	979	254	35
Poultry rearers				
Total	105,051	121,318	16,267	15
RCP	47,773	48,296	523	1
RDP	57,278	73,022	15,744	27
Poultry workers				
Total	4,463	4,993	530	12
RCP	2,380	2,580	200	8
RDP	2,083	2,413	330	16

3.2.2 Livestock Programme

a. Objectives and Components

BRAC's livestock programme includes paravets, vaccination services, health services (preventive and curative), artificial insemination, credit, and fodder-based extension services. This programme has expanded considerably during the past few years as more and more members have been choosing asset type loans. In fact, it has become the second largest sector for credit disbursement. The objectives of the livestock development programme are:

- to increase income and employment generation opportunities for the landless poor;
- to reduce livestock mortality rate;
- to upgrade local breeds by cross breeding through the establishment of artificial insemination centres;
- to increase fodder availability;
- to ensure an adequate nutrition level for the community.

BRAC's livestock development programme is implemented with assistance from the government and includes the following:

- training of cadres as paravets;
- vaccination;
- upgrading local breeds through artificial insemination;
- fodder extension programme;
- cattle fattening scheme.

b. Process and Progress

Paravets are the main component of the livestock programme. Each paravet looks after 5-6 villages and are selected from among group members. After selection, they are given training in two phases, each phase comprising 15 days. The subjects covered in the first phase are feeding, rearing and housing of livestock. Those covered in the second phase are identification, causes and treatment of diseases. After training, each paravet is responsible for the vaccination and health services of livestock in their operating area.

Paravets' training is conducted by a trained veterinarian (DVM) at BRAC's training centres. Presently, there are 1,246 trained paravets who earn an income by providing their service to the community. In the RDP and RCP branches, 129 paravets have been trained which is a 12% increase during the reporting period. They charge Tk.5-10 per animal for services rendered. The average monthly income of a paravet is Tk.700. Paravets provide vaccination services for diseases such as anthrax, black quarter, haemorrhagic-septicaemia, foot and mouth disease and rinderpest. Vaccines are supplied by the Government's Directorate of Livestock. The paravet charges Tk.1.00 per cattle for vaccination.

Those who are interested in rearing livestock are selected and given a 3 days' training on livestock rearing and graduate as cow rearers. Subjects covered include: feeding, housing, and primary prevention of diseases. Presently, there are 59,877 trained cow rearers. This presents a 3% increase over the reporting period.

To upgrade cross breeding, 58 artificial insemination centres have been established in different BRAC areas. The centres are located according to government rules and are staffed by trained paravets. After completing the paravets' training, the paravets undergo an additional 30 days training at government institutions. The semen comes from the nearest government bull-

farm and is cross bred with local varieties. Fifty per cent of the semen is Frisian and another 50% is a Shahiwal Red Sindhi cross. The government provides all equipment free of cost. BRAC provides manpower, cold flasks to transport the semen, and sheds.

To ensure availability of fodder BRAC started a maize cultivation programme in 1992. Target area for 1992 has been set at 1,300 acres and 900 acres have already been brought under cultivation at the end of June 1992. Under each area there are about 10,000 saplings. In addition, Napien and Paragrass are also cultivated in 35 areas. Cow fattening is an important component of the livestock programme. Group members take loans to buy ill and lean cattle at a low price and after proper feeding and treatment are able to sell them for a profit.

Livestock, including poultry, is the second largest sector receiving BRAC loans. Cumulative disbursement now stands at Tk.293 million and per capita loan size is Tk.2,724, the second highest after rural transport.

3.3 FISH CULTURE

a. Objectives

BRAC has a fisheries programme with the objective of providing income earning opportunities for landless groups through fish culture. Additional objectives of the programme are to:

- improve nutrition in rural areas by increasing fish availability;
- promote culture of species with proven market demand;
- increase supply of fingerlings through nursery ponds to fulfil the demand in the local market as well as to assist in the Government's plan to release fingerlings in the open water system throughout the country.

These objectives are met through training, technical support, credit extension and follow-up.

b. Components and Implementation Process

The programme Components are:

- hatchery;
- nursery ponds;
- leasing and restocking open water resources, such as, beels and boars;
- shrimp-carp polyculture.

Hatchery

BRAC has established a modern Fish Hatchery at the Rajendrapur

Training Centre with 14 ponds for fish culture and 18 tanks for fish hatching. The main objective of the centre is to produce Spawn, Fry and Fingerlings of Carp and Thai Sarputi species to meet the increased demand of fish fry as well as provide necessary training and technical education to the group members and development workers involved in fish culture. The establishment of hatcheries plays an important role in the improvement of productivity in Carp. Hatchery produced spawn offer opportunities for selective breeding and continuity of supply. BRAC has also introduced a "Small Hatchery" programme in 1992 to ensure spawn availability of desired species.

Nursery ponds

Medium ponds, 20-30 decimal size, are selected for growing hatchlings and fry to fingerling sizes for restocking, sale in the local market and sale to the government for releasing in the open water system of the country. Spawns are collected from either BRAC's, the Government's or private hatcheries and carried in oxygen bags to their destination. They are grown to the 3" to 5" size.

Those interested in raising fry/fingerlings are provided with a 6-day training course on nursery management. Till December 1991 this was a 3-day course. After this, a 1-day refresher course, which is field based, is provided during the period of nursery pond culture. Group members carry out nursery pond culture in their respective villages. The following steps for implementation of the programme are carried out:

- pond selection
- pond preparation
- fertilization
- collection of spawns from hatcheries
- release of spawns
- feeding
- harvesting

Semi-Intensive Pond Culture

A survey is made of all derelict, unutilized and underutilized ponds in the area. The smaller ponds are usually taken on lease for 3 years, while the larger ponds which need re-excavation are taken on lease for 10 years. Unused or derelict ponds of the 5-10 decimal size are used for mini-pond culture. The programme is based on a management system of pond preparation, fertilisation, supplementary feeding and careful species selection. Thai Sarputi and Nilotica are cultivated, mostly by women group members. A two-day field-based course is given at the beginning of the project and a one-day refresher course is given during the period of culture by the Programme Organiser (Fisheries).

In the large ponds the culture of Silver Carp, Grass Carp, Catla, Ruhi and Mrigal is carried out. A 3-day field-based course is provided which is supplemented by a one-day refresher course. The

Village Organizations survey unutilized large ponds, 50 decimals or greater, in their area. Interested group members lease it for a period of 10 years and after the necessary excavation/ re-excavation of it they start their fish culture.

Leasing and Restocking Open Water Resources (Beel and Baor development)

Bangladesh is blessed with large areas of flood plains, lakes, ox-bow lakes and an extensive network of rivers and canals. Over 90% of fish catches in Bangladesh come from these areas. Following the rains (April to October), flood waters subside and large areas of water become isolated from the main river systems. These drain down to form large, medium and small water bodies (beels and baors).

BRAC has begun a programme to rent these water bodies from the Government and to give the fishing rights to landless groups. This is a joint programme of the Government and BRAC and has been undertaken in 5 districts: Jessore, Faridpur, Jhenaidah, Kushtia and Chuadanga. Altogether 36 baors have been identified, out of which 25 baors are in RDP's operation areas and work on them is ongoing. Of the other baors, five have been discarded by the Government and BRAC plans to set up offices to cover the other six.

In the Baor development programme the Government, with funding from IFAD and DANIDA, is responsible for the infrastructure development: roads, culverts, sluice gates, electricity and nursery ponds. BRAC is responsible for target group identification, selection of operable baors, training and credit for lease and operation.

Shrimp-Carp-Polyculture

In Jessore, BRAC's Rural Enterprise Project (REP) undertook two experimental projects in 1989. These were: (i) the Shrimp-Carp Polyculture and (ii) the Shrimp Nursery. These projects were found to be satisfactory from a technical and management point of view and viable for replication. From 1991, REP is working jointly with RDP for the extension and development of these two projects in the Jessore region.

Table 9 : Fishculture Programme

Item	Programme	Position upto January 1, 1992			Position upto June 30, 1992			Increase from January '92 to June '92					
		R.D.P	R.C.P.	Total	R.D.P.	R.C.P.	Total	Number			Percent		
								RDP	RCP	Total	RDP	RCP	Total
Number of Ponds	Total	2,459	1,189	3,648	4,327	2,453	6,780	1,868	1,264	3,132	76	106	88
	Carp	864	411	1,275	1,055	808	1,863	191	197	388	22	48	30
	Sarputi	1,430	650	2,080	3,097	1,650	4,747	1,867	1,000	2,867	117	154	128
	Nursery	164	115	279	174	182	356	10	67	77	6	58	28
	Shrimp	1	13	14	1	13	14	Nil	Nil	Nil	NA	NA	NA
Area Under Ponds (Acre)	Total	464	276	740	571	506	1,077	107	230	337	38	83	46
	Carp	289	164	453	335	312	647	46	148	194	16	90	43
	Sarputi	114	57	171	171	122	293	57	65	122	50	114	71
	Nursery	53	35	88	57	52	109	4	17	21	8	49	24
	Shrimp	8	20	28	8	20	28	Nil	Nil	Nil	NA	NA	NA

c. Progress

A technical assistance team comprising of a Sector Specialist (Fisheries) and 15 Programme Organisers (Fisheries) look after the fisheries programme. Village based GS's provide the support services. The number of ponds have increased by 86% while the area under fishculture by 46%. Number of ponds now stands at 6,780 while the water bodies are at 1,077 acres. In addition, 57 hatcheries have been established under the recently introduced "Small Hatchery" programme. Number of hatcheries under operation now stands at 45 producing a total of 252 kg. spawn, i.e. nearly 6 kg. per hatchery.

A wide variety of training was provided and covered POs, GSs, and group members. Cumulative number of trained members stands at 8,487 which corresponds to a 28% increase over December 1991. Per capita loan size in this sector is Tk.1,156, and number of loans are 14,246. This brings the total disbursement to Tk.16 million.

3.4 SERICULTURE PROGRAMME

a. Components and Implementation Process

Sericulture is seen as a profitable income earner, especially for women, as it can be carried on simultaneously with other activities and is 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 the assistance of the Bangladesh Sericulture Board (BSB). The results were so promising that it was replicated in other BRAC areas and has expanded into a separate and complete industry which is both vertically and horizontally linked with the output of one being the input of the other. Presently, BRAC is one of the major silk producers of the country. The total cocoon production of the country is 500 tonnes annually and it is expected that by the year 1993-4, BRAC will be producing 350 tonnes of cocoons. The raw silk production of Bangladesh is 30 metric tonnes and BRAC's target for 1993-4 is 20 metric tonnes. The sericulture programme has the following advantages:

- sericulture is a labour intensive rural industry and can absorb the excess labour force in these areas;
- both young and old from the same household can engage in this activity;
- it is a low investment, less risk activity;
- it gives returns in quick succession yielding income every two and a half to three months for growers and almost every month for rearers;
- mulberry trees do not require cultivated land;
- 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 another and provide an income.

Mulberry leaf is the main food material for silkworms. Mulberry cultivation can be of three types: (i) bush, (ii) mid-cut and (iii) trees. The first two kinds need land and because land is scarce the most suitable alternative is tree plantation around homestead land, roadside embankments and on fallow land. For trees, saplings are required, and BRAC's group members have started small nurseries with technical assistance from BSB and BRAC. Bangladesh, with its flat, fertile, alluvial land and sub-tropical monsoon climate is highly suitable for mulberry plantation and silkworm rearing. In this climate, growth of the mulberry plant is continuous allowing silkworm rearing to take place four to six times a year.

For homestead plantation, growers are selected from among those who have homestead and pond embankment land. Saplings are supplied to them during August and September either from group members' nurseries or from BSB. Continuous follow-up is provided by BRAC's sericulture technicians and POs. Roadside cultivation is carried out by landless women. Those who live near roads are selected for roadside cultivation and the roads are leased from

the Union or Thana Parishads for a period of 20 years which was set as the cut off point because the leaf yield falls considerably after that. However, there is an option for a new lease to be negotiated if the trees are still productive. BRAC's group members who look after the trees are the only beneficiaries of the leaf yield.

