

RDP Phase IV
Progress Report to Donors
January-June 2000

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List of Acronyms

AM	Area Manager
AO	Area Office
APO	Aging of Principal Outstanding
BINP	Bangladesh Integrated Nutrition Project
BSF	Bangladesh Silk Foundation
DMC	Donor Consortium Meeting
DFL	Disease Free Laying
DOC	Day Old Chick
EHC	Essential Health Care
EIG	Employment and Income Generation
EPI	Expanded Programme on Immunisation
FP	Family Planning
GoB	Government of Bangladesh
GRC	Gender Resource Centre
GQAL	Gender Quality Action Learning
HH	Households
HO	Head Office
HPP	Health and Population Programme
HRLE	Human Right and Legal Education
IAS	Impact Assessment Study
LFA	Logical Framework Analysis
MDU	Market Development Unit
MELA	Micro Enterprise Lending and Assistance
MIS	Management Information System
MOU	Memorandum of Understanding
MT	Metric Ton
NFPE	Non Formal Primary Education
OTR	On time Recovery Rate
PKSF	Palli Karma Shahayak Foundation
PO	Programme Organizer
PP	Project Proposal
PSE	Programme Support Enterprise
RCP	Rural Credit Project
RDP	Rural Development Programme
RED	Research and Evaluation Division
REP	Rural Enterprise Project
RM	Regional Manager
RSS	Regional Sector Specialist
SS	Shasstha Shebika (health Volunteers)
TARC	Training and Resource Centre
TT	Tetanus Toxide
UP	Union Porishad
IGVGD	Income Generation for Vulnerable Group Development
VGD	Vulnerable Group Development
VO	Village Organisation
WFP	World Food Programme

Overall Progress

The Rural Development Programme (RDP) has entered into the last year of its phase IV. During January-June 2000 the programme has been operating at its regular pace and performing satisfactorily. Various changes took place to improve the capacity and efficiency of the programme and the management.

During the reporting period 2,945 new village organisations (VO) were established bringing the total number of VOs to 77,405. BRAC has established 330 Area Offices. In 1998 BRAC decided to increase its coverage of members and to date has opened 386 number of outposts.¹ These outposts generally consist of one/two rooms rented from a village in which the outpost is located and they are attached to the nearest Area Offices. The amount of loan disbursed is 38% higher compared to that disbursed in January-June 1999. The cumulative savings have grown 15% since December 1999. The new savings products, piloted in the urban programme are performing satisfactorily. All sector programmes are also performing as expected. The sericulture programme is operating in accordance with the recommendations made in the mid term review of 1999 (See Annex 3 for details). The majority of the Project Support Enterprises (PSE) are producing modest profits. The Essential Health Care (EHC) programme has broadened its activities to include education/training on arsenic contamination, pregnancy-related care and HIV/AIDS awareness campaign. This HIV/AIDS awareness campaign is being funded from BRAC own resources. And the arsenic contamination education project is being funded by UNICEF. Both of this are pilot project.

Two major changes occurred in the organisational structure of RDP in June 2000. To create a more effective management structure in RDP, BRAC divided the programme into Micro Finance and Programmes. At Head Office level there will be two General Managers for Micro Finance who will be responsible for the overall performance of the micro-finance programme. At the Area Office level there will be a separate manager and PO specifically for Micro Finance. And the MELA programme recently merged with the Micro Finance Programme.

For better administration and updated information regarding employees a Personal Information Management System (PIMS) is being implemented at all levels. This PIMS will enable management to make decisions regarding staff promotions, overseas training etc. Branch automation is continuing with 204 branches having been computerised up to June 2000. It is expected that this will ensure faster reporting. This new system will significantly reduce manual data entry and allow the loan officers to spend more time with group members. A comprehensive policy has been adopted to computerize all branches by January 2001.

¹ In addition to 330 RDP AOs and 386 outposts BRAC is also working another 50 IGVGD thanas. The coverage of total RDP including these 50 IGVGD thanas given below:

	VOs (Number)	Members (Million)	Net Savings (Million)	Disbursement (Million)
RDP (Main Post and Outposts)	77,405	2.85	2,812.02	5,094.75
IGVGD	14,605	.55	407.51	775.23
Total	92,010	3.40	3,219.53	5869.98

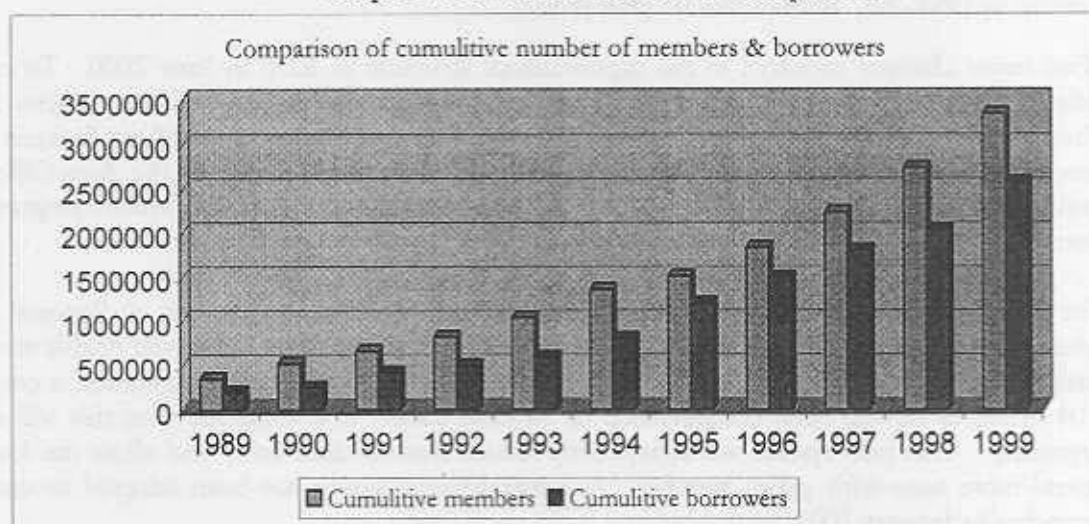
Village Organization

RDP uses the village organisation (VO) as a means to implement its credit services to its members. VOs, formed with BRAC's assistance and comprising landless poor women, form the nuclei for BRAC activities in general and micro-finance operations in particular. The target group is the landless, those who own less than half-an-acre of land (including homestead) and those who earn their living by selling manual labour. RDP reduced the size of the VO from 45-55 members to 35-40 members so that the field staff could better manage the VO meetings, allowing them to give more attention to individual members. At least 20 group members are required before the VO can start its activities.

Features of a VO

- According to IAS II, 47% of TG households in RDP villages are BRAC group members.
- 97.4% VO members are female.
- On average, 71% of the member attend meetings regularly.
- Four general meetings and one issue-based meeting are held each month with each VO.
- 21% of the members are accompanied by their husbands, or other male relatives, at each issue-based meeting.
- 90% of the members have more than 2.5 years of membership and had loans of \geq Tk. 7500 at the end of June 2000.
- 2,945 VOs were established during the period of January-June 2000. Till June 2000 the total number of reached to 77,405.

Graph 1: Member and Borrower Comparison



The VOs are set up to develop a well-disciplined organization of the rural poor with particular emphasis on women's participation and to develop the capacity of the poor for sustainable development. Group members confront problems such as injustice, land inheritance problems, lack of social status, violence against women, polygamy, dowry payments, illegal divorce, untimely payments for work, rights to khas land etc. To be aware of a problem is the first step in taking action against social injustice, to fight this injustice is a much more difficult task. Through the Palli Shamaj and Gram Shabha some of these problems have been resolved.

Micro-Finance Programme

BRAC's Micro-Finance Programme is an important part of its efforts to create an enabling environment. Lack of access to the formal banking system is one of the major constraints for the poor, this deprives them of facilities to borrow, save and invest in productive activities. Another constraint is that the formal banking sector requires collateral. One objective of the micro-finance programme is to make credit available to the rural poor at a reasonable price to enable them to become involved in different income generating activities, which in turn will allow them to become economically viable.

Credit

BRAC provides credit to its VO members to initiate different income generating activities. While loans are given for individual and joint activities collateral free, members must have some savings with BRAC before they are eligible for loans. Credit operations are carried out through a Revolving Loan Fund (RLF). This RLF consists of Donors' fund, group savings and PKSF loan. Loans realized are credited to and form a part of the RLF for extending further credit. A 2% Loan Loss Reserve is kept to cover the risk of bad debts. Frequent borrowing and payments allows the borrower to take higher loans. In RDP an area office is supposed to become self-sustaining in its credit operations at the end of its fourth year in operation and it is then known as a Rural Credit Project (RCP) branch. The loan portfolio in such a branch is supposed to be large enough so that the interest payments cover the cost of operations.

Key Features of Loans

- ❑ Loan range: Tk.1,000-10,000
- ❑ Interest rate: 15% flat
- ❑ Repayment mechanism: Equal weekly instalments
- ❑ Loan products: General loan, sectoral loan, housing loan, rural enterprise loan

Table 1: Types of Loans

Credits	Detail	Terms>Returns/Conditions
1. General Loans	15% flat	- can be taken for employment and income earning activities
2. Sectoral Programme Loan	15% flat	- this can be taken in addition to general loan
3. Rural Enterprise Loan	15% flat	- these loans are like sectoral loans, for non-farm business such as restaurants, manufacturing, marketing.
4. Housing Loan	10%	- can be taken along with the other two loans mentioned above

Table 2: Performance of Micro-finance Programme (January-June 2000)

Disbursement	Tk. 5.1 billion
Closing savings balance (End of June 2000)	Tk. 2.81 billion
Ageing principle outstanding (zero payment missed)	84%
Overdue/Outstanding ratio	9.9%
On time realisation	96%
Dropout/year	5%
Average loan size	Tk. 4,950

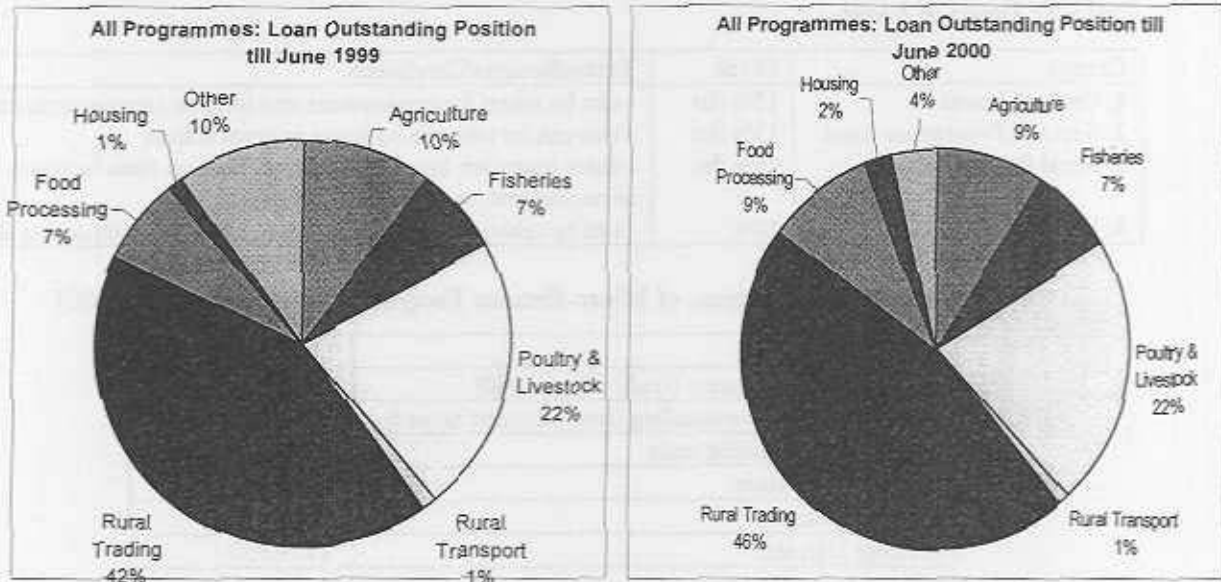
Graph 2. Trends of Loan Disbursement in Previous Year



Composition of Outstanding Loan

Credit is extended for different activities i.e. agriculture, poultry and livestock, food processing, fisheries, miscellaneous, rural trading. Rural trading dominates the loan portfolio and as per a SSB recommendation (See Annex 1), when BRAC's new Sector Programme MIS is in place towards the second half of 2000, BRAC will be in a better position to understand this particular sector and the inherent risks. Comparisons of composition of outstanding loans in Graph 3 below.

Graph 3. Comparison of Loan Outstanding Position of all Programmes



Savings

An important part of the credit operation is the collection of savings and RDP's experience shows that the regular savings of a VO indicates a better discipline in the VO credit operation. From the member's point of view, savings represent an opportunity to save a lump-sum amount of money and earn profit from them, which they cannot avail of from the formal market or regular financial institutions. Savings

opportunities with BRAC provide members with funds for consumption, children's education and other investments. It also provides security for old age and serves as a contingency fund during natural disasters when income level fluctuate.

Table 3: Types of Savings

Savings	Detail	Terms/Returns/Conditions
Own savings	Tk. 5 to 10 every week.	- 6% return on savings; - can withdraw 25% after 5yr., 50% after 10yr.; - can withdraw up to 50% for natural calamities.
Compulsory savings	5% of loan amount.	- can be withdrawn like own savings
Current accounts savings	Any amount can be put in any time for safe custody, 3% interest is paid on this	- can be withdrawn anytime, in part or in full by the member

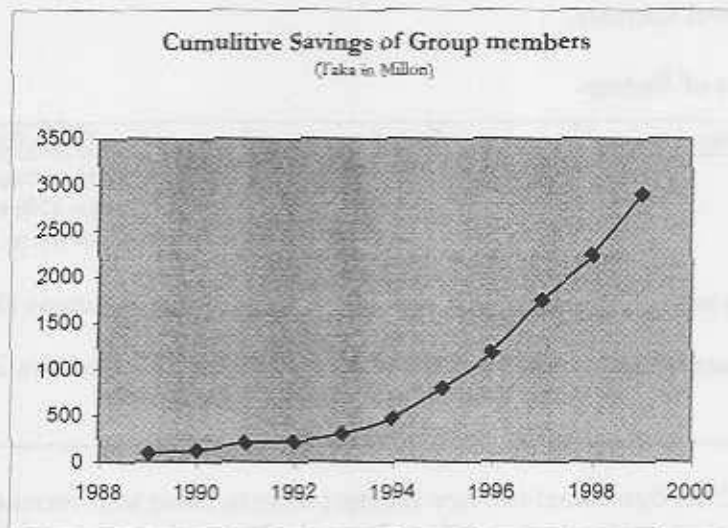
Recently BRAC has introduced two new savings products, along with current savings account, which should benefit members during times of need e.g. marriage and emergencies. The two new savings products are long term monthly savings accounts and fixed savings accounts. These funds will also provide BRAC with a stable source of less expensive cash to fund its lending portfolio

Table 4: Features of the New Savings Product

	Long term monthly savings accounts	Fixed savings accounts
Eligibility	Members, associate members and staff	Members, associate members, and staff
Term / Maturity	5 or 10 years.	1 to 5 years.
Interest Rate	8% compounded annually.	9% compounded annually.
Minimum deposit	Tk 50. Must continue saving this amount monthly. Higher denomination in hundred.	Tk 1000. Or any higher denomination in thousand.
Withdrawal conditions	Only on maturity.	Only on maturity.
Penalty for breaking contract	No interest for year of early withdrawal. Fees for late deposits and for closing account before maturity.	No interest for year of early withdrawal. Fee for early closing of account.
Place for transactions	Account opening at branch. Deposits in VO meeting or branch.	Account opening at branch. Deposits at branch
Passbook	Issued for Taka 10.	Issued for Taka 10.

In October 1999 BRAC piloted these new savings product under the urban programme and by February 2000, (five months after introducing the products), over 12,000 members and associate members (kin of VO members) had opened special savings accounts, the total cumulative amount from these three new products up to February 2000 was Tk. 9 million, which averages savings of Tk. 750 per account for five months. Seventy five percent of the new accounts were opened by members, as the loan officers focused on them initially. BRAC is encouraged with the response to their new products and plans to introduce them into the rural areas after an evaluation of the pilot programme has been completed.

Graph 4: Trends of Savings in Previous Years



Important Trends in the MFP from January-June 2000

- Average disbursement: Micro-finance programme disburses Tk. 850 million per month.
- Savings growth: Since December 1999, cumulative savings has grown 14.7%.
- Disbursement growth: The amount of loan disbursed (Tk. 5.1 billion) of January-June 2000 is 37.8% higher than that disbursed (Tk. 3.1 billion) in January-June 1999.
- Average Loan Size: During last six months average loan size has increased from Tk. 4874 to Tk. 4,950.

As per the South Shore Bank recommendation in their 1999 BRAC Annual Financial Review Report (*see Annex 1*) BRAC has developed a financial management and research team with all members having a financial and business background. Members of this team have been working with BRAC from 1-5 years and have or will receive training in the financial management courses developed by Shorebank. This team will analyse the loan portfolios of low performing regional and area offices to identify and resolve any weaknesses. The newly formed team will look also continuously review/analyse the performance of various sectors. The team is also responsible for preparing training modules based on business planning.

To assist BRAC in breaking down the costs of sector programmes the MIS division has been extended and new IT professionals have been recruited to build an effective MIS for the sector programmes .

Financial Achievements

During the period January-June 2000, the total income of RCP was Tk. 560,147,940 and the net surplus was Tk. 72,701,807 and for RDP the total income was Tk. 58,578,398 and the net deficit was Tk. 17,713,121 resulting the net surplus 54,988,686 for the Micro-Finance programme.

Table 5: Financial Achievements of Micro-Finance Programme

Income and Expenditure	RCP (Tk.)	RDP (Tk.)	Total (Tk.)
Total Income	560,147,940	58,578,398	618,726,638
Interest paid on loans and deposits	85,221,547	3,778,885	89,000,432
Gross financial margin	474,926,393	54,799,513	529,725,906
Provision for loan losses	73,859,365	10,699,283	84,558,648
Net financial margin	401,067,028	44,100,230	445,167,258
Operating Expenses	328,365,221	61,813,351	390,178,572
Net Surplus/ Deficit	72,701,807	(17,713,121)	54,988,686

So, during this period, the Micro-Finance programme has not only become self-sustainable, but has also produced sufficient surpluses, to contribute to the revolving loan fund.

Micro Enterprise Lending Assistance (MELA)

The objective of the MELA programme is to provide substantial loans to BRAC's RDP graduated members to develop their own businesses and to create waged employment opportunities for the poor. MELA also provides credit to entrepreneurs starting up or expanding their business in semi-urban and rural areas. Although MELA prefers to lend to local artisans and women, it also provides significant amounts of loans to non-target group entrepreneurs to develop their skills and scale of operation. MELA programme started its activities in December 1996 and, as mentioned above, the programme is now part of the BRAC Micro Finance Programme and not a stand alone programme. MELA is now managed by as Senior Regional Manger who reports to General Manager Micro Finance.