A primary feature of BRAC, sericulture programme is the planting of mulberry trees on roadside land. The main problem associated with roadside plantation is the survival of the trees especially in the first year. In order to ensure their survival BRAC employs landless women to look after these trees.

Each woman plants and looks after the 500 mulberry trees from sunrise to sunset. Every month a refresher course on nurturing and maintenance of trees is held. For the roadside plantation scheme, each grower receives 3 kg. of wheat daily for a period of one year. After one year, the growers are given training on rearing practices so that they can earn from rearing. Another set of women are selected to look after the trees in the second year and these women now look after 1,000 trees. They are look after the trees for a year and yet another group is selected to look after the trees in the third year.

BRAC's sericulture is being carried out in the Bogra, Rangpur, Rajshahi, Pabna, Jessore, Jhenaidah, Faridpur, Manikganj, Jamalpur, Sherpur and Mymensingh regions.

Most of the women who grow mulberry trees also rear silkworms. Invariably, the rearers grow the silkworms in their homes or in rearing houses. Each rearer does 4 cycles of rearing (bonds) per year. The life cycle of a silkworm is 45 days:

- Egg (10 to 12 days)
- Larva (20 - 25 days)
- Pupa (5 days)
- Adult (4 days)

For each 20 rearers, one rearer is identified as a chawki rearer. She buys 1,000 disease-free layings (DFLS) which is approximately 400,000 eggs from BSB and rears 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. 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 until 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 BRAC's reeling groups or to BSB. BRAC has reeling centres in Manikganj, Jamalpur, Monirampur, Natore, Pabna and Taragonj. These are also BRAC group members who are engaged in reeling in Atghoria and Sherpur.

The reelers stifle the cocoon by sun drying or electric dryer.

Silk reeling, the unwinding of the silk filament into one yarn, is still a cottage industry in Bangladesh. Raw silk is measured in renditta which is the number of kilograms of fresh cocoons required to produce one kilogram of raw silk. BRAC's renditta is presently 17. Raw silk is invariably twisted and then sold to the handloom weavers. BRAC has a silk weaving centre in Gorpara and cotton-silk mix cloth is woven at Pabna.

BRAC has started three training and demonstration centres at Jamalpur, Jessore and Rajshahi.

b. Progress

The programme has grown considerably during the reporting period. Number of chawki rearers has increased by 50% from 94 in December 1991 to 141 in June 1992 while reelers and worm rearers by 8% and 2% respectively. Total cocoon production during the reporting period was 13,772 kahon (see Table 10). As of June 1992, BRAC had planted 2.6 million mulberry trees in roads and homesteads.

Table 10 : Sericulture Programme.

Item	Programme	Position upto January 1, 1992	Position upto June 30, 1992	Increase from Jan.'92 to June '92	
				Number	Percent
Silkworm rearer	Total	2,141	2,190	49	2
	RCP	1,539	1,577	38	3
	RDP	602	613	11	2
Chowki rearer	Total	94	141	47	50
	RCP	58	73	15	26
	RDP	36	68	32	89
Reeling worker	Total	195	211	16	8
	RCP	79	84	5	6
	RDP	116	127	11	9
Cocoon production (in Kahon)	Total	30,912	13,772	Nil	NA
	RCP	24,216	9,965	Nil	NA
	RDP	6,696*	3,807*	Nil	NA

* For the year only.

3.5 SOCIAL FORESTRY PROGRAMME

a. Objectives

BRAC's social forestry programme has a two-pronged approach in that it not only restores ecological balance through afforestation but also has a socio-economic factor. This project provides an avenue for increased awareness for tree plantation in rural areas generates income and employment opportunities. So far, forestry or afforestation has been the preserve of the Government's Forest Department but BRAC espouses a more participatory social forestry programme. The objectives of the programme are to:

- ensure a sustainable income for the rural poor;
- enhance employment opportunities;
- increase awareness for planting trees among the rural community;
- restore ecological balance;
- reduce soil erosion, land slides and mineral leaching.

The social forestry programme is carried out by two methods: (i) nursery and (ii) plantation. The number of existing nurseries run by the Government and the Forest Department are inadequate. In order to meet the increasing requirements of seedlings under this programme, BRAC established its own nurseries and involved trained group members in the growing and supplying of seedlings. The nursery programme is carried out in two ways: (i) village and (ii) area nurseries.

b. Process and Progress

Village Nurseries

BRAC undertook small, village-level horticulture and forest nurseries to ensure the supply of seedlings locally as most of the Government's nurseries are located in the urban areas. Moreover, the forest areas of Bangladesh are concentrated in the southern and eastern regions of the country. Therefore, supply of fuel and timber has to be transported over long distances which increases the cost of wood and denudes the scarce supply of local firewood trees.

To incorporate the disadvantaged women into the rural labour force and increase employment and income generating opportunities for them, BRAC decided to focus this programme on women. In each area, 3-5 small nurseries are established and produce 10-15,000 seedlings. This ultimately will result in a sustainable local supply of seedlings.

A five-day classroom and 2-day practical field-based training programme is provided to the horticulture and nursery worker. Every 5 months a refresher course of one day is held based on the problems encountered and future requirements in the production

schedule. Once the nursery workers have been identified and trained, they go around their respective villages doing an informal survey of the demand for various seedlings, types of seedlings that can be grown and seedling marketability. A seasonwise schedule is worked out with the Programme Organiser (Forestry) who assists them in all the stages of the programme. If the worker owns land, she can start planting immediately; otherwise, arrangements for leasing suitable land and credit are processed.

There are four cycles of plantation that are based on the four seasons. Therefore, the nursery worker is continuously busy, and regular income is forthcoming. BRAC supplies the seeds to the workers at cost.

Area Nurseries

BRAC has been implementing a Tree Plantation Programme since 1978 with the following objectives:

- ensure sustainable supply of seedlings;
- introduce trees which provide quick returns such as High Yielding Varieties (HYV);
- increase mulberry cultivation for sericulture;
- promote afforestation programme;
- generate income and employment particularly for the landless women.

Selected women are given a 5-day training course by the Programme Organiser (Sericulture and Forestry) for nursery preparation, plantation and care. Technical assistance and follow-up is ongoing. Every alternate month, a 2-day refresher course is organised. In each area there will be one horticulture and forest nursery worker. In all, 453 nurseries have been established covering a total of 45 acres of land where 1.1 million seedlings have been produced.

The tree plantation programme is also promoted by homestead and roadside methods. BRAC launched its homestead plantation programme in 1977. Under this programme, seedlings of various species of fruit and fuel trees are supplied to the group members to plant around their homestead land. The seedlings are collected from the Forest Department and the Government nurseries and sold at cost to the members. From June 1990, a new plan has been undertaken whereby each area selects 200 women every year for homestead plantation of various species of fruit and fuel trees. Each woman will plant 10-12 seedlings of the fast-growing variety of these trees.

The roadside plantation programme was first started in 1989 in the Jamalpur area with assistance from the Sericulture Board and the World Food Programme (WFP). Roadside land was leased for 20-25 years from the local authorities. Each woman plants, guards and tends 400 mulberry trees for which she is paid 3 kg of wheat per day. In other areas, BRAC paid the women Tk. 15 per day.

The seedlings are free of cost and bamboo sticks are also provided to form cages for young trees to protect them against marauding animals.

From June 1991, the roadside plantation programme has expanded to RDP and RCP areas. In each area, one woman plants 500 mulberry trees. The target is to plant 6 million mulberry trees. All these women receive 3 kg of wheat per working day, provided by the Directorate of Relief and Rehabilitation's Food for Work Programme, for a period of one year as wages. This wheat is given to her at the end of the month according to the attendance and survival rate of trees:

- 3 kg. (90%+ survival)
- 2 1/2 kg. (89% - 75%)
- 2 kg. (74% - 50%)
- no wheat (less than 50%)

Each woman cares for and nurtures the trees for one year. After three years, the trees have matured and can be divided among four women group members who will earn an income from rearing silkworms or from the sale of leaves and firewood. Selected women are given a 5-day training course on plantation and care. Every second month a one day refresher course is given by the Program Organiser (Sericulture and Forestry). After the women have been identified, selected and trained, arrangements are made for her to lease the land.

3.6 RURAL TRANSPORT PROGRAMME

The rural transport sector is expanding rapidly not only because the returns are immediate but also it is a capital asset for the rural landless who have virtually no access to assets. Credit is given in this sector for a wide range of rural transports including rickshaws, country boats, push carts, and vans. Upto June 1992, Tk.76.5 million has been disbursed against 21,483 loans. During the reporting period, January to June 1992, Tk.6.6 million or 2% was advanced as credit. Average loan size is highest (Tk.3,564) in this sector.

3.7 COTTAGE INDUSTRIES PROGRAMME

Cottage industrial activities as a means of livelihood is being taken up by an increasing number of group members. These include weaving, oil mills, ice plants, brick yards and other activities which generally are regarded as cottage industries. The investment, particularly in brick yards, enable group members to reap certain advantages in the community such as increased income leverage and increased labour productivity through technical improvement. An amount of Tk.10.4 million has been disbursed in this sector during the reporting period. Cumulative disbursement

stands at Tk.75.6 million which is equal to 4% of the total. Per capita loan size is Tk.2,036, the third largest following rural transport and livestock.

3.8 RURAL TRADING

In rural trading, a variety of activities is undertaken by group members, most of which are seasonal and supplement their family income. In addition, these activities offer quick returns. With the expansion of trading activities and increased participation of rural poor as buyers and sellers of goods, diversification in the rural economy takes place and the rural market widens. This is the largest sector receiving BRAC loans. A total of Tk.164 million, or 47%, has been disbursed during the reporting period. Cumulative disbursement stands at Tk.872.7 million, or 48%. Average loan size in this sector now stands at Tk.1,837, the fourth largest following rural transport, livestock and cottage industries.

3.9 FOOD PROCESSING

This sector includes a variety of activities such as paddy husking, processing of oil seeds, puffed rice and dried flattened rice, molasses and livestock feed. This sector is dominated by women. Total loan amount now stands at Tk.212 million or 12% of cumulative disbursement. Per capita loan size is Tk.1,518.

3.10 Primary Health Care in RDP

It is widely felt that no long-lasting health and nutritional improvement can be attained or sustained at the village level unless health activities are integrated with broader development programmes in addition to improving incomes and employment opportunities. This is especially true of the poorest segment of the community, the group on which BRAC concentrates its entire efforts. Based on this proposition, BRAC integrated the Primary Health Care (PHC) programme with RDP in 27 areas between 1988 and 1990 in order to bring sustainable improvements in the health and nutritional status of its target population ensuring greater community participation. Indeed, PHC was one of the two projects of BRAC's Child Survival Programme (CSP) which was concluded in 1990. RDP-PHC is being implemented in RDP areas as one of the five projects of BRAC's present Women's Health and Development Programme (WHDP) and funds are coming from the WHDP budget. However, 8 important health components such as Oral Rehydration Therapy (ORT) Education, Expanded Programme on Immunization (EPI), Vitamin A Capsule (VAC) Distribution, Safe Water and Sanitation, Health and Nutrition Education, Training of Traditional Birth Attendants, Basic Curative Service and Family Planning were incorporated in PHC programme.

In each village, several human and institutional infrastructures were developed for organising and managing the health care service delivery system. These included: formation of a village Health Committee (VHC) comprising members from all social strata,

with significant representation of landless men and women; training of Traditional Birth Attendants (TBAs) and Shasthya Shebikas (village health workers). These infrastructures have been the nucleus through which the villagers and particularly the target population, are motivated towards preventative and promotive health care and mobilised to utilize the government health and family planning services. BRAC's POs (health) provide continuous guidance to those infrastructures in carrying out PHC activities as well as extend supervision, logistics etc. to them.

The following paragraphs briefly describe the operational achievements of PHC in RDP for the period from January to June 1992.

Annexure 7 shows that the RDP-PHC covers a total population of 1,070,524 (target 415,748 and non-target 654,776). These people, particularly the target population, are reached through 13,973 VHCs, 1,276 Shasthya Shebikas (SSs) and 1,350 TBAs.

Annexure 8 exhibits that about 75% of the eligible children (0-11 months) received all doses of DPT and Oral Polio Vaccines (OPV). A slightly lower proportion (73%) of children from the target groups (TG) was vaccinated compared to the non-target groups (NTG) (76%). The overall coverage of BCG was found to be 59% (TG 60% and NTG 58% respectively). Measles coverage was 72% for both the TG and NTG children. Higher proportion (76%) of the TG children received measles as compared to their counterpart NTG (69%). BCG coverage appeared to be lower in all cases compared to DPT, OPV and Measles.

Coverage of women among the reproductive age group (15-45 years) with all doses of Tetanus Toxoid (TT) was found to be 44% for both the TG and NTG. More TG women (55%) were given TT as against 39% of the NTG. A highly satisfactory percentage (94%) of pregnant women were given all required doses of TT (TG 88% and NTG 97%).

Annexure 9 reveals that close to 100 percent of the new borns were fed colostrum. But the proportion of children who were fed colostrum was higher (100%) in NTG as opposed to the TG (98%).

More than 100% children (6-11 years of age) were given a supplementary diet. These data seemed to be problematic resulting in inaccurate denominator and numerator for which the percentage exceeded 100. More children (6-71 months) of the NTG were fed vitamin A Capsule (89%) compared to the TG (85%) during the 34th cycle of distribution. More attention is needed to increase the coverage of VAC for preventing nightblindness.

Family planning contraceptive prevalence rates among all the categories (TG and NTG) of eligible couples was found to be 35%. It was significantly higher (44%) in TG compared to NTG (30%). Practice of temporary devices was found to be universal (83%) in both the TG and NTG couples.

The results of the coverage of tubewells revealed that there was one tubewell for each 11 households on average (TG 12 and NTG 10). But tubewell and household ratio for NTG was found to be smaller (1:10) compared to TG (1:12). About 10.5% of the households have slab or pit latrines and it was slightly higher for TG (11%) than those of the NTG (10%).

Although the programme is intended to benefit the target population of BRAC, the operational service statistics did not reveal substantial variation in many of the service utilisation between the TG and NTG except regarding coverage of reproductive age group of women by TT and contraceptive usage. There might be a spill-over effect of the services because both the TG and NTG reside in similar villages and surroundings.

4.0 SUPPORT SERVICE PROGRAMMES

4.1 NON-FORMAL PRIMARY EDUCATION (NFPE)

BRAC has been implementing two primary school models directed at two different age groups with the following objectives:

- support government efforts to achieve its goals of Compulsory Primary Education;
- help provide education for all by the year 2000;
- provide education opportunities for children of poor landless families who would otherwise not have access to education;
- promote education for girls;
- mobilise community participation to assist and strengthen primary schools;
- develop para-professional teachers from within the community.

The first model is a three-year course and started in 1985 with twenty-two schools for children 8 to 10 years of age who had either never enrolled in school or who had dropped out during their first year of school with no reading, writing or numeracy skills. This model is called the Non-formal Primary Education Programme (NFPE). The second model was piloted in 1987 and used the same curriculum for children 11 to 16 years who had never been to school. This model is called Primary Education for Older Children (PEOC). Till December 1991, this was a two-year course which has been revised in 1992 and increased to three years.

The BRAC schools are located in villages and situated close to students' homes. The schools are made of simple woven bamboo or mud walls with thatch roof and earthen floor which is rented at a minimal cost to the community. The students are children of the poor landless farmers who are deprived of education because of

poverty and gender. Seventy percent of the students enrolled are girls. The curriculum is life-based and needs-oriented; subjects taught are Bengali, mathematics, social studies and English. Instructional materials, a text book and stationery are provided to students free of charge. Children are expected to learn their lessons in the classroom. Only small amounts of homework are assigned; only what can be done by the students independently without the parents help, since most of their parents are illiterate. The curriculum is not focused toward annual examinations as in the ordinary schools; instead children are tested regularly, usually weekly and monthly, so that progress can be constantly evaluated. Comprehension is reinforced through a participatory method of teaching and learning. Although classes are held for two and a half hours each day, six days a week, there is forty minutes of co-curricular activities each day. The school hours are decided by parents at parent-teacher meetings and there are no long vacations.

Each class has 30 students with one teacher taking them through all the three grades. The teachers are selected from the village and must have nine or more years of schooling. They must possess good basic literacy and numeracy skills and a strong common sense with a genuine interest in children. About 82 percent of the teachers are women. The teachers' training is intensive and consists of:

- 12 days of basic training on child psychology, pedagogy, teaching aids and organising co-curricular activities such as singing, dancing and exercising;
- 2 days orientation before opening of school;
- 1 day refresher training monthly to discuss teaching-learning issues and to address school-related problems;
- 4 day refresher training course at the beginning of the second year of school.

The teachers' training is carried out with BRAC's Training and Resources Centre (TARC). The teacher trainers are directly supervised by TARC, and the Education Specialist works closely with them.

Table 11: Education Programme : Ongoing School

Information	Programme	No. of Branch/Area	No. of school opened and enrolment during January-June 1992				Ongoing school and enrolment as on June 1992			
			No. of student				No. of student			
			No. of School	Boys	Girls	Total	No. of School	Boys	Girls	Total
	Sub Total	180	2,530	23,033	52,867	75,900	5,230	45,660	114,122	159,782
	RCP	50	928	9,008	18,832	27,840	2,535	22,662	55,210	77,892
	RDP	90	1,431	12,469	30,461	42,930	2,358	19,969	51,656	71,625
NFPE	WHDP	30	-	-	-	-	-	-	-	-
	Non-BRAC	2	30	276	624	900	60	713	1,687	2,400
	URBAN	1	10	85	215	300	10	85	215	300
	Others*	7	131	1,195	2,735	3,930	247	2,231	5,334	7,565
	Sub Total	180	703	5,477	15,613	21,090	3,436	17,796	85,273	103,069
	RCP	50	84	731	1,789	2,520	670	5,102	15,213	20,315
	RDP	90	549	4,102	12,388	16,470	1,602	11,488	38,354	47,842
K.K.	WHDP	30	-	-	-	-	1,000	-	30,000	30,000
	Non-BRAC	2	20	180	420	600	70	530	1,570	2,100
	URBAN	1	-	-	-	-	-	-	-	-
	Others*	7	50	464	1,036	1,500	94	676	2,136	2,812
	Grand Total	180	3,233	28,510	68,480	96,990	8,666	63,456	199,395	262,851
	RCP	50	1,012	9,739	20,621	30,360	3,205	27,764	70,443	98,207
	RDP	90	1,980	16,571	42,829	59,400	3,960	31,457	88,010	119,467
Grand Total	WHDP	30	-	-	-	-	1,000	-	30,000	30,000
	Non-BRAC	2	50	456	1,044	1,500	150	1,243	3,257	4,500
	URBAN	1	10	85	215	300	10	85	215	300
	Others*	7	181	1,659	3,771	5,430	341	2,907	7,470	10,377

* Others : Including HDP, IDP and PCRDP

Community participation forms an integral part of the BRAC schools. A four member village committee comprising of 2 parents, the teacher, and one volunteer from the community supported by the NFPE Programme Organiser are responsible for children's attendance, repairing school facilities, liaising with parents and students and for solving problems related to the school. A parent-teacher meeting is held once a month with the NFPE Programme Organiser to discuss pupil attendance and progress.

There is continuous and systematic supervision of staff, teachers and students, with constant review and revision of training modules and materials. A flexible management style encourages teaching and learning through participation and sharing of experiences. All NFPE POs undergo mandatory staff Development Training and Training of Trainers and each PO is responsible for 15-20 schools which he must visit at least twice a week. He is

supervised by a Field Officer who in turn reports to the NFPE Regional Manager.

The annual cost per student is US \$ 15.00. Of the total costs incurred, direct school related expenses such as, student books and supplies, teaching aids, teacher salary and school rent, use 53% of the total cost; 35% is spent on management and supervision; and 12% is spent on staff and teacher training.

Factors which have contributed to the success of BRAC schools are that:

- they are located near students and teachers' houses, enabling close follow-up of absentees. The schools demonstrate 98% attendance of both teachers and students;
- there is continuous and close supervision ensuring timely solutions of problems and checks on teacher-student drop-out. Dropout rate of BRAC schools is 2%;
- the low student-teacher ratio allows for individual attention;
- a strong teacher-student bond develops as students stay with the same teacher for the full length of their term;
- the teacher's role is that of a motivator and facilitator rather than that of a disciplinarian;
- the flexible school hours set by parents allow children to help out at home whenever needed;
- BRAC schools offer students a lateral entry into the formal government schools in class IV.

A total of 3,233 schools have been opened during the reporting period. This brings the cumulative number of schools to 10,732. Number of ongoing schools now stands at 8,666 where 262,851 students are learning. This includes 10 schools, with 300 learners, opened under the pilot urban scheme introduced in March 1992 in Khilgaon of Dhaka city. Objectives of the urban scheme are the same as in the rural areas.

Facilitation Assistance Programme on Education (FAPE)

Based on the resounding success of the NFPE schools a great demand from the community arose to open more and more schools. BRAC is fully committed to the goal of universal primary education, but, as an NGO, it has its own limitations. BRAC, therefore, entered into an agreement with the Government of Bangladesh in 1988 to evolve processes necessary for the improvement of the existing formal primary education system. From July 1989, BRAC has been implementing the "Facilitation Assistance Programme on Education" (FAPE) jointly with the Government in Manikgonj Sadar, Rangpur Sadar and Chowddyagram

thanas with approximately 55 government primary schools in each thana totalling 165 out of 324 government schools. This pilot programme was approved by the Directorate of Primary Education and the duration of the programme is for 30 months or 2 1/2 years. Objectives of the programme are to:

- increase managerial and supervisory capability of local level Officials (Assistant Thana Education Officer ATEO) by providing orientation and on-the-job training (joint school visit, organising of cluster training and its follow-up), participation of School Managing Committee (SMC), and Parent-Teacher Association (PTA) meetings;
- strengthen managerial and professional efficiency of teachers through training and joint follow-up action in these areas:
 - techniques
 - school management mechanisms
among teachers, field supervisors
and community leaders
 - relationship building between teacher and community
enrolment of primary school age (6-10 years) children with special attention to girl child of the catchment areas from 70% to 90% in line with the CPE strategy;
- raise the rate of attendance from 40% to 75%;
- reduce drop-out amongst enrolled children from 35% to 20% in a school calendar year;
- increase community participation in overall school management.

The areas to be brought under this programme were not fully operational until November 1989. During the initial 4 months, from July 1989 to October 1989, FAPE staff oriented themselves with the programme and went to work on a baseline survey. Full swing activities began in November, 1989. The first cycle of the programme is going on and the results will be available at the end of the project.

4.2 INCOME GENERATION FOR VULNERABLE GROUP DEVELOPMENT

The Income Generation for Vulnerable Group Development (IGVGD) programme is another component of BRAC's poultry programme. Through this programme, BRAC is providing training on poultry to the Vulnerable Group Development (VGD) women who are recipients of 31.25 kg. of wheat per month for 2 years. This VGD programme is administered by the Directorate of Relief and Rehabilitation

(DRR) and supported by World Food Programme (WFP) wheat. It is a collaborative effort between WFP, DRR, Directorate of Livestock (DOL) and BRAC and aims at improving the income earning potentials of these vulnerable families through poultry rearing during the 24 month period in which they are supported by the wheat ration. The programme started in 1987 and its overwhelming success has led to a second cycle.

BRAC selects the different cadres of poultry workers, key rearers, and chick rearers from the VGD card holders in each union under the covered thanas. The poultry training is given to VGD card holders to enable them to earn at least an equivalent amount of the monthly take home ration in cash during the two year entitlement period. The programme components are:

- selection of VGD beneficiaries for training;
- training of poultry workers, key rearers, and feed sellers;
- vaccination on a regular basis to reduce bird mortality;
- development of key rearers;
- establishment of units to rear day-old chicks;
- establishment of feed selling centre;
- distribution of HYV eggs, chicks and cocks;
- Scavenging feed supplemented by balanced feed;
- egg collectors;
- credit support;
- follow-up on a regular basis.