A summary of the last three and half years' performance of MELA programme is given below:

Table 6: Performance of MELA till June 2000

Cumulative entrepreneurs (up to June 2000)	10130
Outstanding entrepreneurs	6,436
Cumulative disbursement (in Tk.)	442 Million
Average loan size (June 2000)	54,000
Total outstanding (in Tk.)	230 Million
Portfolio growth (since December 1999)	39%
Employment opportunity:	
Before MELA loan (No. of employee)	35,568
After MELA loan	48,233
Increment (In percentage)	35.61%

Characteristics of a MELA loan

- ❑ Loan range: Tk. 20,000 – 200,000
- ❑ Interest rate: 15% flat
- ❑ Repayment mechanism: Monthly equal installments
- ❑ Loan Products: 12 months, 18 months and 24 months
- ❑ Twenty different business sectors are supported by MELA loan (See Table 9)

Characteristics of MELA Entrepreneurs

- Out of 10,130 entrepreneurs, 56% are target group (TG) members and 44% are non-target group (NTG) members.
- To date MELA has disbursed 48% of its cumulative disbursement to TG members and 52% to NTG entrepreneurs. This indicates that NTG entrepreneurs, on an average, have the ability to deploy higher amount of money in their business.
- Male-Female ratio 60:40.
- Outstanding loans to TG entrepreneurs is 41% and NTG is 59%. In terms of total portfolio outstanding TG is 33% and NTG is 67%. This indicates that most borrowers are from NTG.
- 62% of MELA entrepreneurs take repeat loan.
- 77% of the borrowers received 12 months loan, 20% received 18 months loan and 3% received 24 months loan.

Important Trends

- Number of borrowers: Every month, on average, MELA programme finances more than 650 enterprises.
- Disbursement growth: Since December 1999, MELA cumulative disbursement amount has grown 63%.
- Portfolio growth: MELA's total portfolio has grown 39% since December 1999.
- Average loan size: Since MELA's commencement, its average loan size has grown from 30,000 to 54,000.
- Employment growth: MELA programme has created additional 12,665 new wage employment opportunities. At present the growth of MELA in employment creation is about 35.61%.

Implementation of some of Shorebank Advisory Services Recommendation

The MELA programme was reviewed in January 2000, during the course of the BRAC Annual Financial Review by Shorebank Advisory Services and SAS reported some significant findings. Their main concentration was on MELA's repeat borrower status and sectoral focus. The review helped management to re-think some of the critical issues and to take positive initiatives accordingly. In the last six months the MELA management implanted some recommendations of Shorebank (See Annex 1).

Programme Management

As mentioned above, in June 2000 a significant change took place in the MELA management and MELA is now part of the larger BRAC's micro-finance programme. The new administrative structure has Regional Managers for Micro Finance who will oversee the programme. All programme organizers (POs) will be reportable to these Regional Managers. The posts of District Managers (DM) have been re-designated and are now known as Quality Control Managers (QCM). A team of four people headed by a supervisor has been formed at Head Office level to give advice and assistance for the development and reorganization of the MELA programme. The team is also responsible for identifying various businesses, preparing necessary business plan and providing legal assistance as required with the help of QCM. The QCM are reportable to the supervisor of the team. The team members have a financial and business mix of expertise.

Table 7: Implementation of Shorebank Recommendation on Management

Shorebank recommendations	Action taken
Avoid standardised and bureaucratic loan sanctioning procedure	MELA management has decentralised its head office authority of approving loan to district level where Regional manager will be the sole authority to approve any amount of loan. (20,000 – 200,000)
Staff Training	Regular training is given on regular basis for the development of MELA field officers and Regional Managers. The training syllabus emphasises on competitive market analysis and financial analysis of the business.
New recruitment with business background	MELA has recruited some new business minds with fresh perspective to support its development potentials.

Restructuring of MELA MIS

SAS also recommended that the MELA MIS should be improved.

Table 8: Implementation of SAS Recommendation on MIS

SAS Recommendations	Action taken
Current (December 1999) scheme code be redesigned	MELA programme has modified its previous scheme codes into 20 different new codes.
Interest and principle tracking	Separate interest and principle tracking system has been developed.
Repeat borrower status and borrower credit quality tracking process	MELA MIS has developed a borrower level-tracking device.
Job and employment information (Impact assessment)	Impact of MELA loan on incremental job creation has been tracked
Portfolio at risk analysis	Sufficient data field has been added to allow comprehensive analysis of total portfolio at risk.

In April 2000 MELA re-designed its scheme codes (20 codes) and all loans were re-coded under this new system. The new system will assist MELA to assess specific sector risks and to evaluate MELA's economic impact.

Table 9: Breakdown MELA Loan in Various Sectors

Name of Sector	% of Total Outstanding	% of Cumulative Disbursement
Fisci-culture farm	0.93%	0.91%
Agro-farming	0.99%	0.94%
Chemical and cosmetic factories	1.14%	1.18%
Power loom	1.15%	1.36%
Plastic and rubber industries	1.33%	1.50%
Poultry	1.59%	1.75%
Bakery	2.33%	2.45%
Cottage industries	2.54%	2.51%
Transportation	2.70%	2.56%
Service sector	2.91%	2.39%
Food and allied industries	3.02%	3.05%
Handloom	3.03%	2.57%
Dairy farm	3.34%	3.19%
Wood, wood products and paper	5.68%	5.57%
Textile related enterprises	6.17%	6.23%
Engineering and allied industries	6.51%	6.60%
Rice processing	6.58%	7.04%
Cloth business	6.72%	7.02%
Traders	14.93%	16.37%
Grocery and stationery	26.43%	24.80%
Total	100%	100%

MELA Repeat Borrowers

MELA MIS has been developed to allow tracking of each borrower, therefore, it is possible to identify the percentage of MELA repeat borrowers. This information is necessary to enable the MELA PO to identify new borrowers in order to expand the customer base of the MELA programme. During January to June 2000, 1,594 loans were closed out, of which 993 entrepreneurs took repeat loans. It was observed that the number of MELA repeat borrowers increases with the experience of the field officers.

Table 10: Repeat Borrower Status

Year 2000	Months	Jan	Feb	Mar	Apr	May	Jun	Total
MELA	Opening Outstanding	4,722	5,026	5,362	5,645	5,943	6,163	
Repeat Borrower: 62% (993 out of 1,594)	Loan Closed	125	181	259	316	352	361	1,594
	New Loan	344	401	390	394	372	414	2,315
	Repeat	85	116	152	220	200	220	993
	Total Loan Given	429	517	542	614	572	634	3,308
	Closing Outstanding	5,026	5,362	5,645	5,943	6,163	6,436	

MELA Staff Development and Training

MELA has already undertaken various steps to develop the basic skills and capacity of its staff at all level of management. To broaden the need for and understanding of legal documentation, a comprehensive workshop was organised where a Barrister discussed and assisted BRAC staff in resolving many of the critical issues that MELA field officer face every day. A day long training programme on financial management was delivered to POs.

A four day training course was given to all the RMs(MF) to provide basic understanding on the overall activities of MELA programme. This course included material on loan appraisal, processing, legal documentation, accounting procedure, MIS and performance analysis, loan disbursement and collection procedure, etc. A new training module has been designed to assist field officers to improve their skills in appraising the potential small enterprises in terms of financial and economic perspective, a new training module has been designed to assist field officers.

Employment and Income Generation (EIG)

Seventy percent of the rural labour force need to find non agricultural work, however, it is very difficult for the majority to find such employment as they are ill educated and generally lack the necessary skills required to work in the product industries. Through the EIG, BRAC encourages its VO members to engage in six different types of income-generating activities, i.e. fisheries, sericulture, poultry, livestock, agriculture and social forestry. Most of the sector activities are carried out at or near the homestead. BRAC provides back up services for these activities with training, technical and management support through POs, para-professional workers, and in some cases, with the co-operation and supply of government inputs. The activities under EIG programme are discussed below.

Table 11: Activities under Sector Programmes

Sector	Activities
Poultry	Mini poultry hatchery, chick rearers, key rearers, egg collector, poultry worker (vaccinator)
Livestock	Para-veterinarians, goat rearer, cow rearer, artificial insemination centre
Fisheries	Small fish hatchery, carp nursery, carp polyculture, Thai sarputi culture, pond re-excavation, ox-bow lake fisheries
Sericulture	Mulberry tree plantation, chawki rearer, progressive silk farmer, reeling centres, silk weaving
Agriculture	Vegetable cultivation, vegetable seed production, maize cultivation, spice cultivation, home gardening
Social Forestry	Tree plantation, grafting nursery, agroforestry, strip plantation
Rural Enterprise Project (REP)	Micro enterprise development, Non-farm enterprise extension and reinforcement (NEER), Activities for business motivation, Carpenter development, Mechanics development, Production oriented entrepreneur development, Patent enterprises replication

Poultry Programme

BRAC's Poultry and Livestock Programme aims to increase the income of rural households and at the same time increase participants' protein intake through the promotion of more efficient rearing practices and the supply of key inputs. BRAC provides training, distribute vaccines and medicine, undertakes breed development, supplies day-old chicks and balanced feed and provides financial and marketing support through its' poultry programme. The poultry programme incorporates a variety of sub-sectors to address the specific problems of input availability, technical assistance, distribution and marketing. BRAC's poultry programme is composed of several components including: poultry and livestock extension programme, poultry farms and hatcheries, feed mills and feed analysis laboratories, and the disease diagnosis laboratories.

During January-June 2000, 23,653 new jobs have been created and 20,189 rearers have been developed and the average loan size is Tk. 4,800. Each month, on an average, a poultry worker and a chick rearer can earn Tk.637 and Tk.590 respectively.

One of the objectives of the poultry programme is to generate income for participants and to check malnutrition through increased availability of protein. The Impact of BRAC's poultry and livestock programme on nutrition and income of rural people is shown in Table 12 below.

Table 12. Impact of BRAC's Poultry Programme on Average Weekly Income

Components	Before Membership			After Membership		
	Poultry (Tk.)	Other (Tk.)	Total (Tk.)	Poultry (Tk.)	Other (Tk.)	Total (Tk.)
Key rearer	24.88	31.67	56.55	67.00	34.49	101.49
Chick rearer	53.27	21.77	75.04	317.74	12.17	329.91
Model rearer	39.60	57.50	97.10	141.06	90.25	231.31
Poultry worker	27.50	38.74	66.24	105.233	39.65	144.79
Feed seller	31.11	29.28	60.39	166.42	23.50	189.92
Mini hatcheries	57.80	28.00	85.80	266.34	54.80	321.14
Average	30.27	34.06	64.33	16.00	63.98	152.98

Source: Socio-economic impact of SLDP in Bangladesh (1997) by Jahangir Alam

Table 13: Impact of BRAC's Poultry Programme on Average Protein Intake

Components	Before Membership			After Membership		
	Egg (No)	Chicken (gm)	Meat (gm)	Egg (No)	Chicken (gm)	Meat (gm)
Key rearer	2.50	73.50	147.70	4.80	120.90	227.00
Chick rearer	2.70	95.30	160.00	5.90	145.20	281.70
Model rearer	3.20	58.80	147.80	6.60	120.00	201.30
Poultry worker	2.60	66.30	101.10	5.60	113.00	154.70
Feed seller	2.80	61.10	108.30	5.30	114.00	163.90
Mini hatcheries	3.20	96.00	105.00	7.60	137.80	230.00
Average	2.60	72.40	133.60	5.30	121.10	207.90

Source: Socio-economic impact of SLDP in Bangladesh (1997) by Jahangir Alam

Fisheries

BRAC's fisheries programme has developed into one of the most attractive and promising income generating activities for BRAC members, mainly due to high returns, low time commitment and the quality of both financial and technical support from BRAC. The programme mainly promotes pond aquaculture development and extension and culture-based fisheries in semi-closed water body (Ox-bow

The programme engages women from VOs in running nurseries and plantations either on their homesteads or on unused land like roadsides and leased plots. Women having 0.02- 0.04 hectares of land are selected to run horticulture or grafting nurseries on their homesteads. Through the social forestry programme they are given access to credit, training on seedling production or fruit tree grafting, input support in the form of seeds or seedlings, and follow-up technical and marketing assistance. Each horticulture nursery can produce 10,000-15,000 seedlings every year, while the grafting nurseries produce 5,000-10,000 seedlings. The social forestry programme to date has organised 40,058 women and has a total seedling production capacity of 70 to 100 million per year.

Table 14: Key Components of the Social Forestry Programme

Horticulture nursery	BRAC started nursery programme to supply good quality seedlings locally. Nursery workers are given training by BRAC. Each nursery is on 7-10 decimals of land and produces 10,000 seedlings annually. Different species seedlings are sold within the community. BRAC provides technical support and supervises trees, which are planted by group members on homestead and roadside land. BRAC provides credit, technical support and extension for its nursery workers.
Grafting nursery	A grafting nursery has been set up to meet the increasing demand for HYV seedlings. The grafting project is based on the asexual propagation of fruit trees.
Agroforestry	BRAC launched an agroforestry project on degraded private and government khas land in 1991. The purpose of the project is to produce wood, fuel, fodder, food, fruit and vegetables from the same plot. The agroforestry programme encourages women to create plantations in which agricultural crops are mixed with trees so that income is maintained through the short, medium and long term. The agroforestry programme provides assistance, training, and support to near about 23,000 women.

Table 15: Performance of Social Forestry Programme

Cumulative number of horticulture nursery	8,218
Cumulative number of grafting nursery	818
Cumulative number of agroforestry farmer	7,679
Amount of land brought under Agroforestry (acre)	2,557
Average income per month (from horticulture nursery) (in Tk.)	2,620
Cumulative number of agroforestry farmer received training	5,507
Cumulative number of nursery farmer received training	10,255
Cumulative number of grafting nursery worker received training	1084

Eight hundred and seventy five (875) new jobs have been created in agroforestry during January-June 2000 and at the same time 826 new nurseries have been established. Each nursery can produce 10,000-15,000 seedlings per year. BRAC will distribute 180,000 Amrapalli mango seedlings in 2000. BRAC has also planned to distribute approximately 70,000 HYV seedlings of different fruit trees all over the country.

Agriculture Extension Programme

The agricultural extension programme works to increase the nutritional and income status of households by increasing the agricultural production of VOs through technology transfer. Through this programme,

20 VO members in every area receive training and become BRAC agricultural extension workers. Each extension worker is then responsible for assisting 15 VO members and 15 small farmers. The VO members who have less than 0.5 acres of land receive training, technical support, inputs and can access BRAC's rural credit programme to obtain the resources needed to invest in their crops. The small farmers, who have between 0.5 and 3 acres of land, receive training and technical support.

BRAC's agricultural extension activities can be broadly categorised into two. One is a vegetable grower and the other is crop diversification.

Vegetable growers

The vegetable cultivation programme targets poor rural women. Interested VO members with suitable land are given three days of training on vegetable cultivation. A vegetable grower on average earns Tk.1,300 per month.

Crop Diversification (Rice, Maize, Wheat, Cotton, Sunflower Cultivation)

Crop diversification contributes to increasing agricultural productivity. There has been an increase in the demand for maize and wheat from the rising number of commercial poultry farms in the country. Rice/cotton/onion/mustard and sunflower cultivation is also being undertaken and is profitable.

Table 16: Achievements of BRAC's Agricultural Extension Programme

Areas of achievement	Cumulative achievement till June 2000
No. of vegetable growers (cumulative)	123,579
Vegetable acreage (cumulative)	40,975
Maize acreage	25,225
Rice acreage	39,753
Cotton acreage	1,069
Wheat acreage	4,100
Sunflower acreage	9,120
Application of urea super granules (MT)	3,170

During January-June 2000, 12,419 new jobs have been created and 6,159 acres of land cultivated under agriculture extension programme. On average, each vegetable grower earned Tk. 1,272. Currently BRAC's agriculture extension programme covers 61 districts and employs more than 500 diploma agriculturists, 150 agriculture graduates and 10 trainers, who are intensively trained in the production technologies of different crops.

Sericulture

In 1978 BRAC started its sericulture programme in the Manikganj integrated project. Silkworm rearing is a labour intensive activity, which can be carried out at home. The main components of BRAC's programme are: a) sapling production, b) silkworm seed production, c) mulberry cultivation (roadside, homestead and bush) d) rearing of silkworms, e) reeling, and f) weaving g) marketing.

BRAC's sericulture programme also has raw silk production, cocoon production, DFLs production, silk seed production centre, sericulture resource centre (SRC), reeling centre, etc. In the original Project Proposal for RDP IV BRAC planned on having 9 Seed Production Centres (Grainages) 3 Sericulture

Resource Centres, 10 (new) Reeling Centres and 400 (new) Chawki Centres. In 1996 SSB revised some of these targets and BRAC agreed to have 16 Seed Production Centres (Grainages) and 10 Reeling Units. At present there are 12 Silk Seed Production Centres (Grainages), 5 Sericulture Resource Centres and 2 Reeling Centres. BRAC does not plan on expanding this programme to meet the SSB targets.

In 1999 a mid term review was undertaken by external consultants and the main finding was that BRAC Sericulture Programme, for a variety of reasons (Refer MTR 1999 Report), is the least productive of all the EIG activities that BRAC members undertake. BRAC's progress with the recommendations made in this report are in Annex 3.

As per the recommendations BRAC needs extensive technical assistance if the project is to become sustainable. For the development and improvement of and manual reeling BRAC hired two consultants for 2.5 person per month and for the development of commercial grainage BRAC also hired one consultant for .5 person per month. BRAC has also contacted several sericulture consultants in India, with a view to receiving this necessary technical assistance. However, it has proven to be extremely difficult for these consultants to obtain the necessary permission from the Indian Government to undertake these consultancies. BRAC recently held a meeting in Calcutta with the Indian Central Silk Board and the Department of Sericulture, West Bengal to try and speed up the process of contracting Indian consultants. BRAC is hopeful that the situation will be resolved in its favour soon.

The Bangladesh Silk Foundation (BSF) is presently implementing a 5 Silk Development Project under the IDA credit of the World Bank. The main objective of the 5-year Silk Development Project is to assist in increasing the income of small scale silk producers, most of whom are poor women, through improved technology and, creating institutional and policy improvements designed to encourage sustainable development of the silk sector of the country. BRAC has the largest sericulture programme in Bangladesh involving about twenty-five thousand women and recently signed a MOU with BSF to undertake a joint venture to promote silk development in Bangladesh. Under the MOU, BRAC sericulture beneficiaries and staff will participate in training, extension, chawki rearing, product promotion and development, of the Silk Development Project. According to the MOU BRAC will also receive technical support for the post cocoon sector from BSF.

BRAC and BSF have also started a second joint project to increase the cocoon productivity in three regions.