The VGD women are jointly selected by representatives from DRR, DOL, local union councils and BRAC for training. In each union there are 150-200 VGD card holders and out of them only those with potentials are chosen for the poultry programme which is approximately 75%. Altogether 57,929 women have been trained upto June 1992.

To prevent poultry mortality and develop poultry rearers, one VGD woman from each village is selected as a poultry worker and given a 5-day training course on poultry management, basic treatment of diseases and vaccination. The poultry worker is responsible for all vaccinations and dissemination of information on poultry rearing practices in her village. A one-day refresher course is held every month. Upto June 1992 there were 5,867 poultry workers. The poultry workers are provided with the necessary equipment and vaccines required for giving vaccinations on a

regular basis. The worker charges a token fee of Tk 0.25 per bird.

Selected VGD women are given 3 days of training on ideal methods of poultry rearing and are graduated as key rearers. Each key rearer has one HYV cock and ten hens (4-5 HYV), and a suitable space for their housing. Average monthly income is Tk. 150. By June 1992, 54,684 key rearers have been trained.

To ensure a continuous supply of birds, 10 to 20 chick rearing units per thana have been established. The Directorate of Livestock's poultry farms supply the day-old chicks and the chick rearers raise them for two months, after which they are sold to the key rearers. Their average monthly income is Tk. 700 for 200 chicks. Upto June 1992, 609 chick rearing units had been established.

To run the mini farms and chick rearing units properly, two poultry feed sales centres have been established in each thana. With the spread of the hybrid variety of birds, the people are gradually getting habituated to buying balanced feed. There are 231 feed sales centres in the IGVGD programme areas. In each village, one poultry worker acts as an egg collector. Twice every week an agent comes around to buy the eggs. There is one agent appointed for each ward, 5-7 villages. The number of egg collectors now stands at 529.

To ensure proper utilization of skills, credit support is provided to key rearers, chick rearers and feed sellers. A pilot credit scheme was undertaken in 1988 with the 22 thanas whereby credit support to the women was given. The rearers are also encouraged to open a bank account and to deposit monthly Tk.25 in their accounts. Presently Tk.61.77 million has been disbursed, Tk.61.58 million has been realised and Tk.0.21 million is outstanding. This loan programme is financed by the Directorate of Relief and Rehabilitation.

To cooperate with the Government in the smooth implementation of the programme, one Thana Programme Organiser and 3 Programme Organisers have been posted in each thana. BRAC staff are responsible for motivation, group formation, training and supply of inputs to the VGD card holders, from the DOL at cost price. The DRR through BRAC staff provides administrative support. WFP assists in monitoring and liaison with the various departments.

There is a thana VGD sub-committee which is comprised of the Thana Livestock Officer as the chairman, the Project Implementation Officer and a BRAC representative. The committee holds regular meetings between the departments concerned and carries out necessary steps for the smooth functioning of the programme. The object of monitoring is to assess the progress of the programme and identify major problems. An action plan is prepared and monthly reports are submitted to the BRAC head office and related departments.

Table-12: IGVD Programme

Information	Achievement (No.) (Upto June 1992)
Thana covered under IGVD	36
Unions under the programme	332
VGD cardholders trained	57,929
Trained as poultry workers	5,867
Trained as key rearers	54,683
Trained as chick rearers	609
Poultry mortality rate (1991)	12%
Disbursement (Tk. in million)	61
Number of loanees	52,470

BRAC's Poultry Programme has made significant contributions in raising the income level of the rural, disadvantaged women who would otherwise have been left out of the formal work sector. They are now an active workforce, and, even though their income is not much, it helps to augment the meagre earnings of the family as well as improve their quality of life. For many, it is their sole source of income.

What is noteworthy about this programme is that these rural poor women are now actively participating in the rural economy, both as buyers and sellers of goods and services. Moreover, the strong linkages developed with the various government departments, its assistance and the ready access to its services and cooperation, is an example of government and non-government organisations working closely together for the betterment of the country.

4.3 RURAL ENTERPRISE PROJECT

The Rural Enterprise Project (REP), a support service project of BRAC, was set up in September 1985 to address the problem of the slow growth of employment opportunities and marginal involvement in traditional economic activities among the BRAC landless groups by using traditional technology and management procedures. It is very difficult and to some extent risky, to bring changes in terms of diversity of enterprises, technology and management style into BRAC's regular credit functions. Therefore, an "Enterprise Development Wing" was created to try to explore new business ideas suitable for the rural poor. REP's objectives are to:

- increase long term rural income generation prospects of the landless;
- explore opportunities in both farm and non-farm sectors;

- investigate, test, organise and demonstrate new or improved income earning activities to increase productivity;
- train landless people to undertake such activities.

To develop new or improved businesses that can be owned, operated and managed by BRAC target people, REP follows a practical methodology designed to achieve its goals. Initially, sector reviews are done to identify broad areas where REP may intervene. Based on these reviews, new ideas are generated for research and a variety of sources are used such as: members of the target group, BRAC's field staff, technical staff, research institutes, literature reviews and so on. Once ideas are identified, extensive background work is done to assess potentials and problems keeping the target people in mind. Ideas which emerge as potentials from this preliminary background study, are put through a vigorous feasibility study focusing on technical, financial, socio-economic and management aspects of the business.

Business ideas which appear viable in the feasibility study are scheduled for implementation. An implementation plan is made consisting of action plan, budget, monitoring and control mechanism, staff requirements (technical and non-technical), outside expertise and so on. A major part of the implementation plan is the monitoring and control mechanism required for proper implementation.

Finally, the project funding requirements are set. REP provides funds for two categories of projects: experimental and pilot. Experimental projects are those which require controlled testing. Ownership in this kind of project remains with REP. Pilot projects involve group members and is also funded by REP depending on the risk involved in the business. REP classifies business risk into three categories:

High risk for improved or new activities as yet untried in Bangladesh. Ownership resides with REP. Implementors' wages are paid by REP for a maximum period of 12 months after which they are expected to buy the enterprise at its full start-up cost.

Medium risk for a proven activity as yet untried by the landless in Bangladesh. Ownership is retained by REP but the landless groups pay a lease hire fee per month for a maximum of 12 months, after which they are expected to buy the enterprise.

Low risk for a proven activity as yet untried by BRAC landless or improved version of present activities undertaken by BRAC's members. Ownership and operation by groups using own or RDP/RCP loan funds.

The funds provided by REP for high and medium risk projects comes from REP's Pilot Project Fund (PPF). During the implementation phase, projects are regularly monitored and at the end of the

project, they are evaluated. All projects are documented and business profiles, training materials etc. are prepared on successful projects for implementation by RDP/RCP. REP also provides technical and other follow-up support to RDP/RCP during implementation.

Besides regular work, REP undertakes special assignments requested by other departments of BRAC, in order to contribute to BRAC's overall goal. A review committee reviews REP's work, suggests priority activities for investigation and helps identify potential consultants and resource people.

REP has successfully completed eight projects: Turbid Water Fish, Nilotica culture, Broiler Fish Integrated Farming, Goat Fattening, Block Printing Development, Chawki Rearing, Dye House and Female Operated Restaurants. Out of the completed projects, the Turbid Water Fish The Restruant, Silk Yarn Weaving and Selling and the poultry Hatchery project have been handed over to the RDP. Presently, REP the following projects:

Experimental Projects

<u>Project</u>	<u>Duration</u>	<u>Area</u>
Nurseries	1990-	Jessore
Mechanical workshops	1989-	Mirzapur, Sherpur, Paglapir, Tebunia and Monirampur
Pearl culture	1989-	Mymensingh
Power Tillers	1991-	Faridpur & Natore region
Small Carp Hatcheries	1990-	A total of 57 hatcheries in different areas
Agroforestry	1990-	Kamalpur, Nonni, Jhenaigati, Dhanshail & Bhayadanga
Maize	1992-	Nonni, Jhenaigati, Bhayadanga, Kamalpur, Dhanshail, Syedpur, Nilphamari & Palashbari
HYV Paddy Cultivation	1991-	Hobiganj, Mohera, Krishnapur & Taraganj
Vegetable Cultivation	1992-	Krishnapur & Manikganj

Pilot Projects

Apiculture	1991-	Jamalpur, Sherpur, Jessore, Mymensingh, Narsingdi and Kishoreganj Region
Carp Poly Culture	1990-	Jessore Region
Godown	1988-	Gorpara

4.4 MANAGEMENT DEVELOPMENT PROGRAM (MDP)

The MDP is a support service program of BRAC. It is one of the latest additions to the pool of professional support services set up by BRAC. Since its inception in January 1990, it has emerged as a support project under the Rural Development Program (RDP). It is aimed at creating an enabling learning environment for the managers of BRAC and other organizations. The social commitment of MDP is to develop a cadre of Rural Development Managers in Bangladesh.

Objectives

The broad objectives of MDP are to:

- strengthen the management capacity of BRAC;
- supplement the process of developing management capacity of other organisations working in the rural areas.

Nature and Functions

In order to achieve these objectives six program elements have been incorporated. These are:

- research, documentation and development of learning materials;
- experimental field laboratories;
- in-service continuing education;
- field follow-up and experience sharing; and
- consultative services to other organisations.

Case writers of MDP develop management cases on various management issues, which are approved by program personnel through formal Case Presentation Forums (CPF). So far 20 management cases were developed and are being used in the management courses.

It also organises the Program Presentation Forum (PPF), an in-house event where BRAC programs are presented to BRAC staff in order to make them aware about the latest performances of the programs.

MDP has been involved in providing consultancy to UNICEF in collaboration with NIPSOM for developing a project on Health Services Management Development (HSMD).

MDP was preparing two training courses for RDP staff. These were: (i) savings and credit management course for POs of RDP (one week); (ii) operation management course (OMC) for the Branch Managers of RDP (one month).

Special emphasis was given to develop the faculty members of MDP. One of the faculty members has returned after completing a Masters in Public Health, at Harvard University, USA. Another faculty member attended a short course on 'Rural Research and Rural Policy' at the Institute of Development Studies (IDS), University of Sussex, UK, from January to April 1992.

The process of selecting experienced program personnel for MDP is continuing. A Screening Workshop of sixty BRAC staff was organised by MDP for preparing a list of twenty potential faculty members, narrowing down to a final selection of six. They are expected to join MDP by July and will be placed for the first few months at TARCS for their initial exposure to training. MDP is comprised of two field units: (i) the Centre for Development Management (CDM); and (ii) a Training Venue at Uttara

Centre for Development Management (CDM)

This centre was formally inaugurated in May 1992. But the said rural campus of MDP was brought under operation in May 1991 and it was known as the Management Training Centre (MTC). On the occasion of its formal inauguration, the name has been changed to reflect the key focus of the centre. This is intended to be a centre of excellence staffed with Bangladeshi development practitioners for the development of management in Bangladesh. CDM has two separate institutions: (i) the newly established CDM; and (ii) formerly established Fish Hatchery and Training Centre (FHTC). The whole complex is situated over 21 acres of land. The objectives of CDM are:

- to provide professional management courses and other staff development services for the managers of BRAC and other organisations;
- to provide appropriate support and facilities to other organisations for organising various workshops, seminars and training courses.

Physical Facilities

CDM has the necessary modern equipment for conducting training courses, workshops, meetings and conferences. It consists of thirty-eight double occupancy bedrooms, four class rooms, one multi-purpose conference hall, a library and a spacious lobby at the main entrance of the building. It has two dining rooms and a modern kitchen capable of providing catering services to large number of guests. There are twenty rooms with balconies, air conditioners and attached baths on the first floor. The ground floor has eighteen bedrooms with shared baths. All baths have hot and cold water facilities. There are four classrooms all of which are air conditioned and equipped with White Boards and Overhead Projectors. Each classroom can accommodate twenty-five participants.

The air conditioned multipurpose hall located on the 2nd floor, is ideally suited for workshops which can accommodate 60 participants (circular sitting position) at a time.

Other facilities included photocopier, laundry services, a general store, mail and transportation services, and microwave telephone. More than 30 trained staff work round the clock to ensure the comfort and security of guests. CDM has separate residential facilities for its faculty members, staff and service personnel.

Indoor and outdoor game facilities and a cafe overlooking the lake is available to all occupants of the centre.