Table 17: Performance of BRAC Sericulture Programme

District covered	42 (Out of 64)
Thana covered	170 (Out of 464)
Area covered (BRAC-RDP)	220 (Out of 431)
No. of mulberry trees	36,00,000
Acreage of bush plantation	681
No. of rearer (cumulative)	10,578
No. of chawki rearer (cumulative)	1,247
DFL Production at BRAC Grainage (cumulative)	1.13 million

Table 18: Rearing Performance

Particulars	Up to 1999	January-June 2000
DFLS reared (in million)	17.58	.83
Cocoon production (MT)	2431	122.7
Raw silk production (MT)	131.5	2.23
Cocoon production/ 100 DFLs (kg)	13.82	12.35
Renditta (kg)	18.49	14

Table 19: Achievement Under Revised Targets as per the 1999 Mid-Term Review Report

Indicator	Unit	Target 1999	Achievement 1999	Target 2000	Achievement January-June 2000
Bush plantation established on farms	Bigha	2,845	1,516	5,800	2,610 (cumulative)
BRAC silkworm egg (F1) output	Million dfi	1.3	1.58	2.0	1.13
Total silkworm eggs reared	Million dfi	1.4	1.61	2.1	0.83
Cocoon producer: non-bush rearing	No.	7,480	10,300	4,600	10,639 (cumulative)
Global average cocoon yield	Kg/100 dfi	14.4	12.71	21.8	12.35
Total cocoon production	Ton	198.0	192.0	453.2	122.7
Cocoon purchased by BRAC mechanical reeling centres	Ton	45.0	34.5	68.1	31.3
<i>Mechanical raw silk produced</i>	Ton	3.2	2.43	5.7	2.23
<i>Mechanical reeling renditta</i>	R	14	14.3	12	14
<i>Average price paid for cocoons</i>	Tk/kg	99	95	105	98
<i>Average wage (Tk 150/kg)</i>	Tk/day	30	29	40	30
<i>Average cost of raw silk production</i>	Tk/kg	2,066	1,933	1,743	1,641
Cocoon purchased by BRAC manual reeling centres	Ton	153.0	78.3	385.1	48.5
<i>Manual raw/spun silk produced</i>	Ton	12.8	7.6	35	2.5
<i>Manual reeling renditta</i>	R	12	10.3	11	10.5
<i>Average price paid for cocoons</i>	Tk/kg	72	40	75	43
Katghai/ charka cocoon processors	No.	425	1,050	583	1,050

Cost Recovery of Sector Programmes

According to the project proposal (RDP IV 1996-2000) the following table shows a summary picture of the total projected service charge collection for each sector as well as the estimated costs for running the programme. The costs include the staff salary and training costs and HO overhead. The costs have been adjusted for inflation. Approximately 37% of the operating costs will be covered through service charges in the year 2000. The best sector is poultry which has an increasing service charge collection and decreasing costs over the year. The costs include salaries of the concerned person at field and head office level, the training costs involved for both staff and group members, logistical expenses and other capital costs projected for the programme. The biggest variable costs of the training of new members to undertake the activity. Once members are trained they receive refresher courses each year and hence total costs decline over time and level off. The sector programmes expect service charge revenues to gradually increase and cover the costs of delivering the services by the fourth year introduction in the branch. BRAC aims to have introduced these sector programmes for at least three, if not four years in all branches by year 2001.

Table 20: Subsidy Requirements for the Sector Programmes (as per PP)

	1996	1997	1998	1999	2000
Service Charged Realized					
Poultry and Livestock	5,265,000	8,651,250	11,864,250	13,828,500	14,769,000
Fisheries	3,997,170	5,773,050	7,082,190	8,363,520	9,085,725
Social Forestry	486,000	715,500	918,000	1,093,500	1,242,000
Sericulture and Silk Development	840,000	1,800,000	3,520,000	5,200,000	5,625,000
Horticulture and Vegetable	5,944,500	7,092,000	8,172,000	8,932,500	9,202,500
Total Service Charge Realized	16,532,670	24,031,800	31,556,440	37,418,020	39,924,225
Costs					
Poultry and Livestock	32,754,469	39,209,131	27,709,253	24,409,699	23,457,187
Fisheries	19,454,038	21,828,927	24,202,935	24,029,197	24,975,401
Social Forestry	14,928,848	15,578,270	16,230,366	16,301,008	17,073,942
Sericulture and Silk Development	15,118,016	17,907,830	20,426,710	21,144,947	23,725,155
Horticulture and Vegetable	13,104,210	15,009,159	17,213,305	17,960,807	18,220,706
Total	95,359,581	109,533,317	105,782,569	103,845,658	107,452,391
Service Charge/Operating Costs					
Poultry and Livestock	16%	22%	43%	57%	63%
Fisheries	21%	26%	29%	35%	36%
Social Forestry	3%	5%	6%	7%	7%
Sericulture and Silk Development	6%	10%	17%	25%	24%
Horticulture and Vegetable	45%	47%	47%	50%	51%
Total	17%	22%	30%	36%	37%

Note: Costs include all staff salaries and benefits and HO overhead. The total has been adjusted for inflation.

Table 21: Current Status of Service Charged Realization

Sector	1996-1999 (cumulative)		2000 (January-June)		Total (1996-June 2000)	
	PP	Actual	PP	Actual	PP	Actual
Poultry & Livestock	39,609,000	41,722,375	7,384,500	7,126,655	46,993,500	48,849,030
Fisheries	25,215,930	27,813,967	4,542,863	6,048,379	29,758,793	33,862,346
Social Forestry	3,213,000	4,473,643	621,000	1,030,168	3,834,000	5,503,811
Sericulture	11,360,000	10,081,300	2,812,500	728,512	14,172,500	10,809,812
Horticulture & Vegetable	30,141,000	28,352,874	4,601,250	6,323,494	34,742,250	34,676,368
Total	109,538,930	112,444,159	19,962,113	21,257,208	129,501,043	133,701,367

Table 22: Current Status of Sector Costs

Sector	1996-1999 (cumulative)		2000 (January-June)		Total (1996-June 2000)	
	PP	Actual	PP	Actual	PP	Actual
Poultry & Livestock	124,082,552	122,111,222	11,728,594	9,156,768	135,811,146	131,267,990
Fisheries	89,515,097	82,880,533	12,487,701	12,350,237	102,002,798	95,230,770
Social Forestry	63,038,492	51,691,655	8,536,971	3,758,645	71,575,463	55,450,300
Sericulture	74,597,503	71,336,672	11,862,578	8,472,526	86,460,081	79,809,198
Horticulture & Vegetable	63,287,481	84,756,962	9,110,353	22,850,797	72,397,834	107,607,759
Total	414,521,125	412,777,044	53,726,197	56,588,973	468,247,322	469,366,017

Table 23: Current Status of Cost Recovery

Sector	1996-1999 (cumulative)		2000 (January-June)		Total (1996-June 2000)	
	PP	Actual	PP	Actual	PP	Actual
Poultry & Livestock	32%	34%	63%	78%	35%	37%
Fisheries	28%	34%	36%	49%	29%	36%
Social Forestry	5%	9%	7%	27%	5%	10%
Sericulture	15%	14%	24%	9%	16%	14%
Horticulture & Vegetable	48%	33%	51%	28%	48%	32%
Total	26%	27%	37%	38%	28%	28%

Programme Support Enterprises (PSE)

Essential inputs such as poultry and dairy feed, day old chicks, silkworm eggs, post larvae and vegetable seed need to be supplied to group members if they are to continue expanding the programme. The local industry and government are not able to supply all of these inputs in sufficient quantity or quality. That's why BRAC established a number of Programme Support Enterprises to supply these inputs. These enterprises include grainages for silkworm egg production; reeling centres for yarn production; prawn hatcheries for post larvae production; feed mills producing poultry and livestock feed; poultry farm for the production of day old chicks; and seed production centres for the vegetable programme. According to the Project Proposal(1996-2000) there will be 10 grainages, 10 reeling centres, 5 prawn hatcheries, 3 feed mills, 3 poultry farms and 2 seed production centres.

Table 24: Current status of Programme Support Enterprises (PSE) (Till December 1999)

	Poultry	Feed Mill	Prawn hatchery	Seed Processing Centre	Silk reeling centre	Grainage
Number						
PP Target	3	3	5	2	10	10
SSB Target (Revised)	2	2	10	2	2	13
Achievement	2	2	7	2	2	12
Total Production Capacity						
PP Target	1.5 m day old chicks per yr.	12,600 ton per yr.	15 m. post larvae per year	60 ton per yr.	150 tons per year	10 m. DFL
SSB Target (Revised)	1.6 m. day old chicks per yr.	17,500 ton per yr.	13 m. post larvae per year	60 ton per year	3.2 tons per year	1.6 m. DFL
Enterprises Capacity	4 m. day old chicks per yr.	12,600 ton per hr.	13 m post larvae per year	500 ton per year	2.43 tons per year	1.6 m. DFL
Capacity Utilization (in 1999)						
PP Target	80%	80%	100%	83%	100%	100%
SSB Target (Revised)	80%	80%	100%	83%	100%	81%
Utilized capacity	100%	87%	80%	100%	76%	100%
Place						
	Ahliadipur (Rajbari), Sherpur (Bogra)	Manikgonj, Nilphamary	Jessore, Faridpur, Comilla, Rajendrapur, Pabna, Bogra, Barisal,	Sreepur, Sherpur	Atgharia, Jamalpur	Shomvoganj, Shibaloy, Rajendrapur, Trishal, Dinajpur, Sherpur, Rajapur, Pabna, Jhikorgacha, Magura, Rajbari, Manda
Total Number of Staff						
	Staff 12 Worker 40	Staff 7 Worker 33	Staff 15 Worker 29	Staff 12 Worker 110	Staff 4 Worker 120	Staff 24 Worker 150

Note: The revised target of silk reeling centres and grainages has been taken from Mid-term Review Sericulture conducted in March 2000

For updated information about Rural Enterprise Project(REP) and Market Development Unit(MDU) please see annex 4 and annex 5.

Social Development Programme

BRAC's social development programme is an initiative to foster sustainable development through awareness and institution building and to enable VO members, who are mostly women, to become empowered. The broader goal of social development interventions is to enhance the socio-economic condition of the participating population. Enhancement of political awareness, participation and representation in the electoral bodies also fall within the long-term goals of the programme. The social development programme was broadened in 1998 to incorporate Gram Shabha, Palli Shamaj and Popular Theatre as fora for empowering the VOs. Palli Shamaj, Popular Theatre, Legal Education, Legal Aid and such fora, help the programme to achieve some of the specific outcomes, both through awareness and institution building.

Table 25: Key Activities of the Social Development Programme

Components	Activities
1. Gram Sabha	The VO members meet once a month to discuss socioeconomic and legal issues that affect their day to day lives. Through these monthly meetings, the VO members try to find solutions to many of their problems. The respective PO facilitates these meetings. The spouses of the members are highly encouraged to attend these meetings. Issues related to social injustice, health, education, legal education and rights, violence against women, women's oppression etc., are usually discussed in these meetings. This forum is considered to be a first step towards gaining a voice and participate in a larger forum.
2. Palli Shamaj (Village association)	Palli Shamaj (village association) consists of representatives from the VO. Palli Shamaj acts as a pressure group with the overall aim of gaining social empowerment. Palli Shamaj, established as an independent institution, is a forum through which the VO members can aspire to uphold and safeguard their social and legal rights. Palli Shamaj are playing a significant role in awareness building against problems and injustices that affect their day to day lives and making them capable of addressing and solving the problems on their own. The Palli Shamaj members meet on bi-monthly basis and the PO (Social development) facilitates the meetings.
3. Popular Theatre	To educate people about unfair, illegal practices that affect their day to day lives, BRAC started its 'Popular Theatre' programme in 1998. 'Popular Theatre' has proved to be an effective medium through which information, social and legal messages are brought to the illiterate and under-educated rural people, by providing them amusement and entertainment. The dramas make the people aware of the social injustices, unfairness, corruption, and illegal practices, which they have to encounter in their daily lives. Many of the rural poor may not have been aware, and they did not know how to solve those problems by themselves. Messages for addressing and solving the unjust practices are hence delivered through the dramas. BRAC aims to establish the 'Popular Theatre' as a catalyst for social change.
4. Human rights and legal services	In mid 1980s, BRAC initiated the HRLE programme with the belief that legal awareness among VO members would help them to protect themselves from illegal, unfair, or discriminatory practices. The purpose of the programme was to increase the VO members' knowledge on law and their willingness to take up and act on their legal responsibilities.

	<p>The human rights and legal education (HRLE) courses offered by BRAC, enables the VO members to implement the lessons learnt in the classes in their lives. Many of the conflicts and problems can be solved through local arbitration (Shalish). However, many of the cases cannot be resolved without the help of the court and legal procedures and the poor are not always in a position to pay for such services. In recognition of the above situation BRAC, in co-operation with Ain O Shalish Kendra, (ASK) a legal aid organization, started its legal aid programme in 1998. By 1999 the programme had expanded to eight areas in Dhaka division. By the end of the current year the programme aims to cover all of the Dhaka division. The programme provides legal training and services to both members and non-members.</p> <p>Legal services are provided to the clients through legal aid clinics. The legal aid clinic provides services every Sunday between 8 a.m. and 5 p.m. The POs notes down and file up the cases for the day. Then the respective area managers also review the cases and isolate ones that can be solved through "shalish", from those that requires court procedures. This is where the ASK lawyers provide services in filing and following up on the cases.</p>
<p>5. Local Community Leaders Workshops</p>	<p>The Local Community Leaders (LCL) workshop is an integral component of BRAC's social development programme. This is a one-day workshop, taking place at BRAC's area offices, involving representatives from the community. The participants include the current UP chairman, ex-chairmen, both male and female UP members, local quazi, imam, teacher, journalist, local community leader or elite. The HRLE shebika, the Palli Shamaj chairperson, PO (Social Development) the AM are also represented from BRAC. A trained facilitator facilitates the workshops. The issues for discussion include the overview of law and legal issues learnt in other fora. The LCL workshop is an excellent opportunity for discussing a variety of legal issues since it brings people from all walks of life in a given community. Discussion of issues that addresses disadvantaged sections of the community in an open forum invariably forces the local elite to become more accountable about their roles and responsibilities within the community.</p>

After starting the programme SDP is able to create impact over the society. The major impacts of SDP programme are:

- 88% (PP ≥80%) of the VO members' understanding of basic land law, family law, and citizens' rights.
- 93% (PP 100%) of marriages that involve a VO member are registered officially.
- 70% (PP 100%) of all divorces involved a VO member follows proper legal procedure.
- 91% (PP ≥ 50%) of brides in VOs are ≥ 18 years at marriage.
- Tk. 1.7 million has recovered through legal aid as maintenance money for the divorced woman from their ex- husbands.

Table 26: Performance of Social Development Programme (till June 2000)

Number of courses offered at HRLS	64,379
Number of learner's participated at HRLS	1,556,234
Community leader workshop	4,317
Group leader workshop	24,371
Number of Palli Shamaj organization	10,965
Number of drama groups	83
Number of drama staged	4,386

Table 27 below provides a picture of the Palli Shomaj and Popular Theatre interventions on number of social and legal issues pertaining to the areas in which these interventions have taken place along with regular Gram Shabha. The following data is derived from January to June 2000 monthly reports.

Table 27: Intervention of Palli Shamaj and Popular Theatre

Months in year 2000	Successful local arbitration	Total marriages solemnised	Marriages at legal age	Marriages legally registered	Total number of divorces	Legal divorces
January	1,138	1,926	1,744	1,809	143	100
February	938	1,934	17,33	1,763	110	67
March	728	1,617	1,441	1,514	118	84
April	690	1,858	1,691	1,726	134	101
May	696	1,805	1,643	1,703	120	91
June	594	2,007	1,858	1,887	129	88
Total	4,784	11,147	10,110	10,402	754	531

Table 28 below shows the number and status of cases that BRAC, ASK and Bangladesh Manobadhikar Sangsyha (BMS) have taken up jointly on various violation cases

Table 28: Legal Status of Crime/Violation Cases

Type of Crime /violation	From January to June 2000	Sent to ASK	Case in Process (ASK)	Under treatment At "Helping Survivors of Acid Violence"	Treatment Completed
Acid burn	63	2	2	56	1
Rape	26	9	3		
Murder	17	17	4		
Torture	06	03	1		
Illegal divorce	-	-	-		

Essential Health Care (EHC)

According to government estimate, about 50% of the rural people are below the poverty line, 95% children suffer from malnutrition and 30,000 children fall prey to night blindness annually due to lack of vitamin A. Most of the poor cannot avail of health services due to low capability (human and technical skills), lack of opportunity (social/economic exclusion) and inability to pay (income poverty).

BRAC is trying to improve the health status of the poor through its health interventions. BRAC's EHC programme provides a selective mix of basic health interventions to improve and sustain the availability

of preventive and basic curative health care services by creating, promoting and strengthening the essential health care system in RDP areas.

The essential package of health services is delivered mainly through community health volunteers, commonly known as Shasthya Shebika(SS). The package includes health and nutrition education, provisions of latrines and tubewells for safe water and sanitation, provision of family planning methods, mobilization for immunisation, provision of basic curative care by SS, pregnancy related care, HIV/AIDS awareness building in the community and arsenic mitigation. HIV/AIDS is an awareness building pilot programme and is funded by RDP from interest income. Arsenic Mitigation is another pilot programme funded by UNICEF and, as pregnancy related care is a part of BRAC's Health and Nutrition Education Programme this is funded through RDP

Table 29: Key Components of EHC

<p>Health and nutrition education</p>	<p>The PO (health) organizes one health forum each working day with assistance from the SS. The issues that usually come up for discussion include health, nutrition and family planning. Specific issues that come up in this forum are local and natural sources of vitamin A enriched foods, appropriate nutrition during pregnancy and lactation, protection against six killer diseases through immunization, delayed pregnancy, contraception and child spacing. Other subjects that are discussed are ante and postnatal care, use of slab ring latrine, personal hygiene and use of safe water for all purposes. In addition, each SS visits 15 households a day to disseminate health-related messages and inquire about their general well-being.</p>
<p>Water and sanitation</p>	<p>Safe water supply and household sanitation is one of the vital components of the health care programme. It is included in the programme for three reasons:(i) although at present tubewells are the source of drinking water for 97% of people, only 38% use tubewell water for all purposes, and in many areas people are using arsenic contaminated water containing arsenic for drinking which is big health hazard, (ii) rural sanitary latrine coverage is only 40% resulting in polluted environment, (iii) domestic and personal hygiene practices are too low for prevention and spread of diarrhoeal diseases.</p> <p>The programme emphasises on development of poor people's awareness and capacity building at different levels through training of workers, school students, religious and opinion leaders. In implementing the programme, a pivotal role is played by the shebikas who help in generating demand and match the 'supply'. There is close co-ordination with the government and with a number of supporting agencies. BRAC extends credit support to the poor who are unable to procure tubewells (in the areas where arsenic contamination is within the acceptable range) and slab latrines.</p> <p>In each area office three to five slab ring latrine production centres are established. The slab rings are produced by 2-3 VO members who receive training to do so. BRAC provides each working area office with Tk. 50,000 as a revolving fund for manufacturing of slab rings.</p> <p>The SS promote the sales of slab rings to the villagers. The SS gets service charge of Tk. 20 per slab and Tk. 5 per ring. She also encourages the villagers to use safe water for domestic and personal use. BRAC also provides Tk. 10,000 as a revolving fund to buy a tubewell set and instruments/chemicals to measure the level of arsenic in water. The SS receives a service charge of Tk. 50 for each tubewell sold.</p>

Family planning	The SS encourage poor people to use modern methods of contraception. They supply both pills and condoms as and when required by the customers. The SS also liaise with the government workers at the Rural Clinics. For contraceptive methods such as IUD, injections, norplant, tubectomy and vasectomy, the SS refer the clients to the GoB clinics.
Immunisation	BRAC worked closely with the government in social mobilization for immunisation in the 1980s and 1990s. As a result the immunisation coverage rate increased from 2% in 1985 to 70% in 1990. However, recently the rate has been declining and is now estimated to be below 50%. BRAC plans to re-intensify its activities on immunisation and will once more work closely with the government to increase the coverage. BRAC's immunisation programme supplements the National Expanded Programme on Immunisation (EPI). The SS vaccinate children in the age group of 0-1 year as well as pregnant women and also inform villagers about the place and date of the GOB immunisation.
Basic curative services	The SS is also responsible for diagnosing and treating the ten most common diseases - diarrhoea, dysentery, cold and fever, anaemia, worms, ringworms, skin diseases, acidity, goitre, and oral ulcer. The SS if necessary refers the patients to GOB health centres or hospitals.