Table 13: Capacity Utilisation of CDM by BRAC and Other Organisations

Organisations	Target (1992)	Capacity Utilized	
	Capacity	(January-June 1992)	
	Number	Number	%
BRAC	4,752	2,402	50.55
Other Organisations	2,640	1,417	55.72
Total	7,392	3,873	52.39

Some 20 courses (2402 participant days) were organised for BRAC during January-June 1992 at CDM. The courses were conducted by MDP in collaboration with TARC trainers. In addition, 22 workshops/ seminars (1271 participant days) were sponsored by other organisations during the period. (Please see Table 13 & 14).

Table 14: Capacity Utilisation of CDM by BRAC during
(January-June 1992)

Sl No	Name of Courses	Duration (days)	No. of courses	Program	No. of Participants			Participant days
					Male	Female	Total	
1	Workshop for Senior Managers of BRAC	02	01	BRAC	27	02	29	58
2	Functional Education	06	06	RDP	61	22	83	525
3	Approach to Rural Development	13	03	RDP	28	11	39	522
4	Facilitation Skills	06	03	RDP	39	17	56	336
5	FM Selection Workshop	01	01	RDP	47	-	47	47
6	TOT (Credit Mgt. for PO)	06	01	TARC	20	-	20	120
7	TOT (Credit Mgt. for GS)	06	01	TARC	17	-	17	102
8	Livestock Development Workshop	12	01	IGVGD	08	12	20	260
9	Credit Management	06	02	RDP	25	08	33	198
10	TOT (IGVGD)	13	01	IGVGD	18	-	18	234
Grand Total			20		290	72	362	2402

Table 15: Capacity Utilisation of CDM by other organisations
(January-June 1992)

Organisations	Workshop/ Seminar	Partici- pants	Partici- pant days	%
UNICEF	11	265	1,029	69.95
JSI	02	28	132	08.97
GTZ	02	37	74	05.03
ICDDR,B	01	30	60	04.08
PR. EDUCATION DEPARTMENT	01	28	56	03.81
BRITISH HIGH COMMISSION	01	08	48	03.26
SOCIAL MAREKETING PROJECT	01	32	32	02.18
J.H. UNVIERSITY	01	18	18	01.22
SDC (SWITZERLAND)	01	07	14	00.95
SAP-B	01	08	08	00.55
TOTAL	22	461	1,471	100.00

B. Fish Hatchery and Training Centre (FHTC)

Built in 1988 and situated on the same premises as CDM, FHTC was brought under the management of CDM in 1992. It has two wings: Training Wing (TW); Fish Hatchery Wing (FHW). The objectives of the TW are:

- to provide need based human development and professional training courses; and
- to ensure extension support for the group members organised by BRAC's programs.

This wing has facilities for organizing training courses for the group members. The annual capacity of this wing in terms of participants days is 10,560. Capacity utilised during January - June 1992 was 80.17 percent.

Table 16: Capacity utilization of the training wing of FHTC by BRAC Programs (January-June 1992).

Programs	No. of Participants			P. Days	% of P. Days
	Male	Female	Total		
RDP	173	197	370	3,263	77.08
RCP	54	10	64	749	17.70
IGVGDP	-	34	34	221	5.22
TOTAL	227	241	468	4,233	100.00

The objectives of Fish Hatchery Wing (FHW) are:

- to produce different species of quality fish spawns and fingerlings and to make them available to the fish farmers in the private sector; and
- to provide high quality technical support to local farmers in order to encourage fish culture in the potential rural areas.

The yearly production target of fish spawns was set at 205 kg. The wing has already produced 138.27 Kg. (67.31%) of spawns by June 1992. It is expected that the total production could reach 300 Kg. by the end of the season. In addition to spawn production, 811 Kg. of food fish was also produced. Out of total spawn production, 106.65 Kg. were sold to fish farmers while 29.61 Kg. were stocked in the ponds.

Training Venue at Uttara

MDP has a rented Training Venue at Uttara Model Town. It is a three storied building. It is being used by BRAC programs for organizing meetings, seminars and training courses. The annual capacity of this venue in terms of participant days is 6,600. Total capacity utilised by BRAC and Other organizations during January-June 1992 was 54.45%.

Education Support Program (ESP)

The Education Support Program (ESP) which was managed by NFPE has been brought under the management of MDP. The objective of ESP is to provide technical and financial support to small NGOs for replicating BRACs model NFPE schools successfully. A total of 485 BRAC model NFPE schools are being run by different NGOs. Some 26 organizations are receiving financial and/or technical support from BRAC to run 130 NFPE schools through ESP.

4.5 PARALEGAL PROGRAMME

The Paralegal Programme started on an experimental basis in BRAC's Manikganj Integrated project in August 1986. Sixty group members were identified to form a cadre of paralegal disseminators. After these 60 group members had been trained they went around disseminating this information among their villages. This informal dissemination was not found feasible because it was difficult for the disseminators to mobilize the group members; therefore, the paralegal team decided that more structured teaching methods were required as well as classroom teaching.

In 1988, a TARC-based training course for the paralegal team and trainers on communication skills was given to the cadre of 60. Out of them, 34 were initially selected for intensive training on *teaching methodology*. *These paralegal teachers were finally ready to give classes.* In January 1989, the newly structured programme started in Manikganj with 25 learners in each group being taught by the paralegal shebok/shebika for 30 days. The objectives of the paralegal programme are:

- legal empowerment of the rural poor, side by side with social and economic empowerment;
- demystifying esotericism of the law through legal literacy classes;
- decreasing incidence of litigation among the landless as it is both time and cost consuming, a circumstance which they cannot afford.

The paralegal programme is operating in 15 BRAC areas viz: Manikganj, Betila, Balirtek, Gorpara, Ghior, Krishnapur, Goalundo, Rajbari, Ahladipur, Jamalpur, Titpalla, Nandina, Mirzapur, Mohera, and Warshi. From each area 10 persons, 5 women

and 5 men, are chosen as paralegal teachers, shebika/sheboks, from among the group members for training. The selected persons complete four training courses to qualify as fully fledged paralegal sheboks. After this they go back to their respective areas.

Each of these paralegal teachers are then given a group, composed of 25 members, to conduct legal literacy classes. One paralegal teacher is not allowed to handle two groups simultaneously. It is interesting to note that these group members have to pay Tk. 10 as entry fee for the full course. This amount is given to the paralegal teacher as an honorarium.

The entire course takes 28 days to complete plus two extra days for review and closing. The course is two hours each day, six days a week. Women teachers teach women's group and men teach men's group. The subjects taught are:

- Family Law (Muslim)
- Law of Inheritance (Muslim)
- Citizen's Right
- Land Law.

Upto June 1992, a total of 34,826 group members have been trained on legal issues of whom 29,026 are women and the rest are men. BRAC plans to extend the coverage to at least 50% of the group members of these areas.

The paralegal team is comprised of a Sector Specialist who is a lawyer and who oversees the whole programme, and a head office-based lawyer. There are five field-based POs with each PO covering three areas. They are supervised by a Field Officer.

Periodic workshops for the paralegal team are held in the field where they view and review the programme, assess and analyze it, find out problem areas and exchange information. Efforts are made to concentrate on achieving the targets set and the POs exhorted to carry out mobilization work as well as closely monitor the teaching methodology of the paralegal teachers, clearing up areas of confusion, when necessary.

Training is a vital facet of the paralegal programme. It forms the pivot around which the whole programme revolves. The paralegal sheboks have to go through a series of training before being assigned to a class. There are four training courses organised, each of six days duration with a month's gap in between. Each course consists of 25 participants. The courses are:

- Basic Training 1, Muslim Family Law and Citizens' Rights
- Basic Training 2, Law of Muslim Inheritance.

After each training course, there is a month's gap for participants to visit and familiarize themselves with forms and docu-

ments of the different offices and become acquainted with the officials. The PO keeps regular contact with them and conducts a refresher course for each training course within that month. These two courses form the theoretical part of the programme. Next comes the training on teaching methodology which deals with teaching techniques. The courses are:

- Paralegal Teachers Training (PLTT) 1, Family Law and Citizen's Rights, comprised of 6 days of training with a month long gap in between in which another refresher course is conducted by the POs;
- Paralegal Teachers Training 2, Law of Inheritance and Land Law also comprised of 6 days of training.

All these training courses are TARC-based and the trainers use manuals and consult the paralegal team personnel for Basic Training 1 and 2. For the PLTT 1 and 2, flip charts are used and a paralegal team member is always in attendance. Within 10-15 days after the completion of the whole training course, a 2-day refresher course is organised which is field based. The paralegal team arranges and conducts this course.

Based on an evaluation report compiled by the Research and Evaluation Division on knowledge retention of the legal literacy classes, training activities were expanded into an additional 15 areas from January 1992 and will be completed by the end of 1992.

Findings

The group members who have completed the course on their own initiative are gathering information from various sources on legal matters pertaining to their rights. Most marriages taking place among the legal literacy class members are getting registered. Members are no longer willing to sign on blank sheets and they request that it be filled and read out to them. Taxes and land revenue payments in most cases are being made in a timely manner and all receipts preserved.

4.6 RESEARCH AND EVALUATION

The Research and Evaluation Division (RED), an independent unit established in 1975, undertakes various socio-economic studies on BRAC's multifarious programmes. These studies help BRAC in policy and planning. Presently, RED has completed 187 studies and all are available at BRAC's central library. The major emphasis of RED is looking at different aspects of RDP interventions as they occur in the field. RED organises its research activities under five broad categories:

- baseline or bench mark surveys;
- monitoring studies;
- diagnostic studies;
- impact evaluation studies;

- policy oriented studies.

During the reporting period, January to June 1992, RED's core researchers completed seven studies on RDP.

Abstracts of these studies are given in Annexure 10.

4.7 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 by carefully reviewing the credit operation procedures of RDP. Since then, a lot of changes and revisions in the credit operation procedures have taken place. In addition, the department has been endeavouring to develop an effective management information system for other non-financial activities of RDP. The cell was upgraded to department status in November 1990 and named as Monitoring Department for its effectiveness in management information monitoring and has been given the responsibility of monitoring both RDP and RCP. Activities of the department during the reporting period are discussed below.

4.7.1 Monitoring the Institution Building Process

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

A participatory methodology has been developed. The methodology includes 20 indicators, such as delivery and organisational activity, savings, credit, social and health aspects. It is worth noting that the number of indicators was 30 but were reviewed in late 1991 and reduced to 20. Each indicator is given a value that ranges from three to seven. Indicators which are viewed as more "important" are given more value. In addition to this, ten points are given to each indicator for achieving yearly targets. Final score for each indicator is calculated in the following way: value of the indicator is multiplied by the said indicator. Total maximum score that a group can achieve is 1,000. To indicate the result in percentages, total score is divided by 100. Depending on the final score, a group can be standardised into Grade A, good or 8 to 10 points; Grade B, satisfactory or 6 to 7.99 points; Grade C, poor or 4 to 5.99 points and Grade D, bad or less than 4 points.

At the group level, the results of the exercise are discussed in the next monthly meeting of the group, following the monitoring assessment. Depending on the results and standards, the group will discuss the indicator for which it achieved the least score(s), and prepare action plans for next year to improve the

situation. The PO (BRAC staff) prepares his/her own plan for the group 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 manner.

An exercise with 30 indicators was carried out in 14 third year RDP branches covering a total of 876 village organisations or 72% of total VOs of these areas in June 1991. Standardwise breakdown of results revealed that 20 percent of the VOs were in the Grade A or good category; 69 percent in B or satisfactory; 10 percent in C or poor; and, one percent in D or bad (see Annexure 11). Further studies are being planned for the second half of the year to include 20 branches from amongst both new and old branches.

4.7.2 Monitoring the Credit Operation

Unlike institution building, the monitoring department has been endeavouring to develop a monitoring system for the credit component of RDP and RCP. The objective is to help simultaneously, the management operation both at field and head office with information on fulfilment of targets on disbursement, outstanding and on time recovery rate. For this, the transaction sheet at the area and village level has been revised. The present sheet which is prepared monthly by the GSs and sent to BRAC Head Office at the beginning of the next month is used to prepare quarterly statistical reports as well as trend and ratio analysis (e.g. delinquency, aging etc.). These transaction sheets are also aggregated at the branch level and on the basis of that a monthly report is prepared which provides information on achievement of operational targets in terms of new members, disbursements, realization, overdue, savings and portfolio quality by current, late and overdue loans. A copy of this report is presented to the Directors and Regional Managers. Major findings are discussed in the Regional Managers monthly meeting held in the Head Office.

Apart from the above, arrangements have been made to monitor the qualitative aspects of the programme. One Programme Organiser (Monitoring) has been deployed to each regional office to help the managers in collecting process-oriented information. Issues are suggested by Branch and Regional Managers which are finalised by the Monitoring Unit after consultation with Regional Managers and the Director. The Monitoring Unit designs questionnaires, supervises data collection, controls the quality of data and prepares reports. The reports are submitted to Regional Managers and the Directors. The Regional Managers send the reports to the Area Managers for necessary action. Six reports have been published during the reporting period (See Annexure 12).

Preliminary results proved to be very useful to RDP and RCP management. The Department now regularly publishes the following reports:

- Monthly statistical summary on coverage, institution building, savings and credit;
- Monthly monitoring report;
- Quarterly statistical report;
- Semi-annual narrative report;
- Ad-hoc reports on various issues.

5.0 FINANCIAL STATEMENT

The summary statement of RDP and RCP expenses for the period ending June 30, 1992 are itemised and grouped broadly into a number of headings (for more details please see Annexure 13).

Annexure I:
Genderwise Distribution of Disbursement and Outstanding

Item	Program	Position upto January, 1992			Position upto June 1992			Increase from January'92 to June'92					
								Amount			Percent		
		Men	Women	Total	Men	Women	Total	Men	Women	Total	Men	Women	Total
Disbursement	Total	510,929,216	960,567,606	1,471,496,822	602,142,836	1,218,118,080	1,820,260,916	91,213,620	257,550,474	348,764,094	18	29	24
	RCP	333,379,253	746,893,833	1,130,273,086	429,316,123	888,580,093	1,317,896,216	45,936,870	141,686,260	187,623,130	12	19	17
	RDP	127,549,963	213,673,773	341,223,736	172,826,713	329,537,987	502,364,700	45,276,750	115,864,214	161,140,964	35	54	47
Outstanding	Total	210,386,996	396,659,321	607,046,317	240,415,813	459,024,995	699,440,808	30,028,817	62,365,674	92,394,491	14	16	15
	RCP	143,006,776	293,602,989	437,409,765	155,661,315	308,038,303	463,699,618	11,854,539	14,355,314	26,209,853	8	5	6
	RDP	66,580,220	102,976,332	169,556,552	84,754,498	150,986,692	235,741,190	18,174,278	48,010,360	66,184,638	27	47	39

Annexure 2
Sectorwise Distribution of Disbursement (Cumulative and Periodic)

Sector		Position upto January 1992		Position upto June 1992		Increase (January to June '92)	
		Amount	Percent	Amount	Percent	Amount	Percent
Agriculture	RCP	65,556,587	(5.80)	74,430,087	(5.65)	8,873,500	(4.15)
	RDP	8,207,018	(2.41)	13,697,018	(2.73)	5,490,000	(3.02)
	Total	73,763,605	(5.02)	88,127,105	(4.84)	14,363,500	(4.15)
Irrigation	RCP	86,870,947	(7.68)	110,542,177	(8.39)	23,671,230	(12.15)
	RDP	27,201,141	(7.97)	49,521,391	(9.86)	22,320,250	(13.02)
	Total	114,072,088	(7.75)	160,063,568	(8.79)	45,991,480	(13.15)
Fisheries	RCP	9,244,837	(0.82)	10,089,837	(0.76)	845,000	(0.08)
	RDP	3,771,014	(1.10)	6,384,014	(1.27)	2,613,000	(1.17)
	Total	13,015,851	(0.88)	16,473,851	(0.91)	3,458,000	(0.21)
Livestock	RCP	235,192,790	(20.81)	242,106,090	(18.37)	6,913,300	(3.00)
	RDP	43,108,711	(12.62)	50,489,800	(10.05)	7,381,089	(4.43)
	Total	278,301,501	(18.92)	292,595,890	(16.07)	14,294,389	(4.43)
Cottage Industry	RCP	61,671,056	(5.45)	69,017,056	(5.24)	7,346,000	(3.00)
	RDP	3,561,527	(1.04)	6,626,527	(1.32)	3,065,000	(1.00)
	Total	65,232,583	(4.43)	75,643,583	(4.16)	10,411,000	(2.00)
Services	RCP	13,218,671	(1.17)	13,595,171	(1.03)	376,500	(0.03)
	RDP	3,221,714	(0.94)	3,663,714	(0.73)	442,000	(0.03)
	Total	16,440,385	(1.132)	17,258,885	(0.95)	818,500	(0.03)
Rural Transport	RCP	51,159,427	(4.53)	53,696,927	(4.07)	2,537,500	(1.00)
	RDP	18,742,653	(5.49)	22,858,653	(4.55)	4,116,000	(2.00)
	Total	69,902,080	(4.75)	76,555,580	(4.21)	6,653,500	(1.00)
Rural Trading	RCP	502,791,541	(44.48)	587,862,991	(44.61)	85,071,450	(45.15)
	RDP	205,930,556	(60.35)	284,873,475	(56.70)	78,942,919	(48.15)
	Total	708,722,097	(48.16)	872,736,466	(47.94)	164,014,369	(47.15)
Food Processing	RCP	100,659,528	(8.91)	150,710,328	(11.43)	50,050,800	(26.15)
	RDP	26,386,752	(7.72)	61,627,458	(12.27)	35,240,706	(21.15)
	Total	127,046,280	(8.63)	212,337,786	(11.66)	85,291,506	(24.15)
Health	RCP	1,605,600	(0.15)	1,632,600	(0.13)	27,000	(0.00)
	RDP	849,000	(0.25)	881,000	(0.17)	32,000	(0.00)
	Total	2,454,600	(0.16)	2,513,600	(0.14)	59,000	(0.00)
Miscellaneous	RCP	2,302,102	(0.20)	4,212,952	(0.33)	1,910,850	(1.00)
	RDP	243,650	(0.07)	1,741,650	(0.35)	1,498,000	(0.90)
	Total	2,545,752	(0.17)	5,954,602	(0.33)	3,408,850	(0.90)
Total	RCP	1,130,273,086	(76.81)	1,317,896,216	(72.40)	187,623,130	(53.15)
	RDP	341,223,736	(23.19)	502,364,700	(27.60)	161,140,964	(46.15)
Grand Total		1,471,496,822	(100.00)	1,820,260,916	(100.00)	348,764,094	(100.00)

Annexure 3:
Areas with Below Average Recovery Rates : RDP
As of June 1992

Sl. No.	Name of Areas	Cumulative disbursement	Total Outstanding	Current Loan Outstanding		Late Loan Outstanding		Overdue Loan Outstanding						Recovery Rate
								Overdue		NYT		Overdue + NYT		
				Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	
1.	Atghoria	20,110,400	8,014,458	6,185,213	76.93	1,178,895	14.71	670,350	8.36	812,803	10.14	1,483,153	18.51	90.7
2.	Bokshigonj-1	119,656,212	8,908,559	5,291,965	59.40	2,088,002	23.44	1,528,572	17.16	0	.00	1,528,572	17.16	89.9
3.	Bonpara	17,382,356	6,503,722	2,616,477	40.23	3,219,875	49.51	867,370	10.26	643,238	9.89	1,310,608	20.15	90.8
4.	Gheor-2	2,372,436	1,386,034	1,348,751	97.31	0	.00	37,283	2.69	0	.00	37,283	2.69	97.1

Annexure 4

Realisation of Not Yet Transferred Loan : RDP
As of June 1992

Sl. No.	Name of Area	Position in January '92			Position in June '92			Realisation (January-June '92)		
		Principal	Interest	Total	Principal	Interest	Total	Principal	Interest	Total
	Total of RDP	3,341,540	1,664,232	5,005,772	3,213,001	1,647,635	4,860,636	(128,539)	(16,597)	(145,136)
1.	Bankra	84,876	-	84,876	84,876	-	84,876	-	-	-
2.	Gazaria	482,140	184,225	666,365	391,567	184,225	575,812	(90,553)	-	(90,553)
3.	Gheor-1	1,020,368	457,045	1,477,413	997,808	457,045	1,454,851	(22,562)	-	(22,562)
7.	Manikgonj	842,165	303,346	1,145,511	842,165	303,346	1,145,511	-	-	-
8.	Sreebordi	133,259	48,418	181,677	117,835	31,821	149,656	(15,424)	(16,597)	(32,021)
9.	Atghoria	387,798	425,005	812,803	387,798	425,005	812,803	-	-	-
10.	Boraigram-1	390,934	246,193	637,127	390,934	246,193	637,127	-	-	-

Annexure 5
Areas with below average recovery rates : BCP
As of June 1992

Sl. No.	Name of Area	Cumulative disbursement	Total Outstanding	Current Loan Outstanding		Late Loan Outstanding		Overdue Loan Outstanding		Recovery rate		
				Amount	%	Amount	%	Overdue	NIT		Overdue + NIT	
1	Chamhor	9,548,782	7,129,822	75.00	1,653,805	17.32	783,335	8.00	141,018	1.48	904,353	9.47
2	Wairhat	21,656,373	11,806,685	54.52	8,316,417	70.00	1,987,917	16.84	1,502,351	12.72	1,502,351	12.72
3	Pebra	34,728,583	12,022,783	34.63	9,542,053	79.08	1,095,839	9.11	1,365,091	11.52	287,120	2.22
4	Paglipir	27,564,574	14,761,202	53.59	8,659,971	60.00	4,427,389	29.99	1,473,842	9.98	1,473,842	9.98
5	Botlor	30,035,194	10,382,251	34.57	9,022,722	87.00	575,088	5.55	764,441	7.38	387,748	3.74
6	Gorhundo	23,189,532	8,672,288	37.45	6,308,026	73.00	1,051,991	15.59	1,012,251	11.87	1,012,251	11.87
7	Kamria	18,025,214	7,093,196	39.33	4,440,376	63.00	1,515,351	21.36	1,137,489	18.04	47,224	0.87
8	Wairingdi	44,067,580	11,493,582	26.08	10,623,235	92.00	436,377	3.80	433,970	3.78	1,566,742	13.63
9	Rangpur	27,434,088	9,802,067	35.73	7,740,050	79.00	1,042,590	10.64	1,018,827	10.39	163,431	1.67
10	Banira	15,793,882	7,822,117	49.60	6,364,617	81.00	462,628	5.91	994,874	12.72	84,876	1.09
11	Dharan	21,317,355	8,135,452	38.18	4,586,293	56.00	922,188	15.03	646,971	10.54	0	0.00
12	Dharan	20,269,700	8,995,447	44.38	7,516,077	84.00	655,182	9.51	624,188	6.94	0	0.00
13	Chor-I	30,652,104	8,626,688	28.15	7,594,575	88.00	501,734	5.81	540,379	6.26	1,477,413	17.11
14	Jamapur-I	22,643,011	9,501,758	42.00	7,488,386	79.00	1,402,864	14.76	610,708	6.43	0	0.00
15	Kamapur	21,388,471	8,997,139	42.08	5,409,975	62.00	2,249,071	25.00	1,138,093	12.55	0	0.00
16	Wairganj	37,149,739	10,523,756	28.33	10,338,581	98.00	83,681	0.80	101,494	0.96	1,145,011	10.88
17	Sheardi	20,377,059	9,683,510	47.53	8,030,474	83.00	1,165,231	12.06	467,805	4.84	149,816	1.55