Started in 1986 the EHC programme is now a major component of BRAC's development activities and is part of the strategy to improve the health status of the rural poor. The major impacts of EHC programme are:

- Currently 97% (PP 100%) of the households use tubewell water for drinking.
- 48% (PP ≥ 60%) of the VO members use slab latrine.
- 53% (PP ≥ 55%) of the VO members use modern contraceptive.
- 76% (PP ≥ 90%) of the children < 1 year and 74% (PP ≥ 95%) of pregnant women are received immunization.
- 95% (PP ≥ 80%) of the children < 6 year received vitamin A.

Table 30: Performance of EHC Programme

Components	Cumulative achievement till June 2000	Achievement from January-June 2000
No. of Shasthya Shebika	16,009	---
No. of population covered	27.6 million	---
No. of eligible couple	4.0 million	---
No. of contraceptives users	2.1 million	---
No. of under 1 year children immunised	1,920,492	326,853
No. of pregnant women received TT	1,746,623	300,640
No. of slab latrine installed	1,150,580	141,586
No. of tubewell installed	287,684	30,165
Vitamin A capsule distributed	---	2.6 million

New Products

EHC programme is committed to providing an essential package of health services for the community. It has expanded its activities by producing and marketing the following essential health products:

1. BRAC Saline - For treatment of diarrhoea.
2. BRAC Iodised Salt - To prevent iodine deficiency.
3. Sanitary Napkin (Nirapad) - For hygienic use by females during menstruation.
4. Delivery Kit (Kallayni) - For use by pregnant woman during delivery.
5. BRAC Soap (Shurakkha) - For use by all ages to maintain proper hygienic.

Current Key Issues

Currently the EHC programme is involved in working in the community to highlight the dangers of Arsenic Contamination: HIV/AIDS and Pregnancy Related Problems.

Arsenic Contamination- Some solutions.

Arsenic contamination in groundwater is an emerging health problem in Bangladesh. The severity of the problem is now well recognized. A recent estimate suggests that nearly 21 million people are drinking arsenic contaminated water.

BRAC/DPHE/UNICEF initiated a pilot project for arsenic mitigation in two thanas of Bangladesh- Sonargaon and Jhikargacha in July 1999. The project aims to test all tubewell water for arsenic contamination, discuss alternative options for safe drinking water and create awareness of the problem within the community. Testing has so far been carried out in Sonargaon and Jhikargacha thanas and 61% and 35% of the tubewells of these thanas respectively are contaminated with arsenic above the Bangladesh standard of 0.05 mg/l.

Pregnancy-Related Problems

Bangladesh is a country with the highest maternal morbidity and mortality rate in the world. BRAC for the last several years has taken initiatives to reduce these rates by providing women with knowledge and maternal related services. The present programme aims to reduce neonatal and maternal morbidity and mortality, improve the health condition of the poor, and increase the use of pregnancy care services in rural areas. The shebika identifies pregnant women in her working area and is responsible for motivating pregnant women to obtain pregnancy-related care. In antenatal care centres high-risk pregnancies are identified and referred to appropriate health clinics.

HIV/AIDS Awareness and BRAC's Role

Raising people's awareness through mass communication and education campaigns can assist in the prevention of HIV/AIDS. BRAC's EHC programme piloted an HIV/AIDS awareness education programme and general knowledge about transmission and prevention of HIV/AIDS in Mirzapur and Kalihati thanas. The PO and SS ask the following questions and give the information to the community on:

- What is HIV/AIDS?
- How is it transmitted or not?
- How can it be prevented?
- What are the high-risk behaviors?

Various methods of HIV/AIDS information dissemination are followed in the pilot project. These include; household visits for couple education, health forum with BRAC members, meeting with adolescent boys (kishore), girls (kishorie) and with their parents, and refreshers training for BRAC

schoolteachers. BRAC also distributes posters and leaflets about HIV/AIDS. The aim of the pilot project is to demonstrate how a basic, short, cost-effective HIV/AIDS awareness campaign could work effectively in the rural community and could be replicated through out the country.

Income Generation for Vulnerable Group Development Programme (IGVGDP)

The Income Generation for Vulnerable Group Development (IGVGD) programme, initiated in 1985 is a joint intervention of BRAC and GoB and is supported by WFP. Following the success of a 2 year pilot project the programme continued and presently is the largest food aid development programme in the world. Under the programme the VGD cardholders, destitute rural women, receive a monthly ration of 30 kg for 18 months. BRAC trains the women in goat and cattle rearing and vegetable plantation completion of the 18 month food support cycle they graduate into BRAC's RDP and become regular members. The objective of the IGVGD programme is to alleviate poverty of the hard core poor by providing long-term sustainable income and employment opportunities through food assistance, training and access to credit facilities.

The components of the development package provided by BRAC are as follows:

- i. Skill training
- ii. Credit support
- iii. Input support
- iv. Essential Health Care support
- v. Social Development Programme

Achievements of the IGVGD programme of the current cycle (July 1999-December 2000) are given below:

- 283,701 women have been trained in all BRAC activities. Out of these 100,649 women received training in either vegetable cultivation or goat rearing.
- Up to June 2000 and in this cycle 116,680 women are employed in different IIG activities.

Credit Programme

After receiving the skill training VGD women become eligible for credit support. No collateral is required. The average loan size of the first loan is Tk. 2,500 and is for a duration of one year.. Before disbursement of loan, the borrower is briefed on loan use and repayment processes and procedures. Service charge is realized at a 15% flat rate.

Partner Agencies of the Programme

1. Department of Women Affairs (GoB)
2. Directorate of Relief and Rehabilitation (GoB)
3. Directorate of Livestock Services (GoB)
4. WFP
5. BRAC

Management and Capacity Development

BRAC HRD recently developed an extensive performance appraisal form for all levels of staff. This appraisal form is being implemented by managers at all levels and allows for the employees to participate in their own appraisal. For better administration and updated information about all employees a Personal Information Management System (PIMS) is being implemented which will inform management decisions of staff promotion, training etc.

Training

BRAC continuously trains its staff. During January-June 2000 3,003 staff received training on BRAC culture and values, 128 area managers received training on managing field operations, 264 PO (VII) and 2,007 PO (V) received training on basic operation (course), 38 PO (VII) received training on organizational development, and 646 staff including AM, PO (VII) and PO (V) received training on managing high performance teams.

Gender parity and sensitivity is an important issue for the programme. Up to December 1999 the GQAL cycle took place in 230 RDP area offices covering 921 POs and 5,486 PO (V). During January-June 2000 the GQAL took place in 100 AO and a total of 2,647 staff received the training. One of the expected outcomes of the GQAL programme is that a more favorable work environment will emerge which should encourage more female staff to remain with BRAC.

Management Structure

BRAC recognises the stress of managing a growing programme. As the programme expanded under RDP IV the management layer of RDP has only had a modest increase in numbers.

Recently RDP has appointed additional Senior Managers to support the Programme Co-ordinators. Based at Head Office, these Senior Regional Managers take operational responsibility on a divisional basis (supervising 14 ROs) for credit/savings, field operations and employment and income generating programmes.

Some major changes occurred in the organizational structure of RDP. RDP has been divided into two separate units i.e. Micro-finance and Programmes. At the Area Office level the AO Manger position is no longer required as there will be separate managers for the Micro Finance and Programmes. Micro-Finance will have a Manager and Programmes will have a Coordinator.

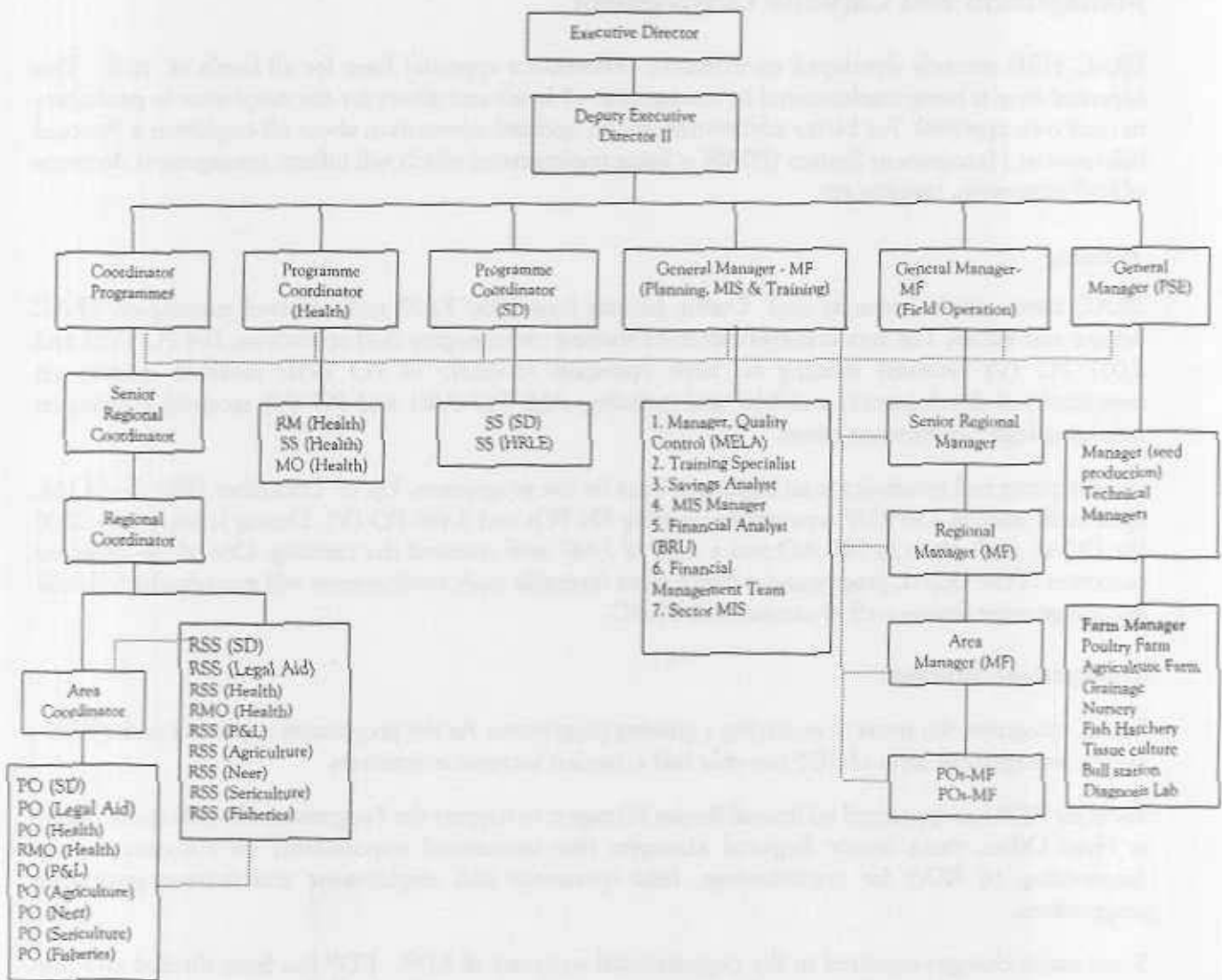
IGVGD which in the past was supervised by the Area Office Manger will now be supervised by the Area Coordinator Programmes.

At Head Office there will be three General Managers: 2 for Micro Finance and 1 for PSE as PSE is now separated from Micro Finance and Programmes. All the Sector Programmes will be supervised by the Coordinator Programmes. This is mainly in response to a SSB recommendation made in the 1999 Annual Financial Report (see annex 1).

Branch automation is being done which should ensure faster reporting. This new system will significantly reduce manual data entry. Up to 2000 June, 204 branches have been automated and a comprehensive policy has been adopted to computerize all branches by January of 2001.

For an updated information about staff external training please see Annex 6.

Present Organogram of RDP IV (June 2000)



MF: Micro-finance; SD: Social Development; PSE: Programme Support Enterprises; MIS: Management Information System ;
 PO: Programme Organiser; BRU: Business Research Unit; SS: Sector Specialist; RSS: Regional Sector Specialist; MO: Medical Officer;
 RMO: Regional Medical Officer

Partner NGOs (NGO Co-operation Unit)

In 1995 BRAC set up the NGO cooperation unit to expand the scope of poverty alleviation activities by improving the coordination between BRAC and other NGOs working BRAC project areas. The unit works with many small NGOs helping them to develop their programmes and organisational capacity by facilitating information exchange and offering training, technical, logistic and financial support. Up to June 2000, the unit worked with 74 new NGOs dispersing Tk. 47 million to assist their credit programmes and providing management training to 422 NGO staff.

Table 31: Performance of NCU

Particulars	Cumulative Achievements till June 2000	Achievements From Jan-June 2000
Number of NGOs covered	74	74
Number of NGOs received credit support with training	61	02
Received training only	11	---
Environment support	01	---
Health programme support	01	---
Fund disbursed (Taka in million)	46.83	12.56
Training support (participant #)		
Savings and credit management	207	59
Accounts management	123	31
Development management	44	---
Refreshers on accounts management	43	09
NFPE basic training	05	05
Total training support	422	104

Most of the partner NGOs witnessed substantial improvement in the area of geographical coverage, human resources, savings and credit after joining the BRAC NCU. BRAC is currently working with 74 NGOs, of which 63 receive credit and training and 13 receive only training. Partner NGOs shows significant increases in the following aspects.

Table 32: Performance of Partner NGOs

	Before BRAC Cooperation	After BRAC Cooperation	Changes
Village Organizations	1,750	2,515	765
Number of participants	36,508	51,440	14,932
Group savings (Tk.)	14,628,473	28,309,747	13,681,274
Number of borrowers	20,359	38,577	18,218
Outstanding (Tk.)	30,952,884	61,790,028	30,837,144

To assess the impact of BRAC's intervention, RED carried out an exploratory study on BRAC's NGO Cooperation Unit. BRAC plans to continue working with the current number of NGOs that are receiving credit. In September/October 2000 BRAC will make a decision regarding the continuation of training with NGOS.

Impact of BRAC's intervention over partner NGOs are given below:

- Partner NGOs' considered MIS to be fundamental for effective credit operation.
- Most of the NGOs geographical coverage, human resources, savings and credit and annual budget after joining the BRAC NCU increased.
- The partner NGOs learned and began to make provision for loan loss at the rate of 2% on disbursement since BRAC cooperation but they never did so earlier.
- The partner NGOs' had no overlapping of work neither with BRAC nor with other NGOs.
- As a consequence of BRAC cooperation, partner NGOs' trustworthiness and image favourably improved, and different donors extended funds to them for implementing other development activities.

Year	Number of NGOs	Number of staff	Number of branches	Number of savings accounts	Number of credit accounts	Number of loans	Number of deposits	Number of transactions
1981	15	100	10	1000	1000	1000	1000	1000
1982	20	150	15	1500	1500	1500	1500	1500
1983	25	200	20	2000	2000	2000	2000	2000
1984	30	250	25	2500	2500	2500	2500	2500
1985	35	300	30	3000	3000	3000	3000	3000
1986	40	350	35	3500	3500	3500	3500	3500
1987	45	400	40	4000	4000	4000	4000	4000
1988	50	450	45	4500	4500	4500	4500	4500
1989	55	500	50	5000	5000	5000	5000	5000
1990	60	550	55	5500	5500	5500	5500	5500
1991	65	600	60	6000	6000	6000	6000	6000
1992	70	650	65	6500	6500	6500	6500	6500
1993	75	700	70	7000	7000	7000	7000	7000
1994	80	750	75	7500	7500	7500	7500	7500
1995	85	800	80	8000	8000	8000	8000	8000
1996	90	850	85	8500	8500	8500	8500	8500
1997	95	900	90	9000	9000	9000	9000	9000
1998	100	950	95	9500	9500	9500	9500	9500
1999	105	1000	100	10000	10000	10000	10000	10000
2000	110	1050	105	10500	10500	10500	10500	10500
2001	115	1100	110	11000	11000	11000	11000	11000
2002	120	1150	115	11500	11500	11500	11500	11500
2003	125	1200	120	12000	12000	12000	12000	12000
2004	130	1250	125	12500	12500	12500	12500	12500
2005	135	1300	130	13000	13000	13000	13000	13000
2006	140	1350	135	13500	13500	13500	13500	13500
2007	145	1400	140	14000	14000	14000	14000	14000
2008	150	1450	145	14500	14500	14500	14500	14500
2009	155	1500	150	15000	15000	15000	15000	15000
2010	160	1550	155	15500	15500	15500	15500	15500
2011	165	1600	160	16000	16000	16000	16000	16000
2012	170	1650	165	16500	16500	16500	16500	16500
2013	175	1700	170	17000	17000	17000	17000	17000
2014	180	1750	175	17500	17500	17500	17500	17500
2015	185	1800	180	18000	18000	18000	18000	18000
2016	190	1850	185	18500	18500	18500	18500	18500
2017	195	1900	190	19000	19000	19000	19000	19000
2018	200	1950	195	19500	19500	19500	19500	19500
2019	205	2000	200	20000	20000	20000	20000	20000
2020	210	2050	205	20500	20500	20500	20500	20500

Figure 1: Growth of BRAC NCU over time. The chart shows a steady increase in the number of NGOs, staff, branches, savings accounts, credit accounts, loans, deposits, and transactions from 1981 to 2020. The data is summarized in the table below.

Year	Number of NGOs	Number of staff	Number of branches	Number of savings accounts	Number of credit accounts	Number of loans	Number of deposits	Number of transactions
1981	15	100	10	1000	1000	1000	1000	1000
1982	20	150	15	1500	1500	1500	1500	1500
1983	25	200	20	2000	2000	2000	2000	2000
1984	30	250	25	2500	2500	2500	2500	2500
1985	35	300	30	3000	3000	3000	3000	3000
1986	40	350	35	3500	3500	3500	3500	3500
1987	45	400	40	4000	4000	4000	4000	4000
1988	50	450	45	4500	4500	4500	4500	4500
1989	55	500	50	5000	5000	5000	5000	5000
1990	60	550	55	5500	5500	5500	5500	5500
1991	65	600	60	6000	6000	6000	6000	6000
1992	70	650	65	6500	6500	6500	6500	6500
1993	75	700	70	7000	7000	7000	7000	7000
1994	80	750	75	7500	7500	7500	7500	7500
1995	85	800	80	8000	8000	8000	8000	8000
1996	90	850	85	8500	8500	8500	8500	8500
1997	95	900	90	9000	9000	9000	9000	9000
1998	100	950	95	9500	9500	9500	9500	9500
1999	105	1000	100	10000	10000	10000	10000	10000
2000	110	1050	105	10500	10500	10500	10500	10500
2001	115	1100	110	11000	11000	11000	11000	11000
2002	120	1150	115	11500	11500	11500	11500	11500
2003	125	1200	120	12000	12000	12000	12000	12000
2004	130	1250	125	12500	12500	12500	12500	12500
2005	135	1300	130	13000	13000	13000	13000	13000
2006	140	1350	135	13500	13500	13500	13500	13500
2007	145	1400	140	14000	14000	14000	14000	14000
2008	150	1450	145	14500	14500	14500	14500	14500
2009	155	1500	150	15000	15000	15000	15000	15000
2010	160	1550	155	15500	15500	15500	15500	15500
2011	165	1600	160	16000	16000	16000	16000	16000
2012	170	1650	165	16500	16500	16500	16500	16500
2013	175	1700	170	17000	17000	17000	17000	17000
2014	180	1750	175	17500	17500	17500	17500	17500
2015	185	1800	180	18000	18000	18000	18000	18000
2016	190	1850	185	18500	18500	18500	18500	18500
2017	195	1900	190	19000	19000	19000	19000	19000
2018	200	1950	195	19500	19500	19500	19500	19500
2019	205	2000	200	20000	20000	20000	20000	20000
2020	210	2050	205	20500	20500	20500	20500	20500

Figure 2: Growth of BRAC NCU over time. The chart shows a steady increase in the number of NGOs, staff, branches, savings accounts, credit accounts, loans, deposits, and transactions from 1981 to 2020. The data is summarized in the table below.

Logical Framework Matrix
Rural Development Programme (RDP IV)
Progress January-June 2000

Narrative Summary	Agreed Indicators	Achievement January-June 2000	Comments and Recommendations
Programme Purpose: Socio-economic condition of participating families improved	≥ 50% average increase in household assets in 5 years BRAC membership.	Collected data showed that there was a 33.5% increase in household assets in five years.	This result was found by interpreting data collected for the IAS II Study (1997).
	After 5 years, ≥ 20% of RDP members no longer fall within BRAC 'target group' poverty criteria.	11.6% members who were previously in the target group no longer fall within BRAC 'target group' criteria.	As above. The findings are based under strict interpretation of the 'target group' criteria. The IAS II however has recommended re-evaluating the use of 'land' as criteria.
	≥ 80% of primary school age children of RDP members regularly attend school.		Report from the field shows that, out of 1,120,464 children of RDP members, 1,021,612 attend school.
	Women clearly involved in family, business and village decision-making.		After completion of IAS III a clear picture will be found about the involvement of women in family, business and village decision-making.
	Children in RDP households have significantly higher nutritional status than comparable groups.	Proportion of severe malnutrition in children aged less than 5 years was significantly lower among eligible BRAC members households (12%) compared to eligible non-member households (21%).	Based on a joint study by BRAC and ICDDR in Matlab on 1,518 children.
	Neonatal mortality rate ≤ 74 per 1,000 live births by 2000.	60.3 per 1,000 live births.	Based on RED Watch Project.
	Infant mortality rate ≤ 90 per 1,000 live births by 2000.	89.3 per 1,000 live births.	As above.

Programme-level finance	Cumulative budget to end December 2000: Tk. 5,762,240,739 Budget for January- December 2000 Tk. 859,355,786	Cumulative expenditure January-June 2000: Tk. 5,339,166,631 Expenditure for January- June 2000 Tk. 436,281,675	51% expenditure occurred on yearly budget.
Output 1: Effective village organisations operating	≥ 26,206 new VOs (total of 59,400) functioning by 2000.	2,945 VOs established during January – June 2000 bringing the total to 77,405.	To reach the maximum number of target people 386 outposts were established. At the same time within the existing RDP area offices when VGD members took a loan from RDP they also enrolled as VO members.
	≥ 2.3 million members by end 2000.	186,573 members have been increased during January – June 2000 bringing total to 2.85 million.	Above Target. RDP increased its geographical coverage through outposts and enrolled VGD members as VO members. Thus the number of members exceeded targets.
	≥ 95% of members are female.	97.4% of members are female at end of June 2000.	On Target.
	≥ 25% of members have ≥ 2.5 years membership and loans of ≥ Tk.7,500.	90% members have ≥ 2.5 years membership and loans of ≥ Tk.7,500 at end of December 1999.	A survey conducted on 3 rd year branches found that the first loan size has increased to 3,400.
	Each monthly issue based meeting is attended, on average, by ≥ 75% of members	On average 74% members attend meeting regularly.	On Target.
	On average, ≥ 25% of members are accompanied (by husbands or other male relatives) at each issue-based meeting.	21% of members are accompanied (by husbands or other male relatives) at each issue-based meeting.	
Finance of the Village Organisations Sub-Programme	Cumulative budget to end December 2000: Tk. 723,080,034 Budget for January- December 2000 Tk. 58,322,156	Cumulative expenditure January-June 2000: Tk. 703,170,436 Expenditure for January- June 2000 Tk. 38,412,558	66% expenditure occurred on yearly budget.
Output 2a: Self-sustaining credit programmes functioning	Tk. 10.4 billion disbursed during 2000.	Tk. 5.1 billion during January – June 2000.	On Target.
	Average loan size Tk. 4,850.	During January – June 2000 the average loan size was Tk. 4,950.	On target.
	Closing savings balance of Tk. 3.28	Closing savings balance was Tk.	On Target.

Recommendation	Comments	Actions	Responsible Person and Time Frame	Progress
<p>□ Marketing of Savings Products: Head-Office will need to develop and provide resources for the implementation of a strategic marketing plan. The savings environment in both urban and rural areas is becoming increasingly competitive. Being 'first' in the market will be an enormous advantage, as long as products are competitive, and customers receive excellent customer service. POs will need to be trained in the marketing of savings products. For example, they will need know the alternatives offered by banks so that they can be convincing when associate members ask them the advantages of banking with BRAC vs. a bank (i.e. location, interest</p>	<p>□ BRAC has taken a slow strategy to go for marketing its new products. BRAC is going to develop its marketing strategy for its savings products on the basis of urban experiences and new microfinance regulations of the country. At the same time BRAC will study other NGOs marketing policy. Training module on the marketing of the savings product for POs will be developed covering all aspect including product, market, competitors everything. Currently BRAC is sending PC (microfinance) to participate in the training at Colorado USA on Best Practices and Product design organized by The Economic Institute.</p>	<p>□ BRAC will seek help from BRAC Bank for preparing the marketing strategy of savings products.</p>	<p>□ Training division will be responsible for preparing marketing strategy of the new savings product.</p> <p>Training will start from 2001.</p>	<p>□ Training Division and RDP staffs jointly have started preparing a training module on savings, especially marketing of savings products. PC(MF) shared his training knowledge recently received from The Economic Institute, Boulder, USA on Best Practices & Product Design with the SRMs, RMs and AMs.</p>

Recommendation	Comments	Actions	Responsible Person and Time Frame	Progress
<p>on current savings, monthly product etc.)</p> <p><input type="checkbox"/> Risk Management and MIS: This is essential for liquidity management, fine-tuning and developing new products, marketing, tracking performance, cost management, and fraud minimization. Relevant indicators (individual behavior, market, cost, productivity and profitability, indicators, both at the individual saver level and program wide) need to be tracked and analyzed on a regular basis. Systems need to be set up to prevent and deter fraud. Managing costs, liquidity (idle cash vs. not having enough on hand when savers want to withdraw), and fraud will all be major</p>	<p><input type="checkbox"/> BRAC fully agreed that it is essential to build a system for Risk Management and MIS. But it takes lots of time, skill, and developed staff at different level to implement all these Shorebank recommendations. First of all BRAC will begin this work on a pilot basis considering few areas.</p>	<p><input type="checkbox"/> Chief Accountant, PC (Microfinance) and MIS department will develop a format to monitor the risk management.</p>	<p><input type="checkbox"/> Chief Accountant and PC (microfinance) will be responsible for implementing this scheme.</p> <p>The work will be started from September 2000.</p>	<p><input type="checkbox"/> RDP (MIS) provides information on savings. This reports sent to the area offices. But the risk management of savings has not been developed yet because did not find people with the appropriate experience and skills.</p>

Recommendation	Comments	Actions	Responsible Person and Time Frame	Progress
<p>challenges. BRAC's reputation will be on the line if it fails on its savings promises.</p> <p>□ Incentives and Signals: Management should be clear in their expectations of staff and should reward good performance accordingly. Staff should know the couple of indicators which management is using to track their performance. If staff is expected to increase branch profitability by raising savings, then indicators should reflect the productivity of staff in this regard, and the branch's cost of funds.</p>	<p>□ At branch level BRAC is going to establish few core indicators to evaluate the performance of lending officer. Staff will aware about these performance indicators</p>		<p>□ Business and Research team of RDP is responsible to implement these recommendations.</p> <p>From the 4th quarter of 2000 BRAC is going to implement this performance-based indicators.</p>	<p>□ The Business and Research Unit has started developing indicators to measure staff performance. These will be introduced into the area offices from January 2001.</p>

Recommendation	Comments	Actions	Responsible Person and Time Frame	Progress
3.0 Branch and BRAC Financial Sustainability				
3.1 Sustainability				
<p>□ BRAC should track the operational and financial self-sufficiency of its credit program on a quarterly basis. Branch managers should also compute these ratios and should be asked to report on any changes in trends. Branch managers should also be calculating their portfolio yield and cost of funds ratios on a monthly basis to reinforce the priority that BRAC head-office is attaching to sustainability. There should a placard on the wall at branches that talks to sustainability and cost recovery issues in much the same way as one exists</p>	<p>□ Training based on financial management has given most of the Area Manager. And they are now capable of computing these ratios and portfolio yield. After all Area Offices have been computerized BRAC will able to track the operational and financial self-sufficiency of its credit program on a quarterly basis.</p>	<p>□ Chief Accountant will provide some reporting format on the basis of some core indicators.</p>	<p>□ From third quarter Area Manager will provide report if any changes in trend.</p>	<p>□ At present, RDP (MIS) has sent trend reports in every month to the area offices. Area managers then have information about the regarding trend of their branch performance. RDP is giving a 2 days orientation course on Sustainability and Portfolio Management to AOs. This should be completed by end of 2001. However, the AMs of the computerized branches preparing the report from March 2001.</p>

Recommendation	Comments	Actions	Responsible Person and Time Frame	Progress
<p>for activity and delinquency reporting.</p> <p>□ BRAC should pay vigilant attention to the administrative expense to average loan portfolio outstanding ratio as operating costs tend to go out of control as fast growth and expansion takes place. Without tracking the productivity and efficiency of spending, it is too easy to rationalize all expenses as being due to growth and expansion. It is also recommend that the administrative costs be broken out as above, with an additional category for costs associated with the new savings products.</p>	<p>□ BRAC is going to pay vigilant attention to the administrative expense and at the same time BRAC is going to break its administrative costs into fixed and variable costs. At Head Office level it has already started and regional and field level it will be gradually implemented.</p>		<p>□ Chief Account is fully in charge of the break down of the administrative cost.</p> <p>At Area Office level the administrative costs will be break down from September 2000.</p>	<p>□ At head office level it has already been implemented. The Chief Accountant now working at breaking down the area offices administrative expenses. This should be completed by December 2000.</p>

Recommendation	Comments	Actions	Responsible Person and Time Frame	Progress
<p>□ Shorebank's experience with development finance and Microfinance programs strongly suggests that unless absolutely unavoidable, the practice of hidden cross-subsidy between programs should be avoided. Each program should be defined with enough clarity so that it is clear as to whether or not the program is operating at a loss or a surplus. After that reality is ascertained, then it is up to the larger organization (BRAC in this case) to decide the possible use of any program surplus, or the justification for the organization absorbing any loss. (For that reason, the Microfinance programs in this analysis have not been combined with the sectoral programs, for although they are related they are</p>	<p>□ At Area Office level credit will be separated from the sector programmes. Each sector programmes will have a separate Profit and Loss account and Balance sheet. It will help to identify to tracking the cost and analyze. Initially at 100 branches it will be implemented on pilot basis.</p>		<p>□ The Chief Accountant will be responsible for preparing separate Profit and Loss Account and balance sheet.</p> <p>The project will start from January 2001.</p>	<p>□ BRAC has recently separated its Microfinance Programme from the Programmes. Along with this, Profit and Loss Account and Balance Sheet are now prepared separately for Microfinance and Sector Programmes.</p>

Recommendation	Comments	Actions	Responsible Person and Time Frame	Progress
very different programs, delivery systems, and development strategies).				
3.2 Profit Centers				
<p>□ A three step process as discussed above is recommended to reinforce the transition of branches into profit centers: 1) branches' income statement should reflect a loan loss expense that bears a relationship to the risk in the relevant branch's portfolio; 2) key branch profitability ratios should be tracked and analyzed on a monthly basis and given the same importance as activity and delinquency currently have; and 3) head-office should develop a carefully thought through system of incentives to reinforce and align staff behavior with the</p>	<p>□ BRAC agreed all the three recommendations to make the branches as profit center. In the previous section we have discussed about the implementation of the recommendation.</p>			<p>□ 1) This is being done since 2000.</p> <p>2) Presently, key branch profitability ratios are being tracked and analyzed on a quarterly basis. However, in the computerized branches it will be possible to track and analyze on a monthly basis from March 2001.</p> <p>3) BRAC is still discussing appropriate incentives to reinforce and align staff with the objectives of the programme. BRAC plans to pilot this recommendation in the first of 2001.</p>

Recommendation	Comments	Actions	Responsible Person and Time Frame	Progress
objectives of the program.				
3.3 Cost Recovery Sector Programs				
<p>□ BRAC should track its activity carefully so that it knows how much to collect, from whom and when. None of these variables should be negotiable. Service charges should be as vigilantly collected as loan payments. Service charge collections are the program's only current source of income.</p>	<p>□ Currently BRAC is tracking down its sectoral activities aggregately. When all the field offices will be computerized then it will incorporate all borrowers name as sector wise and it will be possible to track each borrows activities centrally. At first BRAC will start this project on pilot basis, after identifying the pros and Cons.</p>		<p>□ PC MF, Chief Accountant and in-charge of MIS, will be responsible to implement this project.</p> <p>From March 2001 the project will start on a pilot basis.</p>	<p>□ After computerization of all area office, BRAC will start this on pilot basis in 10 area offices from January 2001.</p>
<p>□ To the extent possible, service charge payment should be linked to value received by the customer. At present, all participants are expected pay and there is no check on the quality of the assistance</p>	<p>□ Agreed. Necessary steps will be taken. At Area Office level BRAC will build database on the basis of the participants activities. And after that service charge payment will be linked to value received by the</p>	<p>□ BRAC is going to develop a format related to the service received by the members. On that format there will be some indicators, which help to identify the BRAC the kind of service received</p>	<p>□ SRM (EIG) will be responsible for developing a form and implementing it on a pilot basis.</p> <p>It will be started October 2000.</p>	<p>□ BRAC has not been able to implement these due to organizational change, which separated Sector programmes from Microfinance. It will start from 2001.</p>

Recommendation	Comments	Actions	Responsible Person and Time Frame	Progress
<p>they are getting, or if they are getting it at all. They generally will not report – out if the service is inadequate, for fear of not getting a loan or input supplies in the future.</p> <p><input type="checkbox"/> BRAC needs to better understand the cost breakdown of its sector programs and how they vary with expansion. Although we have not studied the breakdown, our preliminary research tells us that costs can be cut without compromising program quality significantly.</p> <p><input type="checkbox"/> All services that can be privatized, should be privatized, both for efficiency and sustainability of the program, and</p>	<p>customer. To ensure quality service BRAC is trying to develop a system where realization of the service charges correlates the value received by customer.</p> <p><input type="checkbox"/> BRAC has already started to breakdown its costs of its sector programmes and it has reduced some of its excess staff of various sectors. At the same time BRAC will also supervise and monitor the costs of sector programmes very closely.</p> <p><input type="checkbox"/> Currently BRAC is providing training and inputs to its VO members. But BRAC is trying to change its strategy. To</p>	<p>by the customer. It will be launched on pilot basis in four Area Offices of four districts.</p> <p><input type="checkbox"/> Newly extended MIS of Sector Programme has already been launched. BRAC already employed some IT professional to do the build MIS of sector programmes.</p>	<p><input type="checkbox"/> Manager of MIS will be responsible for this project. It will start from January 2000.</p>	<p><input type="checkbox"/> See Actions.</p> <p><input type="checkbox"/> BRAC has already started the process through its paraprofessionals and extension workers who</p>

Recommendation	Comments	Actions	Responsible Person and Time Frame	Progress
<p>because BRAC's task is to build wealth among, and transfer skills to, its target population.</p> <p>□ Of the above, two recommendations stand out: 1) understanding and analyzing sector costs, and 2) understanding the value added by the services</p>	<p>provide technical know-how and input to the VO members BRAC has started to develop some paraprofessionals mainly in Poultry and Livestock, agricultural and fisheries sector. These paraprofessionals will supply the inputs to the VO members and take the service charges from them. BRAC will sell its products not to the VO members but to the paraprofessionals. If it is successful then it will be implemented in the other sector also.</p> <p>□ At present BRAC is tracking down the sectoral cost and BRAC will conduct a study in the next IASIII to identify the value added by the services delivered</p>			<p>now sell Agriculture, Poultry & Livestock, Fisheries inputs to the VO members.</p> <p>□ Newly assigned IT professionals for sector programmes have already started developing a Sector Programme MIS. A study to assess the value added of the customers by</p>

Recommendation	Comments	Actions	Responsible Person and Time Frame	Progress
<p>delivered and what customers are willing to pay for them. A well-developed reporting system (MIS) is clearly essential for improved management of this program. Finally, since the sector program only covered 20% of their costs in 1999 (and this worsens for 2000), the obvious question is what happens beyond 2000 when there is no more donor money?</p>	<p>and what customers are willing to pay for them. When there will be no donor money PSE will carry the cost of sector programmes.</p>			<p>income and employment generation activities will be undertaken in 2001.</p>
<p>3.4 Financial Model</p>				
<p><input type="checkbox"/> In 2000, BRAC should begin the process of designing and implementing a new financial model, one that can help senior management predict some of the interaction between this emerging and more</p>	<p><input type="checkbox"/> Agreed. BRAC will design and implement new financial model within 2000 and it will send to the Shorebank for comments.</p>		<p><input type="checkbox"/> Chief Accountant will be responsible for this project. It will complete within December 2000.</p>	<p><input type="checkbox"/> Chief Accountant is working on it and it will be completed within December 2000.</p>