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Annexure 6

Realisation of Not Yet Transferred Loan : RCP
As of June 1992

Sl. No.	Name of Area	Position in January 1992			Position in June 1992			Realisation (January-June '92)		
		Principal	Interest	Total	Principal	Interest	Total	Principal	Interest	Total
	Total	3,036,127	1,189,295	4,225,422	2,934,016	1,181,887	4,115,903	(102,111)	(7,408)	(109,519)
1.	Chataohor	104,702	36,316	141,018	104,702	36,316	141,018	-	-	-
2.	Horgoz	182,325	-	182,325	166,312	-	166,312	(16,013)	-	(16,013)
3.	Jhikargacha	28,500	11,043	39,543	28,265	11,043	39,308	(235)	-	(235)
4.	Kawalipara	268,602	15,854	284,256	268,602	15,854	284,256	-	-	-
5.	Pabna	135,473	131,647	267,120	134,343	131,104	265,447	(1,130)	(543)	(1,673)
6.	Andia	85,883	26,096	111,979	85,883	26,096	111,979	-	-	-
7.	Balirtek	17,000	22,457	39,457	17,000	22,457	39,457	-	-	-
8.	Boilor	278,261	109,487	387,748	244,861	109,487	354,348	(33,400)	-	(33,400)
9.	Gorpara	121,703	40,444	162,147	121,703	40,444	162,147	-	-	-
10.	Kalaroa	56,982	-	56,982	53,862	-	53,862	(3,120)	-	(3,120)
11.	Kawlia	40,578	6,646	47,224	39,473	6,646	46,119	(1,105)	-	(1,105)
12.	Kazirhat	62,770	11,295	74,065	62,770	11,295	74,065	-	-	-
13.	Kotwali(Dapunia)	7,083	-	7,083	7,083	-	7,083	-	-	-
14.	Krishnapur	44,500	17,451	61,951	44,500	17,451	61,951	-	-	-
15.	Narsingdi	1,056,118	567,924	1,624,042	1,020,063	562,087	1,582,170	(36,035)	(5,637)	(41,672)
16.	Rangpur	142,115	21,316	163,431	142,115	21,316	163,431	-	-	-
17.	Shibpur	403,512	171,541	575,053	392,439	170,513	562,952	(11,073)	(1,028)	(12,101)

Annexure 7

Basic statistics of RDP-PHC areas (January to June, '92)

Sl No	Particulars	Target population	Non-target population	Total
1	Area covered	-	-	27
2	Villages covered	-	-	1,197
3	Households	82,744	128,652	211,396
4	Population	415,748	654,776	1,070,524
5	Village health committees (VHCs)	13,973	-	13,973
6	Active Shasthya Sbebikas	1,276	-	1,276
7	Active TBAs	1,350	-	1,350

Particulars	Target		Coverage		Percent covered	
	IG	NIG ; Total	IG	NIG ; Total	IG ; NIG ; Total	IG ; NIG ; Total
Children (0-11 months)						
DPT & Polio III	8,472	11,947	20,419	6,190	9,062	15,253
BCG	8,472	11,947	20,419	5,081	6,951	12,022
Measles	4,894	7,107	11,801	3,582	4,904	8,486
WOMEN (15-45 years)	21,820	45,492	87,312	11,888	17,783	29,871
PREGNANT WOMEN	3,508	4,881	8,287	3,098	4,727	7,826
TOTAL	88,4	97,4	93,7			

Annexure 3
Different services coverage statistics of RDP-PHC
(January to June, '92)

Particulars	Target			Coverage			Percent covered		
	TG	NTG	Total	TG	NTG	Total	TG	NTG	Total
A. Nutrition:									
Colostrum feeding to the new borns	2,945	4,519	7,464	2,890	4,519	7,409	98.1	100.0	99.3
2. Supplementary feeding to the children (6-12 years of age)	5,334	6,663	12,197	5,645	6,976	12,621	105.8	101.6	103.5
3. Vit. A Cap. feeding to the children (6-71 months) (34th cycle)	55,070	80,982	136,052	46,585	71,980	118,565	84.6	88.9	87.1
4. Family Planning									
1. Eligible couples	68,061	120,956	189,017	29,912	35,744	65,656	43.9	29.6	34.7
2. Permanent methods	-	-	-	4,858	6,487	11,345	16.2	18.1	17.3
3. Temporary methods	-	-	-	25,058	29,257	54,311	83.8	81.9	82.7
C. Safe water and sanitation									
1. Functional tubewells*	-	-	-	6,758 (12)	13,298 (10)	20,056 (11)	-	-	-
2. Tubewells with brick-built* platforms	-	-	-	4,045 (20)	7,371 (17)	11,446 (18)	-	-	-
3. Slab latrines**	-	-	-	3,611	6,590	10,231	4.4	5.1	4.8
4. Pit latrines**	-	-	-	5,354	5,702	11,054	6.5	4.4	5.2

Notes: * Figures within parentheses indicate number of households per tubewell.
** Percentage of households having latrines of either types (slab/pit).

1. Title: Assessment of Basic Education of Children in Bangladesh

AMR Chowdhury
Samir R. Nath
Md. Mohsin

Abstract

This study presents results from a benchmark survey on basic learning abilities of children between the age of 11 and 12, that is, those past primary school age. "Basic education" refers to education intended to develop basic learning skills (i.e. 3 Rs') as well as some basic life skills necessary for the children to survive, to improve the quality of their lives and to continue learning. This study is the first of its kind in Bangladesh and has drawn the attention of many scholars, experts, policy planners and development organisations.

The study aimed at establishing a threshold for measuring basic education by setting a standard for it for children in Bangladesh that would help identify the needs and areas in planning national level education were developed with the help of experts from several national and international organisations. Necessary instruments were developed to assess the knowledge of 3Rs' and life skills of the children aged 11 to 12 years. Five surveys were carried out in each of the following areas: rural areas of Rajshahi, Dhaka, Khulna and Chittagong divisions and some urban pockets of the country. In all, 150 villages were evenly selected from these areas and 2100 children (girls and boys in equal numbers) were assessed. The whole operation, from training of the interviewers to the writing of a preliminary report took less than four weeks.

The findings showed that on an average 28.8% children have basic education. The highest was found in the Khulna region (29.5%) and the lowest in Chittagong (16.7%). Performance of boys was somewhat better than that of girls. Among urban children the difference between boys and girls was much more prominent. It was also revealed that the level of literacy among mothers and fathers as well as family assets have a very positive impact upon the learning of children.

The study proves to be very useful to set a standard for basic education for children in Bangladesh, and establish a benchmark for assessing "Education For All" strategies.

2. Social Constraints for Working Women : Notes from a Rural Area of Jamalpur.

Rita Sen

Abstract

This study presents some factors which create problems for working women. For this study eight villages were selected in Jamalpur area, four from BRAC areas and another four from non-BRAC areas. Data were collected through focus group discussion. The total number of respondents were 81. Five major "Social Issues" were explored: (i) role of intermediaries, (ii) women's mobility, (iii) household chores and productive activities, (iv) attitude of neighbours towards working women and (v) attitude of neighbours towards female education.

The study reveals that due to presence of various programs in the BRAC areas, the women are in a better situation than the women in non-BRAC areas. In the BRAC areas, the women were gradually overcoming their problems, and their attitudes have begun to change as they increasingly wish to protest against their disadvantages. It is hoped that through this process, one day they will be able to break the existing barriers. But in Bangladesh's rigid society where everything is directed by males, the women are unable to utilize their talents and potentials. So, it is imperative to also change the attitude of males towards the females in the society.

3. Deep Tubewell (DTW) Irrigation Technology in Rice Agriculture in Bangladesh : Its Impact on Output and Input Combination.

Karimul Haque

Abstract

This study focuses on two DTW's in Village Study Project (VSP) study areas - one from Jamalpur and another from Jessore - covering 101 farming households. Its aim was to look into the effects of DTW irrigation technology on: output increase and growth; output and input combinations; input output ratio; output and income change; labour and capital productivity; and employment growth. This study was a longitudinal one that reviewed the situation before and after the introduction irrigation with a view to assess the impact of technology. The findings and conclusions drawn from study are as follows :

- The per acre yield in the pre-intervention period was 30.0 maund compared with 41.3 maund in the post intervention period-indicating a 37.6% increase of output growth over the preceding year when irrigation was not introduced.
- The cropping pattern and output combination undergoes a change in the post-intervention period followed by shifting of cropped land from traditional variety to modern variety. This is due to the effects of irrigation.
- The efficient farm had a lower per acre input cost (Tk. 5,931) compared to the least efficient farm (Tk. 6,728).
- The bottom land category alone (< 0.50 acre) shared 41.0% of the increased output resulting from the effects of DTW irrigation while the remaining 59% was shared by other land groups.
- The DTW irrigation had a positive impact in terms of per acre employment in the post intervention period. Before irrigation, per acre employment was 0.56. After irrigation, it rose to 0.67, showing a positive effect of DTW on per acre employment creation.
- The productivity of labour (4.6) and capital (0.4) in the post intervention period was higher than the productivity of labour (3.7) and capital (0.2) in the pre-intervention period.
- The average per capita income of the irrigators also underwent a visible change. The average per capita income increased from Tk. 358 in the pre-intervention period to Tk. 892 in the post intervention period indicating a positive impact of irrigation on per capita income change.

4. The BRAC Samity: Collective Participation or Control by a Few? Case Studies from Four Villages.

Aleeze Sattar
Shah Asad Ahmed

Abstract

This study looked at four villages in four districts—Manikganj, Jamalpur, Narshingdi and Jessore - to explore the nature of participation in the samity with a particular emphasis on whether it is collective or controlled by a few (kin group/cliue/faction). Earlier, Michael Bowler, a Ph.D. student from USA, showed that both male and female samities in a village in Jessore were controlled by a kin group and cliue formed by the chairman of that respective male samity. This study was carried to see if the findings of Bowler could be replicated. Out of the four villages, findings from one village were similar to the findings of Bowler. In this village, one kin group was predominantly represented in the male and female samities. In the other villages, the groups which benefitted most were not based on kinship or factional ties. In the "Bowler-type" village it was also found that 52.2% and 41.4% group members owned more than 50 decimal land in the male and female samities respectively (VSP 1990). All of these members did not necessarily possess land but belonged to landowning households with more than 50 decimals of land. The poorest within the VOs participate least in the group process and are consequently least empowered. However, it transpired that the RDP field staff were aware of this situation and were planning to initiate some corrective measures.

5. Women in Poverty Alleviation : Six Case Studies

Dilruba Bani

Abstract

This is a an indepth study on six rural women who have proved that the powerless and oppressed are very capable of earning for their families and of participating in socio-economic development work if only they are given the opportunity. The broad objective of the study was to describe the process of involvement of rural women in a poverty alleviation programme. For this, the study attempted to explore the women's rationale for participation in BRAC's programmes. The six women who were involved in different income generating activities introduced by BRAC, have been purposively selected from the Monirampur and Jessore area. The case study approach was followed to collect detailed information on the background of their involvement with BRAC groups, training, credit, scheme specific work, household life and social status.

The study shows that initially the six women faced opposition from rural society as social custom was broken by their involvement in outdoor activities with an organizational support. With perseverance, they have overcome the opposition. From BRAC, all of them have received training on social consciousness and on specific skills. As an economic support, they have received different periodic loans for self-employment generating activities. The main activities of the six women are chick rearing, para-veterinary, cow rearing, small trading, silk yarn reeling and fish cultivation. Their secondary activities included poultry, health care, mulberry plantation, kantha stitching etc. The rationale of their participation is to improve the economic condition of their families. Their objective is to ensure income sources for their households. The women evaluate their participation in income earning to have improved their position at home and society at large.

6. Dependency Relationship and Development: Case of Two Villages

Md. Qamrul Islam

ABSTRACT

In the decade of the 70s, in explaining underdevelopment of the Third World countries, a small group of progressive economists formulated the dependency theory. It was constructed in opposition to "interdependency" theory of the western capitalist status. The dependence theory said that the poverty of the Third World was not due to historical backwardness that could be eliminated by the simple process of modernising the economy but rather that it was result of a systematic process of exploitation of the countries of the South by those of the North.

Despite some of its deficiencies the dependency theory can be reproduced in local situations beyond the global national and regional levels. Towards this end, a study was carried out in Jessore and Jamalpur areas. The sample size was 53 and 69 households respectively.

Major findings of the study are as follows:

Four categories of dependency have been found:

- i) Households (HH) that receive patronage from one and provide to others. They are patrons in relation to a group of HHs and clients in relation to others;
- ii) Households that only receive patronage;
- iii) Households that only provide patronage;
- iv) Households that neither receive nor provide any patronage;

- Four types of dependency were found: benevolent, mutually exchanging, unequal and exploitative.