Recommendation	Comments	Actions	Responsible Person and Time Frame	Progress
complex financial structure.				
4.0 Development of BRAC RLF Reporting				
4.1 Advisory Board and Annual "Bank" Report				
<p><input type="checkbox"/> Shorebank would recommend that BRAC develop an external report on its microfinance program that is for all intents and purposes a "bank" report, with all of the trappings of a traditional bank. (This recommendation is not to be confused with the emerging new entity called the BRAC Bank, which is a distinct, for-profit entity). At the same time, we would recommend that BRAC create an Microfinance Advisory Board of internal and external advisors that are skilled in finance,</p>	<p><input type="checkbox"/> BRAC agrees to develop an external report on its microfinance programme. BRAC will also consider the recommendation of Shorebank to form an "Advisory Board" for its Microfinance programme.</p>	<p><input type="checkbox"/> BRAC is going to explore the possibilities of forming an "Advisory Board".</p>		<p><input type="checkbox"/> BRAC is currently exploring the availability of the required expertise for the Advisory Board. It is expected to be in operation from January 2001.</p>

Recommendation	Comments	Actions	Responsible Person and Time Frame	Progress
risk management and banking that would serve as a management resource for the BRAC MFI program.				
4.2 Financial and Business Research Unit				
<p>□ BRAC needs to create much greater internal capacity to do business, finance and risk analysis. We would recommend an initial staff of 2-3 MBA graduates attached to the microfinance Program Coordinator's office. This capacity is sorely lacking at present, and must be used to analyze overall BRAC portfolio performance, support the creation of an improved risk management system, support the Microfinance Advisory Board, and perform risk analysis for senior and regional management. This</p>	<p>□ The newly formed business and research team will conduct the business, finance and risk analysis. The team members are specialist on financial and business research.</p>		<p>□ The PC MF and Chief Accountant will supervise this team. Within September 2000 this team will start working on this issue.</p>	<p>□ The Financial and Business Research Unit has already developed and started working on risk analysis.</p>

Recommendation	Comments	Actions	Responsible Person and Time Frame	Progress
<p>unit must produce a monthly series of risk assessment and management reports that help all levels of BRAC about risk management issues and performance. This unit should be responsible for producing the recommended microfinance "bank report" and for instituting the BRAC CAMEL system.</p>				
5.0 Other Areas				
5.1 MELA				
<p>BRAC should develop new ways to both recruit business analysis skills from outside of BRAC as well develop those skills with current BRAC staff, so that loan officers can lend to more complicated productive businesses</p>	<p>BRAC is going to recruit new persons at both field and management level, who have the financial background and business skill. Currently few employees of BRAC Bank are working at MELA to prepare the new training</p>	<p>Director of Training division, Vice President of BRAC Bank and two members of financial management and research team will develop new training module of MELA.</p>	<p>Within September 2000 new staff at field level who have the necessary business analysis skills are going to be recruited.</p>	<p>BRAC has recruited new staff at field level with the necessary skills, have financial and business background. They also received three days orientation training on MELA. MELA is going to organize MELA training</p>

Recommendation	Comments	Actions	Responsible Person and Time Frame	Progress
<p>that have potential for larger job creation among wage earners.</p> <p>□ MELA management should work hard to streamline the lending process (e.g. reduce the time from loan application to approval and disbursement which is now far too long), as well as develop new products to meet market demand.</p>	<p>module and develop new products. New training module will help MELA staff to properly evaluate the risk and security of the business.</p> <p>□ Present risk assessment form is going to be replaced by a more comprehensive form, which will address the marketing, financial and technical aspects of businesses. This new risk assessment form initially will be used on a pilot basis. The main target is to streamline the lending process (e.g. reduce the time from loan application to approval and disbursement, which now takes too much time) At the same time few efforts will continue to develop new products.</p>	<p>□ Senior Vice President of BRAC Bank and Senior Regional Manger of MELA Programme is currently responsible for implementing these recommendations.</p>	<p>□ The new loan appraisal form is going to be implemented on pilot basis from July 2000.</p>	<p>to its entire staff from September 2000.</p> <p>□ MELA invites BIRD and Shorebank, who present two different loan appraisal forms. After that MELA reviewed these two, which has taken more time and developing a new loan appraisal form is delayed. MELA will be piloted this newly formed loan appraisal form by January 2001.</p>

	billion, end 2000.	2.81 billion at end June 2000.	
	≥ 80% of VO members covered by credit facilities during 1996-2000.	79% of the VO members covered by credit facilities during 1996-2000.	On Target.
	On Time Realisation ≥ 95%.	On Time realisation was 96% during January-June 2000.	On Target.
	All costs for credit services covered by interest income by end of 4th year of operation.	This is the case.	On Target.
Finance of the Credit Sub-Programme	Cumulative budget to end December 2000: Tk. 2,399,339,434 Budget for January- December 2000 Tk. 388,597,990	Cumulative expenditure January-June 2000: Tk. 2,175,417,687 Expenditure for January- June 2000 Tk. 164,676,243	42% expenditure occurred on yearly budget.
Output 2B: Creating Wage Employment Opportunities through financing of small business and industries.	MELA programme covered 50 Administrative Districts. 100 Branches will operate by the end of December 2000.	MELA is currently operating at 56 administrative districts. Currently MELA is operating at 97 branches.	On Target
	Tk. 700 million will be disbursed by year 2000. Tk. 440 million will disburse within 2000.	Since inception MELA programme has disbursed Tk. 442 million. In January-June 2000 alone, MELA already disbursed Tk. 170 million.	87% of January-June 2000 target has been achieved.
	During 2000, the number of borrower will be 8,800.	3,308 borrowers have received MELA loan from Jan-June 2000 time period.	On Target.
	By 2000, average loan size will be Tk. 50,000.	Average loan size is Tk. 54000.	On Target.
	46,000 employment opportunities will be created in the MELA programme in 2000 .	12,665 new employment opportunities were created	
	Overdue /Outstanding Ratio <5%.	Current overdue /outstanding Ratio is 1.23%.	
Output 3: Income and employment generation increased	≥31,338 new IG/jobs created during 2000 comprising at least: 20,200 in poultry 5,475 in perennial fisheries 1,600 in agroforestry 3,000 in vegetables	56,905 new jobs created during January-June 2000: 23,653 in poultry 19,958 in perennial fisheries 875 in agroforestry 12,419 in vegetables	This is almost three and a half times the target. Achievement was comparatively higher in fisheries and vegetable cultivation because these activities have good market facilities; high return and inputs are available. As per the MTR there are no new employment

			opportunities this year in the sericulture sector.
	Average monthly income of those IG/jobs \geq Taka 500 from January 1998 onwards.	See activities 3.10.	
	\geq 95% of those in the new IG/jobs are women.	99 percent.	Highly satisfactory.
	Income from sale of product controlled by women.		Information will be available in the second half of 2000.
	Programme Support Enterprises established and operating, in accordance with Business Plans, in the areas of: Poultry farms; Feed mills; Seed production centres; Prawn hatcheries; Silk reeling centres; Grainage centres; Marketing Development unit	Operation started as per business plans except for the reeling centre.	Existing reeling centres are fulfilling the present requirement.
Finance of Employment and Income Sub-Programme	Cumulative budget to end December 2000: Tk. 1,229,692,204 Budget for January- December 2000 Tk. 204,669,152	Cumulative expenditure January-June 2000: Tk. 1,133,172,925 Expenditure for January- June 2000 Tk. 108,149,869	53% expenditure occurred on yearly budget.
Output 4: Members capable of exercising their legal rights	\geq 80% of VO members demonstrate understanding of basic land law, family law, and citizens' rights, six months after information sessions.	After six month's of information sessions 88% of VO members can understand about basic land law, family law, and citizens' rights.	Based on Monitoring report.
	By end-2000, all of marriages that involve a VO member are registered officially.	93% of marriages that involve a VO member are registered officially.	Based on Social Development Report.
	By end-2000, all of divorces that involve a VO member follow proper legal procedure.	70% of divorces that involve a VO member follows proper legal procedures.	Based on Social Development Report.
	By 2000, \geq 50% of brides in VOs are \geq 18 years on marriage.	91% of brides in VOs are \geq 18 years of age.	Based on Social Development Report.
Finance of the Human Rights and Law Sub-Programme	Cumulative budget to end December 2000: Tk. 230,014,725 Budget for January- December 2000 Tk. 44,738,523	Cumulative expenditure January-June 2000: Tk. 209,537,103 Expenditure for January- June 2000 Tk. 24,260,901	54% expenditure occurred on yearly budget.
Output 5: Improved health	All RDP households use tubewell water for drinking by 2000.	97% of households use tubewell water for drinking at the end of June 2000.	Based on BRAC monitoring report.

	≥60% of families using slab latrines by 2000.	48% of families using slab latrines at the end of June 2000.	Percentage gradually increasing. Based on regular MIS information from all RDP areas.
	Modern contraceptive use rate ≥ 55% by 2000.	53% at the end of June 2000.	On target.
	≥ 90% of children < 1 year, and ≥ 95% of pregnant women fully immunised by 2000.	76% of children < 1 year, and 74% of pregnant women are immunised.	Based on regular MIS information on all RDP areas.
Finance of the Health Sub-Programme	Cumulative budget to end December 2000: Tk. 327,232,774 Budget for January- December 2000 Tk. 52,578,470	Cumulative expenditure January-June 2000: Tk. 311,892,141 Expenditure for January- June 2000 Tk. 37,237,837	71% expenditure occurred on yearly budget.
Output 6: Extremely poor women increase their income through VGD	231,750 women were employed during January 1998 to June 1999 and 285,500 women will be employed during July 1999 to December 2000.	During January 1998 to June 1999 cycle 164,533 women were employed. In the current cycle (July 1999-December 2000) 169,845 women have been employed. Out of these women 116,680 women were employed during January-June 2000.	Women first receive training and after completing the training they receive a loan and subsequently they become self employed. Some women of current cycle (July 1999 to December 2000) cycle will be employed in the next year.
	Average monthly earnings of VGD members ≥ Tk.300.	On average 93% of VGD women have monthly earning of ≥ Tk.300.	Based on monitoring report.
Finance of the VGD sub-programme	Cumulative budget to end December 2000: Tk. 218,589,575 Budget for January- December 2000 Tk. 19,017,300	Cumulative expenditure January-June 2000: Tk. 210,030,640 Expenditure for January- June 2000 Tk. 10,458,365	55% expenditure occurred on yearly budget.
Output 7: Organization and Management Capacity of BRAC improved	RDP planning, implementation, monitoring and evaluation increasingly based on logical framework.	This is the case.	LFA workshop for all regional managers was held during September '97. Monitoring and evaluation are being performed as per LFA Indicators.
	BRAC's long-term strategic plan reviewed annually and distributed to RDP managers and supervisors, including regional and area personnel.	Reviewed during 1999.	A series of workshops on strategic planning took place.
	All RDP staff assessed, in relation to their job descriptions, at least annually.	This is the case.	BRAC's human resources department prepared a performance appraisal format, which has already been approved. The form is now being piloted at field level. In this appraisal format job description is specified and there is a

			specific criteria for everybody's job evaluation.
	RDP organizational structure reviewed annually (internally)	Reviewed during the first half of 1999.	RDP field operations have been reviewed to ensure proper implementation of all the programmes. In this regard, a separate field operation unit has been established where four Senior Regional Managers (field operations) are in charge of their respective field operations. BRAC has decided to divide RDP into Micro Finance and Programmes. At the area office level there will be an area manager micro-finance and an area coordinator programmes.
	≥ 80% regional offices have RDP data on their computers by end 1999.	Fast proceeding.	It is now proposed that by January 2001 all AOs will have RDP data on computers. By June 2000 a total of 204 AOs have been computerised.
	By end -1999, Regional Managers have authority to approve disbursement per day per area up to Taka 2,50,000 in loans, and to recruit PO-V without reference to headquarters.	This the case	
	By end- 1999, ≥ 25% of the senior RDP positions (Regional manager and above) filled by women.	15% of the senior RDP positions (Regional manager and above) filled by women.	Increasing trend.
Finance of the BRAC's management capacity Sub-Programme	Cumulative budget to end December 2000: Tk. 158,241,768 Budget for January- December 2000 Tk. 31,648,127	Cumulative expenditure January-June 2000: Tk. 143,542,426 Expenditure for January- June 2000 Tk. 16,948,785	54% expenditure occurred on yearly budget.
Output 8: Contribution of partner NGOs improved	Each partner NGO demonstrates significant increases in: -- number of Village Organisations -- Credit activities -- Employment generation; and -- Health/Legal/Vulnerable Groups activities, consequent upon BRAC support	This is the case. BRAC is currently working with 74 NGOs. Partner NGOs shows significant increases in every aspect. VO increased: 765 Member increased : 14932 Number of borrower increased: Tk. 18,218 Savings increased: Tk.13,681,274 Outstanding increased: Tk. 30,837,144	Based on monitoring report

Finance of Partner NGOs Sub-Programme	Cumulative budget to end December 2000: Tk. 39,999,931 Budget for January- December 2000 Tk. 12,578,700	Cumulative expenditure January- June 2000: Tk. 35,172,008 Expenditure for January- June 2000 Tk. 7,750,777	62% expenditure occurred on yearly budget.										
1.1 Activities: The Village Organisations Sub-Programme	During RDP IV, 330 Area Offices, with an average of 7,200 members, in operation.	At end June 2000 there were 330 area offices with an average of 8,444 members.	AO membership increased as a result of BRAC's decision to try and reach more poor in the AO catchment area. To facilitate these people BRAC opened 386 outposts. These outposts are attached to the nearest AO.										
1.2	≥ 75% of TG households in RDP villages are in the VO	As reported June '98, during the period of IAS II data collection, 47% of the TG households in RDP villages were BRAC group members.	It is likely that average members per area office will continue to increase. After completion of IAS III changes/improvement of number of TG households in RDP villages will be found.										
1.3	4 general meetings and 1 issue based meeting each month (per VO)	This is the case											
1.4	≥252,000 orientation workshops conducted during RDP IV	232,026 workshops conducted to end June 2000	On target										
2.1 Credit organisations Sub-Programme	≥ 80% of all members contribute savings weekly	This is the case	Monitoring Report										
2.2	Ageing of Principal Outstanding ≥ 92% (Zero payment missed).	<table border="1"> <thead> <tr> <th>June 1999</th> <th>Sep. 1999</th> <th>Dec. 1999</th> <th>Mar. 2000</th> <th>June 2000</th> </tr> </thead> <tbody> <tr> <td>84%</td> <td>80%</td> <td>84%</td> <td>81%</td> <td>84%</td> </tr> </tbody> </table>	June 1999	Sep. 1999	Dec. 1999	Mar. 2000	June 2000	84%	80%	84%	81%	84%	After the flood of 1998 the APO decreased to 68%. However, since then it has been increasing steadily and now stands at 84%. In March 2000, BRAC reverted from a fortnightly to a weekly collection. VO members took some time to adjust to the new system, therefore the APO of June 2000 is the same as the APO of December 1999. It is expected that this situation will improve by the end of 2000.
June 1999	Sep. 1999	Dec. 1999	Mar. 2000	June 2000									
84%	80%	84%	81%	84%									

2.3	Overdue / outstanding ratio < 5%	June 1999	Sep 1999	Dec 1999	Mar 2000	June 2000	Due to the 1998 flood the overdue/outstanding ratio decreased in 1998. In October 1998 it was 11.1%. Since then however, the situation has been steadily improving.
		9%	10%	9%	10.1%	9.9%	
2.4	Dropout / year < 5%	During January-June drop out rate was 5%.					On Target
2.5	Doubtful loans < 2% of disbursement.	BRAC keeps 2% of disbursement as loan loss provision. According to Shorebank BRAC has sufficient fund for doubtful loan.					
3.1	Income and employment Sub-Programme	148,080 new rearers in the poultry sub-sector; 16,000 during 2000.	20,189 new rearers during January-June 2000.			The reason why this figure is higher than the target is because the rearers who received training at the end of 1999 along with the rearers who received training during the first half of 2000 all started operations together.	
3.2	93,368 new goat and cattle rearers by 2000	A total of 133,234 goat and cattle rearer up to June 2000.					
3.3	Carp/prawn poly-culture in 9,065 acre water body producing 15 kg. Fish/decimal/year. In the year of 2000, carp / prawn poly culture in 950 acre water body.	4,239 acre water body has been brought under carp/prawn poly-culture during January-June 2000.					As already mentioned, fisheries is proving to be very profitable for the participants. The participants take it as a part-time job along with other household activities. Coverage is higher due to increased involvement of more participants.
3.4	1,600 nurseries will produce 10-15,000 seedlings / year / nursery worker; 1000 nurseries during 2000.	826 nurseries have been established during Jan-June 2000.					On target.
3.5	During 2000, 453.2 M.T. cocoons will be produced by 10,500 rearers; as MTR report.	122.7 MT cocoons have been produced during January-June 2000.					Cocoon production starts in the second half of the year.
3.6	13,000 acres of land cultivated for vegetable; 1,500 during 2000	6,159 acres land cultivated during January-June 2000.					This activity yields a high return for the farmers, therefore a lot more farmers undertook this activity, hence the need for more land. Also the participants already with

			the programme increased their coverage.
3.7	By 2000, 12,381 paraprofessionals working in villages	A total of 12,768 paraprofessionals are currently working.	
3.8	All new participants complete training.	This is the case.	
3.9	(Poultry) loan sizes are between Tk. 1,000 and Tk. 7,000	This is the case; average loan was Taka 4,800	
3.10	Income within sectors as tabulated: Sector \geq Tk. per month: Fisheries 500 Poultry & Livestock 200 Sericulture 300 Social Forestry 200 Vegetables 600	Carp poly culture = Tk. 1038 Fish nursery = Tk. 2507 Chick rearing = Tk. 590 Poultry worker = Tk. 637 Silk worm rearing = Tk. 497 Horticulture nursery = Tk. 2620 Vegetable cultivation = Tk. 1,272	According to the monitoring report of 1999.
3.11	By end-2000, 2 poultry farms established; 3,966,250 chicks produced in 2000.	2 poultry farms are in operation. 2.06 million chicks are produced during January- June 2000.	On Target.
3.12	By end-2000, 2 feed mills established; 12,000 MT feed produced in 2000.	2 feed mills have already been established. During Jan- June 2000, 4,894 MT feed are produced.	On Target.
3.13	By end-2000, 2 seed production centres producing a total of 500 MT seed	During Jan-June 2000, 2 seed production centre produce 350 MT seed.	On Target.
3.14	By end-2000, 10 prawn hatcheries producing 5.78 million post larvae	7 prawn hatcheries have already been established. And these hatcheries are producing 2.86 million post larvae during Jan-June 2000.	On Target.
3.15	By end-2000, 2 mechanical silk reeling centres will produce 5.7 tons as MTR.	During January-June 2000, 2.23 MT silk are produced.	It is expected that there will be an increase in the production during the second half of 2000.
3.16	By end-2000, 8 grain age centres each producing 0.4 million lying of disease free larvae (DFL) annually; 2.0 million DFL in 2000 as MTR.	8 grainages have been established. During January-June 2000 these 8 grainages produce 1.13 million DFL.	On Target.
3.17	According to the Business Plan the PSEs will be break even in Poultry farms: year 3 Feed mills: year 2 Seed production centres: year 2 Prawn hatcheries: year 3 Silk reeling centres: year 3 Grainage centres: year 4	All the programme support enterprises are break even according to the business plan, except silk reeling centre and Grainage centre.	
4.1	\geq 500 sets of materials in use by	50 sets of materials in use	HRLE did not expand to

Law and human rights Sub-Programme	trainers during 2000		new areas during the first half of 2000.
4.2	≥ 350 sets of materials in use by volunteers during 2000.	150 sets of materials have been used by volunteers during January-June 2000.	On Target.
4.3	≥ 287,500 VO members trained during 2000	159,074 VO members trained till during January-June 2000.	On target.
4.4	Training modules distributed to trainers, POs, PAs and volunteers from 1999	In use.	Achieved.
4.5	At least 3 workshop for community leaders in each RDP area annually	190 workshops have been held in the last six months during Jan-June 2000.	
Health Sub-Programme	5.1 Revised health education curriculum in use by January 1998.	Already prepared and supplied to the POs. It is in effect from May 1997	Achieved
5.2	For every four (or fewer) VOs, one sebika diagnosing and treating common diseases.	This is the case.	
5.3	All sevikas have basic medicines, contraceptives, slab-ring latrines, vegetable seeds, delivery kit, soap, iodised salt, BRAC saline and sanitary napkin to meet reasonable demand.	This is the case.	Achieved
5.4	By 2000, reduced household per tubewell ratio to 10 households from 20.	Approximately 30 households per tubewell at end-June 2000.	Due to the ongoing arsenic contamination problem the sale of tube well is approximately 43% lower than the tubewells sold in December 1999.
5.5	By 2000, ≥ 900,000 slab-ring latrines installed	141,568 slab-ring installed during Jan-June 2000, cumulative 1,150,580 end of June 2000.	Achieved.
5.6	Vitamin A distributed to ≥ 80% of children < 6 years.	Distributed to 95% of children < 6 years.	Achieved.
Vulnerable groups Sub-Programme	6.1 During the period of January 1998 to June 1999 278,500 women trained. And in July 1999 to December 2000 285,500 women will be trained.	January 1998 to June 1999 cycle 284,689 women were trained. And during the period of July 1999 to December 2000 cycle, 283,701 women were trained till June 2000.	Training of most of the VGD women of the cycle of June 1999-December 2000 has started.
6.2	During the period of January 1998 to June 1999 cycle 111,400 women trained other than the poultry. And in July 1999 to December 2000 cycle 142,750 women will be trained in other income generating activities	January 1998 to June 1999 cycle 85,588 women were trained other than poultry. And in the current cycle (July 1999-December 2000) till June 2000, 100,649 women were trained except poultry.	On target. These other training activities include goat and cattle rearing, vegetable plantation etc.

	other than the poultry.		
7.1 BRAC's management capacity Sub-Programmes	At least 50% of the POs have > 2 years of service from 1998 onwards.	32% of the POs have > 2 years of service from 1998 onwards.	
7.2	At least 50% of AMs have > 4 years of service from 1998 onwards.	82% of AMs have > 4 years of service from 1998 onwards.	
7.3	At 50% of RMs have > 8 years of service from 1998 onwards.	98% RMs have > 8 years of service from 1998 onwards.	The reason for this increase on the target is because most of the AMs with at least 8 years service have been promoted.
7.4	≥ 80% of POs receive training packages within 2 years of commencing service.	This is the case	
7.5	By end -1999, all staff possess and understand job descriptions, personnel manual, programme management manual, LFAs and clear accountability system (who will report to whom)	This is the case	Training has been given to the staff to understand job descriptions, personnel manual, programme management manual, LFAs and clear accountability system (who will report to whom)
7.6	≥ 35% PO-V are women by 2000.	Till June 2000, 32% PO-V are women.	Close to the target.
7.7	≥ 35% POs are women by 2000.	Till June 2000 26% PO-V are women.	Close to the target.
7.8	≥ 20% AMs are women by 2000.	Till June 2000, 18% AMs are women.	Close to the target.
7.9	Audit and periodical financial reports made available on time.	This is the case.	
7.10	BRAC senior management and donors receive accurate information in reasonable time.	This is the case.	Being addressed.
7.11	BRAC involved in joint activities with GOs and NGOs at national/ regional/ local levels in at least 8 sectors (poultry, health, agriculture fisheries, education etc.).	Being achieved (Oxbow Lake Project, SLDP, BINP-nutrition, IGVGD, TB, Education, Fisheries, Family Planning, poultry for nutrition, participatory livestock development program).	In order to ensure the basic needs of the hardcore poor, BRAC in collaboration with government and other organizations, undertakes programme such as health care, education, housing etc..
7.12	Leader of public opinion demonstrates general understanding	BRAC's achievement in various sectors are being covered by the	

	of and positive attitude towards BRAC and its activities.	leading newspapers of the country. Mr. Clinton, US President's visit to BRAC's school highlighted BRAC's image. Leaders are showing considerable support for BRAC programmes.	
Partner organisations Sub-Programme	8.1 100 small NGOs working with BRAC by 2000; 30 in 2000.	BRAC is currently working with 74 NGOs: of which 63 received credit and training; 11 received only training.	BRAC does not plan to expand to the target figure of 100 as it has proven to be too difficult to identify NGOs that meet BRAC's criteria.
	8.2 Relevant training successfully completed by partner NGO personnel.	During the period of January-June 2000 59 staff trained: savings and credit, 31 staff trained: accounts management 9 staff trained: accounts management (Refreshers) 5 staff trained: NFPE basic training.	On Target.
	8.3 Credit of ≥ Taka 25,000,000 (revolving loan fund) at end-2000.	Tk. 46.83 million disbursed for credit till June 2000. Tk. 12.56 million has been disbursed during January-June 2000.	The partner NGO covered more numbers of their target group, therefore more resources were required.
	8.4 Computer based information storage and utilisation operating at each of the participating medium sized NGOs		Computers are not necessary, as the NGOs are small and work with limited client.

**BRAC's Actions
On
Shorebank's Financial Review 1999**

Recommendation	Comments	Actions	Responsible Person and Time Frame	Progress
1.0 Portfolio Risk Management and Credit Related Activities				
1.1 Sector Programmes				
<p>□ Each manager of the sector programs should receive basic analytical training in analyzing what is going on in their programs. They should produce regular analytical reports on activity, service charge realizations vs. due, cost recovery, risk issues etc instead of the list of raw numbers, which are currently being collected.</p>	<p>□ On the basis of the information that has been gathered from the various sector programmes a new training module is going to be developed. After receiving the training each manager of sector programmes will be able to produce analytical reports on activity, service charge realizations vs. due, cost recovery, risk issues etc on regular basis.</p>		<p>□ The newly developed Business and Research Team will be responsible for preparing training module based on Business Planning and Analysis. This is a two-member team both of whom have financial background.</p> <p>The training module is going to be developed within September 2000 and training will start from</p>	<p>□ RDP MIS has started to produce different reports on sector programmes such as service charge realizations vs. due, cost recovery, risk issues, which assist in analyzing situation in the sector programmes.</p> <p>A training module on Financial Management of sector programmes has been developed by the</p>

Recommendation	Comments	Actions	Responsible Person and Time Frame	Progress
<p>□ As long as BRAC can reduce better understand and reduce delinquency in its sector programs, we recommend (based on interviews with key staff at head-office and in the field) continuing to prioritize the development of poultry and agriculture (seed and vegetable) sectors as these sectors appear lucrative to members given the substantial market demand that exists.</p>	<p>□ The flood of 1998 may influence the current picture of delinquency of the sector programmes. That's why BRAC will revisit its whole sector programmes to identify the loosing and risky sectors. After identifying the risky sector BRAC will give priority to the lucrative sector.</p>	<p>□ The RDP internal monitoring team will try to find out the reasons for delinquency and at the same time they also identify the lucrative portfolio. This team will revisit the sector.</p>	<p>November 2000.</p> <p>□ RDP internal monitoring team will undertake the study. Head of RDP internal monitoring team will be responsible to conduct this study. He will be reportable to PC MF.</p> <p>The team will start work July 2000.</p>	<p>Accounts and Finance Department in collaboration with the sector programmes. One training course has already been organized in which all sector heads participated in August 2000.</p> <p>□ RDP internal monitoring team did not start the study due to work constraint. It will begin in October 2000 to investigate the reasons for delinquency in sector programmes. On the basis of the findings BRAC (RDP) will identify lucrative sectors and also identify the risk factors in the respective sectors.</p>

Recommendation	Comments	Actions	Responsible Person and Time Frame	Progress
<p>□ BRAC should conduct an evaluation of the market demand, net profit to members, development impact potential, problems faced by VO members and the value added by each of the sector programs it is planning to help grow. This will help BRAC reduce the riskiness of its portfolio in these sectors (especially poultry, fisheries, and sericulture), and also help it price its services (e.g. technical assistance) appropriately.</p>	<p>□ BRAC agreed that in the long run it is necessary to identify the market demand of the product of its various sector programmes to face the potential threat from outside. It is also important to identify the overall impact if new competitors enter into the market.</p>	<p>□ BRAC will conduct a market study to identify the market demand, net profit to members, development impact potential, problems faced by VO members and the value added by each of the sector programs by RED.</p>	<p>□ RED will conduct this study. The study will take place from December 2000.</p>	<p>□ RDP already has contacted RED for this study and this will begin from December 2000.</p>
1.2 Portfolio Management				
<p>□ BRAC should conduct a thorough analysis of the causes of increased delinquency (7% deterioration since June 1998). Such an analysis will help BRAC determine</p>	<p>□ BRAC has the deep concern of increased delinquency; in order to tackle this problem BRAC has modified its management system. The PC Microfinance is responsible for Planning,</p>	<p>□ The team members of the Financial Management Team and Business and Research Unit have the finance background and have been working with BRAC from 1-5 years and</p>	<p>□ Under the guidance of PC (Microfinance) the team has already started work.</p>	<p>□ Already PC (MF) who is responsible for the quality of the portfolio has given assignment to the newly formed Business and Research Unit and Internal Monitoring team</p>

Recommendation	Comments	Actions	Responsible Person and Time Frame	Progress
<p>to what extent delinquency is a function of: borrowers receiving larger loan sizes; borrowers receiving double loans, borrowers who were refinanced as a result of the flood, concentrations in particular sectors; delinquency concentrations in branches that were not hit by the flood or hartals etc. Without this information, BRAC is ill prepared to be able to know either the real cause of delinquency, or how to address it. This is our number one recommendation regarding BRAC's loan portfolio quality for the year 2000.</p>	<p>Strategy, and Quality Control of credit programme and the PC of Field Operation is responsible for the implementation of the credit programme. RDP has also developed a three member financial management and research team who has the finance and business background. At this moment the team is working under the guidance of PC (Microfinance) and Chief Accountant. This team are analyzing the low perform region and Area Offices to find out the weak portfolio. RDP internal monitoring team will undertake a through investigation to find out the causes of delinquency and will identify where the problem exists. Monitoring</p>	<p>they are deeply involved with the Financial Management courses developed by Shorebank. If necessary BRAC will recruit new staff.</p>		<p>to identify the reasons of delinquency. It is expected that this group will produce a report by December 2000.</p>

Recommendation	Comments	Actions	Responsible Person and Time Frame	Progress
	will be conducted between every three months.			
<p>□ BRAC needs to develop a much deeper market and business insight into higher risk loan sectors (poultry, fisheries, food processing, sericulture and housing), and sectors where the portfolio has become concentrated (e.g. in rural trading poultry). Breaking these “catch all” categories down into its significant constituent parts to support better understanding on the risks inherent in both these important sectors. We feel that as it stands, the rural trading category is effectively useless for any analytical purposes and defeats the whole point of having sector differentiation in the first place.</p>	<p>□ The newly formed Financial Management and research Team will look into the performance of various sectors continuously.</p>	<p>□ BRAC is going to conduct a pilot project in four computerized Area Offices. There will be open provision for every business. Every business whether it is big or small will enter into the computer by its name. At the end of a year BRAC will try to identify the key business. At the same time RDP is going to conduct a Focus Group Discussion with its Area Managers to explore the possibilities of breaking down the rural trading.</p>	<p>□ RDP MIS and Branch Automation division will be responsible to conduct this pilot project BRAC will conduct this study from October 2000.</p>	<p>□ BRAC will start the pilot project in four automated area offices in November 2000 to break down its existing sector into more sector by using different code to observe the risk associated with different sectors. The reasons for the slight delay is due to the delay in the AO staff receiving the necessary computer software training.</p>

Recommendation	Comments	Actions	Responsible Person and Time Frame	Progress
<p>□ BRAC needs to develop increased staff capacity and a formal process for overall portfolio risk analysis. It is impossible to manage what you do not know. We thus recommend that, to begin with, Senior Regional Managers be trained in basic analysis skills. They should be responsible for producing quarterly analyses of the regions they are responsible for. The Regional managers who report to them should be doing branch-wise analysis in much the same way as we have done for BRAC's entire credit program. Taking each portfolio related chart we have done in this report and updating the indicators for their regions and analyzing the changes on a quarterly</p>	<p>□ A format will develop on the basis of the core indicators. Shorebank has already provided those indicators. And on the basis of that format a three days orientation programme will be given to the Senior Regional Managers and Regional Managers (RM) on portfolio analysis. To increase the analytical skill of the Senior Regional Managers (SRM), BRAC already sent all of its SRM at SANMFI CGAP training which mainly focused on portfolio management. PC Microfinance is going to join a training programme on MF at Colorado USA organized by The Economic Institute. This training will help BRAC to lead the MF programme more efficiently.</p>		<p>□ The Training division and the Financial Management team will prepare the training module.</p> <p>The training of the SRM will be completed within September 2000. After that on the basis of the core indicator they will prepare the analytical report and analyze the cause and effect. From 2001 RM will also prepare and analysis report on quarterly basis.</p>	<p>□ The Financial Management has started preparing a module on Financial management for RMs and the course will start in October 2000. This course will help the RMs to prepare different financial statements with good analysis. BRAC also sent its SRMs (MF) for CGAP training in July/August 2000. This training mainly focused on portfolio management and financial analysis.</p>

Recommendation	Comments	Actions	Responsible Person and Time Frame	Progress
basis will be a tremendous start, as no similar systematic analysis is taking place currently.				
1.3 Loan Loss Reserve				
<p>□ As a general rule, BRAC's system of reserving 2% of disbursements across all branches continues to be a good risk management system at a head-office level. We recommend that while BRAC keeps the same system at a head-office level, branches should do their own income statements with the branch's loan loss expense reflecting the risk in their portfolio, rather than a flat 2% of disbursements. Some variation of the system we used above is</p>	<p>□ BRAC agreed with Shorebank comments. BRAC will continue to take 2% of disbursements on as loan loss provision on accounting purpose. But the assessment of the performance of a branch will be based on the quality of portfolio, particularly assessing the risk.</p>	<p>□ Risk will be identified on the basis of the formula provided by Shorebank.</p>	<p>□ The Chief Accountant and PC Microfinance will be responsible for the implementation of the scheme.</p> <p>It will start from December 2000.</p>	<p>□ BRAC has already developed a new formula using CGAP, PKSF and WB formulas. From December 2000 BRAC will start to use this formula in AOs. BRAC will also identify the variations between BRAC's old system of 2% LLP on disbursements and the new system.</p>

Recommendation	Comments	Actions	Responsible Person and Time Frame	Progress
<p>suggested.</p> <p><input type="checkbox"/> Each branch should be required to prepare a one page summary statement of the loan loss reserve on a quarterly basis that reconciles the balance sheet figure with the treatment of various loans. Branches will need a quarterly APO to do this –the new computer system (already in 60 branches) should facilitate this process. Regional managers should be doing the same for their region.</p> <p><input type="checkbox"/> Any loan that is over two years past due plus all NIBL should be formally written off the balance sheet. BR BRAC should continue efforts to collect these loans should this</p>	<p><input type="checkbox"/> BRAC also agree that branch will prepare a one page summary statement of the loan loss reserve on a quarterly basis that reconciles the balance sheet figure with the treatment of various loans.</p> <p><input type="checkbox"/> Agreed.</p>		<p><input type="checkbox"/> The Chief Accountant will be responsible for the implementation of the recommendation.</p> <p>It will start from September 2000.</p> <p><input type="checkbox"/> As per plan it will begin December 2000.</p>	<p><input type="checkbox"/> Due to delay in training the AO staff BRAC has not been in a position to implement this in September. The training will be given to the AO staff by the end of 2000 and BRAC will then implement the recommendation in January 2001.</p> <p><input type="checkbox"/> As per plan it will begin December 2000.</p>

Recommendation	Comments	Actions	Responsible Person and Time Frame	Progress
<p>be possible and any income should be shown as a recovery, but these loans should not be carried on the balance sheet.</p>				
<p>2.0 Management and Analysis of Savings Activities</p>				
<p>2.1 'Old' Savings Products</p>				
<p><input type="checkbox"/> BRAC should retain its forced weekly savings but renames it as a mandatory pension contribution. We also are in favor of BRAC continuing to take 5% off the top of loans (i.e. compulsory savings), but rename this as loan deposit requirement. This will reduce confusion between the new savings products that are being introduced and which are voluntary, and the old mechanisms where BRAC forced</p>	<p><input type="checkbox"/> Agreed.</p>	<p><input type="checkbox"/> BRAC has combined the forced weekly savings with the members' voluntary savings and called this NIRAPATTYA SANCHAY (Security Savings).</p>		<p><input type="checkbox"/> See Actions.</p>

Recommendation	Comments	Actions	Responsible Person and Time Frame	Progress
members to make savings deposits.				
2.2 Special Savings Products				
<p>Current account product challenges. This product allows both for very small savings to incrementally build an asset base for the poor, as well as providing flexibility of withdrawals for those who prefer to make larger deposits in a secure institution where they have access to the funds. The challenge for BRAC with respect to this product will be fourfold. It will have to set up systems and checks and balances to:</p> <p>Manage the potential for fraud, which is far larger with this product than with other products where the term and</p>	<p>□ BRAC is going to undertake two schemes on pilot basis to tackle the fraud problem of current account. One option is that the deposit of the current account will be received at Area Office. The second option is that PO collects deposits from the field. BRAC has already launched its savings products in the Urban Area. BRAC also wants to utilize its urban experience to the rural area. That's why BRAC's current strategy is moving slowly to implement these savings</p>		<p>□ PC MF and Chief Accountant will be responsible for this scheme.</p> <p>The implementation of the project will start from September 2000.</p>	<p>□ New savings products will be introduced in 111 branches in November 2000. To monitor savings situation, RDP has already appointed one of its senior RM as savings analyst. RDP and Training division jointly has prepared a training module on savings focused on risk management, cost calculation, liquidity management and marketing techniques which will be imparted to RMs/AMs and PO(Microfinance). The reason for the delay was due to delay in training.</p>

Recommendation	Comments	Actions	Responsible Person and Time Frame	Progress
<ul style="list-style-type: none"> ▪ amounts deposited are fixed. ▪ Manage the demands on administrative staff if the number of transactions among even a portion of these savers is high. ▪ Manage the higher transactions costs associated with more frequent withdrawals and smaller deposits; and <p>Manage the liquidity at the branch level as it is unclear when, how often, and how much current account savers will withdraw.</p>	<ul style="list-style-type: none"> □ Agreed. BRAC will identify the required number of staff and its cost and the higher transaction cost associated with more frequent withdrawals. BRAC may visit the organizations who have this kind of flexible savings scheme. □ BRAC will track the liquidity at four Area Offices on pilot basis. A computer record will maintain all current account information not only the frequency of savings but also when, how often, and how much current account savers will withdraw. 		<ul style="list-style-type: none"> □ To identify these costs a team will be formed under chief accountant. <p>The team will start work from July 2000.</p> <ul style="list-style-type: none"> □ PC (Microfinance) will be responsible for implementing the pilot project. <p>The project will start from March 2001.</p>	<p>AOs staff in the new savings products.</p> <ul style="list-style-type: none"> □ The newly formed Business and Research Unit and Account Department have started work on it. Report will be produced in January 2001. □ The newly formed Business and Research unit will start work in October 2000 in BUP (BRAC Urban Programme) where pilot savings have been implemented.