- Under the types of relationships, the following resources were exchanged:

Credit - 228 cases, land mortgage - 53 cases, tenancy - 19 cases, help - 29 cases, and counselling - 23 cases.

- Households having highest landholding size were the most dominant partner in the exchange relation.

- No significant impact of BRAC interventions was found on the dependency tie. In Jamalpur, the average frequency of dependency of member target households on patrons in unequal relations was 1.86 and in exploitative relations was one. It is 2.00 and 1.67 respectively for non-member target households.

In Jessore, the dependency frequency of exploitative nature is 1.66 for member target households and 1.25 for non-member target households. For unequal nature, it is 1.75 and 1.29 respectively.

7. An assessment of the poultry and chick-rearing (Report on a RRA Training exercise)

Karimul Huq
Kaisar Ali Khan
Dilruba Banu and Others

Abstract

This study was undertaken to upgrade the capacity and skill of research people in Rapid Rural Appraisal (RRA) techniques and to see whether RRA as a research methodology can be used successfully.

The study comes up with a number of findings. Egg production is high during harvesting season (June-July) and low in November-December. The variation in egg production is due to a variation in the availability of feed supply. A correlation is found to exist between egg production and income implying that the higher the production of eggs, the higher the income. The growers of birds have strong preference for certain varieties of birds such as Fiom, Sonali and Whiteleghorn because these varieties have higher productivity and income potential compared to the local varieties which are less susceptible to disease and require less care and time. Despite this, the non-local varieties are also preferred for reasons of higher income potential. The difficult months for the rearers are April and May because during this time the incidence of Ranikhet disease is higher. According to a chick rearing unit owner, chick rearing directly contributes to the accrual of a number of benefits. The important ones among these are: access to BRAC loans, self employment opportunities, knowledge and skills in better rearing practices, improved dietary status, increase in expenses for children's education and capital accumulation for investment in other income and employment generating activities.

Annexure 11: Area and Genderwise Distribution of VOs - 1991

Name of Area	Total VO under Assessment	Grade							
		A		B		C		D	
		No.	%	No.	%	No.	%	No.	%
Hobiganj-2	46	00	00	41	89.1	5	10.8	00	00
Saidpur	48	7	14.5	41	85.4	00	00	00	00
Baniachong-1	75	5	6.6	59	78.6	11	14.6	00	00
Jamalpur-3	78	39	50.0	37	47.4	2	2.5	00	00
Sherpur	76	4	5.2	64	84.2	7	9.2	1	1.3
Boraigram-2	37	13	35.1	24	64.8	00	00	00	00
Nilphamari	46	35	76.0	11	23.9	00	00	00	00
Natore-1	94	13	13.8	65	69.1	14	14.8	2	2.1
Santhia-1	40	9	22.5	31	77.5	00	00	00	00
Taragonj-1	56	16	28.5	40	71.4	00	00	00	00
Baniachong-2	56	9	16.0	42	75.0	5	8.9	00	00
Hobiganj-1	53	16	30.1	37	69.8	00	00	00	00
Jamalpur-2	93	2	2.1	70	75.2	19	20.4	2	2.1
Rajbari	78	4	5.1	46	58.9	23	29.4	5	6.4
Total	876	172	20	608	69	86	10	10	1

Annexure 12: Brief on Monitoring Reports

Subject	Monitoring Checklist	Areas Covered	Sample Size	Findings
1. Monthly Meeting (Feb-Mar '92)	Seventeen (17) promises, Attendance rate and duration of meeting.	Total Areas:87 RCP:45 RDP:42	Village Organisations: Total : 265 RCP : 99 RDP : 166	Average size of sample VO is 53 which is higher than the standard. Seventeen (17) promises are duly recited in 68% of sample VOs. Average attendance rate at the beginning of the meeting was found 64%. The duration of meeting was 1 hour for 57% of VOs and upto 2 hour in 43% cases.
2. Weekly Meeting (Feb-Mar '92)	Seventeen (17) promises, Attendance rate and duration of meeting	Total Areas:88 RCP:44 RDP:44	Village Organisations: Total : 615 RCP : 400 RDP : 415	Average group size is 54. Seventeen (17) promises are duly recited in 63% of sample VOs. Attendance rate at the beginning of the meeting was satisfactory (i.e. more than 50 percent). Average duration of meeting in majority cases is more than one hour.
3. Repayment Behaviour of Group Leaders (Apr-May '92)	Repayment Performance of group leaders.	Total Areas:67	Total Village Organisations:213	Loan repayment behaviour have been monitored covering housing, general and DTW loans. Average number of group leaders per VO is 8 which is consistent to the standard. Recovery records of small group leaders for general loan indicates the following picture: 46% of the leaders had 100% recovery and performances of the rest varies from 75% to 95%. 100% recovery has been recorded for 22% leaders while performances of rest of leaders ranges from 75% to 93% in case of housing loans. A similar situation can be seen in irrigation sector too: 21% of the leaders had 100% recovery; 6% of them had 75% to 93% and recovery records of the rest of leaders was below 75% but none had less than 50%.
4. Record Reconciliation (Loan) (Feb-Mar '92)	Consistency in view of disbursement and realisation amount between borrowers pass book and collection sheet	Total Areas:89 RCP:45 RDP:44	Village Organisations: Total : 750 RCP : 350 RDP : 400 Borrower:7500 (i.e. near 2.5% of borrowers)	Disbursement related information have been found consistent in 97% cases in view of comparing borrowers pass books information to BRAC records. A similar situation can be noticed in terms of realisation too. Realisation amount found consistent in 93% cases (borrowers), while the rest either can not be reconciled due to non-availability of pass books, or inconsistent.
5. Preconditions for Disbursing Loan (Feb-Mar '92)	Attendance rate and number of outstanding loans	Total Areas:89 RCP:45 RDP:44	Village Organisations: Total : 486 RCP : 256 RDP : 228 Borrowers: 2066	A total of 2,066 borrowers have been covered by the survey. Nearly 99% of them have fulfilled the necessary criteria for receiving loan, while the rest did not due to any of the two conditions or both.
6. Irrigation scheme Management committee (Feb-Mar '92)	Attendance rate and number of meeting held.	Total Areas:65 RCP:39 RDP:26	Number of schemes: Total : 214 RCP : 115 RDP : 99	On an average 3 meetings have been organised by the scheme management committee. This is less than the standard of 4. Average attendance rate however was satisfactory: 81 percent.

Annexure 13: Financial Statement

RURAL DEVELOPMENT PROGRAMME (RDP-II)

	Budget January 90 to June 92 Taka	Actual January 90 to June 92 Taka	Variance January 90 to June 92 Taka
EXPENDITURE:			
A. CORE PROGRAMME			
A.1 Institutional building	36,629,802	38,836,267	(2,206,465)
A.2 Employment & income generation	66,330,711	73,881,548	(7,550,837)
A.3 Branch & Regional Office operating exp.	144,922,237	162,771,592	(17,849,355)
A.4 Branch, Regional & Head Office capital investment	58,754,100	64,597,846	(5,843,746)
A.5 Loan revolving fund	128,777,330	83,611,589	45,165,741
A.6 Support service:			
A.6.1 Expansion of existing TAPCs	15,550,000	13,720,440	1,829,560
A.6.2 Training and Resource Center	39,160,000	34,265,434	4,894,566
A.6.3 Rural Enterprise programme	11,738,068	10,968,002	770,066
A.6.4 Research & Evaluation	7,103,097	7,771,072	(667,975)
B. SECTORAL PROGRAMME			
B.1 Non formal primary edu. programme	171,315,668	177,758,096	(6,442,428)
B.2 Development of Rural Managers	65,850,433	48,786,441	17,063,992
B.3 Vulnerable Group Dev. Prog.	33,832,240	37,792,707	(3,960,467)
	<u>779,963,686</u>	<u>754,761,034</u>	<u>25,202,652</u>
C Net interest income	(62,697,463)	(67,227,461)	4,529,998
	<u>717,266,223</u>	<u>687,533,573</u>	<u>29,732,650</u>

FUNDING OF EXPENDITURE:

Actual expenditure	687,533,573
Financed by BRAC Internal Resources	(3,864,977)
	<u>683,668,596</u>
ACTUAL EXPENDITURE (DONORS ACCOUNT ONLY)	698,038,865
Financed by Donors	
	<u>14,370,269</u>

RURAL CREDIT PROJECT

The Rural Credit Project shows an impressive financial performance during the reporting period of 30 June 1992: net operating surplus amounted to Tk.9,080,586 as against a surplus of Tk.4,216,377 in June 1991.

	Forecast Taka	Actual Taka	Variance Taka
INCOME			
Interest on investment	18,500,000	15,388,043	3,111,957
Interest on loan	34,800,000	45,513,125	(10,713,125)
TOTAL INCOME	53,300,000	60,901,168	(7,601,168)
EXPENDITURE			
Interest on BRAC loan	0	12,635,590	(12,635,590)
Interest on deposits	6,900,000	8,563,337	(1,663,337)
Operating Expenses	31,200,000	30,621,655	578,345
TOTAL EXPENDITURE	38,100,000	51,820,582	(13,720,582)
NET OPERATING SURPLUS	15,200,000	9,080,586	6,119,414

Detailed Financial report of RCP as on 30 June 1992

1. Balance Sheet

	Forecast to June 1992	Actual to June 1992	Variance to June 1992
A. ASSETS :			
A.1. Cash	9,100,000	4,144,053	4,955,947
A.2. Investment	336,600,000	414,405,270	(77,805,270)
A.3. Current assets	0	29,218,438	(29,218,438)
A.4. Net loans	495,300,000	437,299,628	58,000,372
A.5. Fixed assets	77,900,000	68,382,281	9,517,719
A.5.1. Less Accumulated depreciation	10,800,000	6,994,680	3,805,320
A.5.2. Net fixed assets	67,100,000	61,387,601	5,712,399
TOTAL ASSETS	908,100,000	946,454,990	(38,354,990)
B. LIABILITIES :			
B.1. Members savings deposits	144,200,000	161,522,123	(17,322,123)
B.2. Group tax deposits	45,300,000	44,752,503	547,497
Total deposits	189,500,000	206,274,626	(16,774,626)
B.3. Current liabilities	0	30,715,095	(30,715,095)
B.4. BRAC Loan	692,600,000	687,521,904	5,078,096
TOTAL LIABILITIES	882,100,000	924,511,625	(42,411,625)
B.5. Cumulative net profit/(loss)	10,800,000	12,862,779	(2,062,779)
B.6. Current net profit/(loss)	15,200,000	9,080,586	6,119,414
		0	
TOTAL LIABILITIES & CAPITAL	908,100,000	946,454,990	(38,354,990)

2. Income and Expenditure Statement

For the period from January to June 1992

	Forecast Taka	Actual Taka	Variance Taka
C. INCOME			
C.1. Investment income	18,500,000	15,388,043	3,111,957
C.2. Loan interest income	34,800,000	45,513,125	(10,713,125)
TOTAL INCOME	53,300,000	60,901,168	(7,601,168)
C.3. Less: Interest on loan	0	12,635,590	(12,635,590)
C.4. Interest on deposits	6,900,000	8,563,337	(1,663,337)
NET INCOME	46,400,000	39,702,241	6,697,759
D. OPERATING EXPENSES:			
D.1. Branch operating expenses	19,000,000	21,046,540	(2,046,540)
D.2. Regional operating expenses	700,000	2,625,034	(1,925,034)
D.3. Head office operating expenses	1,400,000	1,261,602	138,398
D.4. Branch depreciation expenses	3,000,000	896,235	2,103,765
D.5. Regional depreciation expenses	500,000	172,021	327,979
D.6. Head office depreciation expense	400,000	471,658	(71,658)
D.6. Loan loss provision	5,800,000	3,774,522	2,025,478
D.6. Staff training	400,000	374,043	25,957
TOTAL OPERATING EXPENSES	31,200,000	30,621,655	578,345
E. NET OPERATING PROFIT (LOSS)	15,200,000	9,080,586	6,119,414