Recommendation	Comments	Actions	Responsible Person and Time Frame	Progress
<p><input type="checkbox"/> Reduce the Interest Rate on Current Accounts: This is the most pressing recommendation in this section given that it will be very difficult to decrease rates once savers have received a higher rate. The interest rate on this product is too high, given both the transaction and other costs to BRAC as well as the competitive market situation where people pay the bank a fee for a current account.</p>	<p><input type="checkbox"/> Agreed</p>	<p><input type="checkbox"/> BRAC has already reduced the interest rate of the current account. Now the interest rate of the current account is 3% instead of 5%.</p>		<p><input type="checkbox"/> See Actions.</p>
<p><input type="checkbox"/> Cost Analysis: BRAC should do a thorough cost analysis of its savings delivery system. Understanding the cost of savings products allows the microfinance institution to adjust both the product and the delivery system in order to enhance their</p>	<p><input type="checkbox"/> BRAC also feel the necessity of cost analysis. But it is not very easy to identify the full costs of savings delivery services. It takes lots of time and skill to breakdown the into major five groups viz. financial cost, variable operational costs, fixed</p>	<p><input type="checkbox"/> To identify these costs a team will be formed under chief accountant.</p>	<p><input type="checkbox"/> Chief Accountant will be responsible for cost analysis. The Business and Research Unit will start work from July 2000.</p>	<p><input type="checkbox"/> BRAC has not been initiated it yet due to workload. The reasons for the delay as because it difficult for BRAC to find people with the appropriate experience and skills. However, From November 2000 BRAC's</p>

Recommendation	Comments	Actions	Responsible Person and Time Frame	Progress
<p>contribution to overall financial performance. Such studies are particularly important in the early years on an institution's growth. Cost studies allow an institution to better fix the interest rate or conditions of a product or adjust the delivery technology. A study of the full costs of administering a savings account service could be structured by dividing the costs into five major groups:</p> <ul style="list-style-type: none"> • Financial costs (i.e. interest paid on deposits), • Variable operational costs (transaction costs), • Fixed operational costs (prorated branch office expenses) 	<p>operational costs, indirect costs and organizational costs. That's why BRAC start it as pilot basis in few Area Offices and then try to identify the required manpower, time and skills.</p>			<p>Accounts Department and RDP will begin its work jointly.</p>

Recommendation	Comments	Actions	Responsible Person and Time Frame	Progress
<ul style="list-style-type: none"> • Indirect costs (general overhead of the bank's head office), and • Organizational costs (one-time setup costs). <p>□ Training of Staff: BRAC must reorient its lending officers (currently BRAC's savings officers as well) who are used to chasing up services charges, loan delinquencies and forced weekly savings, to have a 'hands-off' approach towards their new savings customers, who may or may not have a delinquent loan outstanding.</p>	<p>□ BRAC will reorient its staff when the new savings product will launch. A two days orientation course will be given to the lending officer about the new savings products at field level. At the same time it is very important to identify the attitude of the loan officer to the savings product. After launching the savings product RED and Monitoring division of RDP will monitor people's satisfaction.</p>	<p>□ Courses on managing delinquency of savings product will be developed.</p>	<p>□ Training division will conduct the orientation course on savings product from January 2001.</p>	<p>□ Under the guidance of PC(MF) a team (RDP and Training Division jointly) has already started to prepare training module on savings and also will conduct three days orientation on it to the respective Regional Managers, Area Managers, and PO(Micro finance). Training will start from November 2000.</p>

Recommendation	Comments	Actions	Responsible Person and Time Frame	Progress
<p>□ A thorough market analysis of key productive sectors in MELA's target area should be undertaken so that lending officers can 1) develop appropriate products; 2) be strategically guided towards the opportunities that deliver the greatest development impact for the region, and 3) reduce underwriting risks. A focus on specific sectors will also help to reduce underwriting risks.</p>	<p>□ MELA will consider the Shorebank recommendations.</p>	<p>□ BRAC will discuss with Financial Institutions to explore ways and means of reducing underwriting risks.</p>	<p>□ MELA Management.</p>	<p>□ BRAC has already developed new MELA products and recruited staff as Quality Managers will supervise loan officers and maintain the portfolio quality.</p>

Recommendation	Comments	Actions	Responsible Person and Time Frame	Progress
5.2 Developing Staff				
<p>□ The senior regional managers should get training in analysis so that they can better understand and analyze trends that are happening in their group of regions. This will also help them be more strategic about the direction, support and advice that they give regional managers.</p> <p>Shorebank also recommend that:</p> <ul style="list-style-type: none"> ▪ Senior managers receive support and training in how to grow and mentor staff and mentor staff ▪ Mid and junior level staff receive training in analysis pertinent to their work area 	<p>□ In the previous sections (mainly in Portfolio Management and new Savings Product) BRAC has made its comments on developing staff.</p> <p>Apart from this BRAC is regularly conducting different staff oriented meeting and workshops.</p> <p>BRAC has already sent all SRM at CGAP-SANMFI training. PC microfinance is going to join to Colorado to participate in a training programme organized by The Economic Institute. All RM has sent time to time to various business analysis and product development training.</p>	<p>□ BRAC has established a team for developing and conducting training on microfinance and business planning. The members of this team are selected from experience BRAC staff. BRAC also tries to recruit new people with Business and Financial Background. A steering committee consisting of Managing Director – BRAC Bank, Director Training, Vice President BRAC Bank, PC(MF) and Chief Accountant provides guidance to the newly formed Financial Management Team.</p>		<p>□ BRAC has already sent all SRMs for CGAP training.</p> <p>A new training module have prepared on Financial Management for RMs. Financial management team will conduct this training.</p>

Recommendation	Comments	Actions	Responsible Person and Time Frame	Progress
<p>▪ Reporting formats and performance incentives at all levels should reinforce growing BRAC's staff analytical and strategic skills.</p> <p>At a branch level, the suggestions in the section on 'changes necessary for BRAC branches to become profit centers' outlines some of the areas where BRAC needs to focus its field staff development. Both branch managers and loan officers need to understand the key drivers of development impact (i.e. reaching the poor), and profitability. An incentive system should reinforce the performance goals of the organization</p>				

Recommendation	Comments	Actions	Responsible Person and Time Frame	Progress
5.3 Overall Performance and Risk Management				
<p>□ BRAC should develop policies, goals, and targets for each of the major CAMEL areas (qualitative and quantitative), using the ACCION's CAMEL as a guide.</p> <p>□ BRAC should conduct a full CAMEL-type analysis on an annual basis to assess its performance. This analysis could form part of the external reporting annual report that we recommend BRAC produces.</p> <p>BRAC should pay special attention to managing the risks associated with its asset liability structure, both in the short term (liquidity risk) and in the</p>	<p>□ Agreed.</p> <p>But it requires lots of skilled manpower and database and time to conduct a full CAMEL-type analysis. That's why initially BRAC is doing only the first stage of the analysis. After getting the result BRAC will decide about the next step. BRAC may recruit some rating agencies for conducting this kind of analysis. But after conducting the first stage of analysis BRAC is going to make decision about the whole issue.</p>	<p>□ Chief Accountant will be fully responsible for this analysis. He will recruit necessary skilled person for this job.</p>	<p>□ From September 2000 the project will be started.</p>	<p>□ CAMEL rating is not common exercises in MFIs/NGOs. So, at first BRAC have to make the staff familiar with this rating system and then implement it. So, it will take time to introduce implement the CAMEL in BRAC. BRAC expected it would be implemented by June 2001.</p>

Recommendation	Comments	Actions	Responsible Person and Time Frame	Progress
<p>longer term, given the changing nature of its liabilities. Although a dynamic liquidity planning model is preferable for day to day management, we have inserted a series of liquidity measures in the attachment for BRAC senior officers to consider using as an overarching management tool. With the introduction of BRAC's savings program and its increasing reliance on commercially based finance, formal policies, systems, procedures and associated accountability for managing liquidity at the branch and head office level needs to be developed.</p>				

Recommendation	Comments	Actions	Responsible Person and Time Frame	Progress
<p><input type="checkbox"/> It is highly recommended that BRAC introduce a risk management framework to systematically track and manage the key internal and external risks that it microfinance program faces. We suggest that BRAC begins the process by identifying a senior executive who will be responsible for leading BRAC towards a comprehensive risk management approach, and then picks a couple of key risks to initially focus on</p> <p>5.4 Technical Assistance</p>	<p><input type="checkbox"/> Agreed. BRAC has appointed PC Microfinance for introducing a risk management framework to systematically track and manage the key internal and external risks that it microfinance program faces. PC MF, PC Field Operation, Chief Accountant and MIS will work as a team for overall BRAC towards a comprehensive risk management approach, and then picks a couple of key risks to initially focus on</p>			
<p><input type="checkbox"/> We recommend that BRAC seek technical assistance support for the creation of a risk management framework that can more effectively</p>	<p><input type="checkbox"/> BRAC always welcome new ideas, concept and technical know-how. If BRAC get fund from the donors BRAC is ready to create a risk management framework that can more effectively</p>			<p><input type="checkbox"/> In early 2001, BRAC will contact either Shorebank or some other appropriate consultant for technical assistance.</p>

Recommendation	Comments	Actions	Responsible Person and Time Frame	Progress
<p>manage the more complex risk and financial structure of the MFI program.</p> <p>□ In addition, it is suggested that BRAC invest in a wide-ranging but ongoing training program aimed at developing increased analytical capacity in mid- and regional level managers. This general skill is sorely lacking in the BRAC culture, and that absence places the organization at risk. This training will vary depending on whether the target management group is responsible for portfolio management, PSE management, savings products, etc.</p>	<p>manage the more complex risk and financial structure of the MFI programme. BRAC is looking forward for donor fund in this issue.</p>			<p>□ RDP, Accounts and Training division jointly have arranged different training to the different level of staff on a need basis.</p>

BRAC's Progress On Mid-term Review Mission Report

Recommendations	Comments	Actions	Progress
<p>The Poverty Profile of BRAC's Members, Poverty Trends and Outreach to the Poorest</p> <p>□ BRAC should document the experience of selected women who have not graduated to RDP and distill the lessons for programmes targeted to vulnerable women. Particular attention should be paid to issues such as savings, individual-based lending, and opportunities to develop employment opportunities for hard core poor.</p> <p>□ RDP should document the findings of the survey of the</p>	<p>□ BRAC in its strive to alleviate poverty and empower the rural poor women, has been verifying whether they are covering all the poor women of the country who seek assistance to get out of the poverty cycle. Accordingly BRAC conducted survey of the hard core poor who are yet to be covered by any NGO interventions. Another objective of the survey was to identify the reasons that limit vulnerable women to participate in the RDP activities and accordingly design potential programmes to benefit these families suiting their specific priorities and needs of this new target group.</p> <p>□ Accordingly BRAC is designing a new project proposal for the</p>	<p>□ A project proposal designed for the hard-core poor will be submitted to the donors at the end of 1999. Once the project proposal is approved and funds are obtained, the project is intended to be initiated in January 2001.</p> <p>□ Besides the documentation done by the monitoring unit of RDP of the hard-core poor</p>	<p>BRAC has conducted a special survey to identify the hard-core poor in order to document their socio economic status, needs and priorities. Based on this documentation, BRAC will take decision about the appropriate savings product and lending methodology for the hard core</p> <p>RDP internal monitoring division started documenting</p>

Recommendations	Comments	Actions	Progress
<p>hard core poor, and identify potential programmes to address the specific priorities and needs of this potential target group. This should be done in conjunction with other NGOs and donor organizations working with the hard core poor.</p>	<p>period 2001 –2005 and will cover specific vulnerabilities such as food insecurity and health, and the need for wage employment as well as credit and skills training. BRAC has documented the survey conducted and has also conducted workshops with other organizations working with the hard core poor to share views and experience. Recently a workshop was conducted on “ Food Assistance for Enabling Development of the Ultra Poor in Bangladesh”. Representatives of national and international NGOs attended the workshop and views were exchanged on the topic.</p>	<p>survey, Research and Evaluation Division (RED) of BRAC will publish the Impact Assessment Study by the end of 2000, which will have citations regarding the hard-core poor. Furthermore, a research is being conducted, the first draft of which is expected at the end of January 2000.</p>	<p>the findings of the survey conducted by them about the hard core poor who are left out by RDP. Beside, IAS (III) will come up with the socio economic profile of the hard core.</p>

Recommendations	Comments	Actions	Progress
<p>Innovations to Address the Needs of the Hard Core Poor</p> <p>□ RDP is trying to reach the hard-core poor. RDP should develop a strategy that would establish the policies, and specific initiatives needed to reach the hard-core poor. The strategy should address issues such as:</p> <ul style="list-style-type: none"> • The need for safety net and how BRAC, in collaboration with other organizations, such as WFP, could provide such a safety net; • How to enhance the demand for wage employment for the hard-core poor building on the success of the leaseback approach developed in the Agro-forestry programme; • How to improve the health condition of the hard core poor, especially maternal and child health care; investigating the potential for a form of basic health insurance; 	<ul style="list-style-type: none"> • BRAC acknowledges that providing a safety net for the hard-core poor for a certain period of time is necessary. BRAC has already taken such initiative with the assistance of WFP. The IGVDG programme and Vulnerable Group Rehabilitation are examples of such initiatives. • The Agro-forestry Programme of BRAC has enhanced demand for wage employment for the hard-core poor. The programme is envisioned to extend if funding is received. The European Commission has been requested for funds. • The project proposal (TUP) for the hard-core poor covers activities in view to improve the health conditions of the hard-core poor, with emphasis on maternal and child health care. 		<p>BRAC has already introduced safety net program in IGVDG supported by WFP and Government and social forestry program funded by E.C. Based on the experience the project proposal targeted the ultra poor for the period of 2001- 2005 has been developed.</p> <p>BRAC has already submitted the project proposal to E.C. addressing hard core poor.</p> <p>BRAC has already incorporated pregnancy related activities and maternal health into the program and is exploring the possibility of developing a basic health insurance scheme.</p>

Recommendations	Comments	Actions	Progress
<ul style="list-style-type: none"> <li data-bbox="287 227 700 381">▪ Linkages with other innovative programmes such as CARE Road Maintenance Programme, the IFADEP I programme, Jagorani Chakra; <li data-bbox="287 552 700 673">▪ Assess the feasibility of protected workshops, linkages to rural industrialization, and to Aarong; <li data-bbox="287 1144 700 1307">▪ Assess the lessons from innovations which target programmes to the hard-core poor with and without group formations; 	<ul style="list-style-type: none"> <li data-bbox="730 227 1148 511">▪ Three senior managers of BRAC recently attended a workshop of IFADEP I on experience sharing regarding the replicating its model. Moreover, BRAC has decided to expose its IGVD staffs to CARE Road Maintenance Programme. <li data-bbox="730 552 1148 1112">▪ There already exist organized units amongst the group members at the grass roots level, which are linked to Aarong. BRAC is pondering upon the possibilities of protected workshops, the feasibility of which will be verified under the hard-core poor project. Even if such protected workshops do not take place, the hard-core poor members would be encouraged to form organized units amongst themselves and linkages would be made with Aarong to market their crafts. <li data-bbox="730 1144 1148 1404">▪ Experience has taught BRAC that targeting groups are more cost-effective and synergistic in impact though individual targeting would also be effective. However, individual approach tends to be more expensive. 		<p data-bbox="1641 1144 2031 1315">BRAC will launch an experimentation of individual approach in 2 areas to reach the hard-core poor when TUP will be in operation in January 2001.</p>

Recommendations	Comments	Actions	Progress
<ul style="list-style-type: none"> • Assess how to increase the support and training the hard-core poor receive from BRAC and the costs of doing so. <p>Sustainability of Credit Operations</p> <ul style="list-style-type: none"> □ BRAC should consider formulation of a broad policy for relief and rehabilitation support in the case of natural disasters. This would be simple in the case of relief measures based on grants. For the credit fund, it is more difficult to announce measures in advance. However, some broad decisions may be possible, especially if the fund has a separate identity and management from the RDP credit fund. □ There is also a need to articulate a clear plan for the Disaster Management Fund. While the need for the Fund exists, there is a need to make a clear boundary between the RDP loan funds, and those that will be given under the DMC. This is very important because both are to be implemented by the same Area Managers. 	<ul style="list-style-type: none"> □ BRAC has been providing relief and rehabilitation assistance since inception. Over the years, BRAC has followed an unwritten but broad policy while rendering relief and rehabilitation activities. However, BRAC has assigned a senior regional manager, who with the assistance of senior managers of the other divisions of BRAC, is working on developing a long-term planned strategy for disaster management. □ BRAC has always separated its relief and rehabilitation fund from its credit fund and is creating a separate revolving fund, which will be utilized during natural disasters. BRAC has requested fund from donors to set up such a revolving fund and has moreover added the housing loan funds of the 1998 floods to it. 	<ul style="list-style-type: none"> □ Mr. A Khaleque, with the assistance of other senior managers from the various divisions of BRAC is working on the formulation of broad policies, which is likely to be in effect from June 2000. □ BRAC submitted a project proposal to the European Commission requesting fund for 6 million EURO. Fund has been granted and is likely to be received by January 2000 	<p>BRAC has already developed a broad policy guide for disaster management.</p> <p>BRAC has already separated the credit fund and disaster management fund after 1998 flood, a proportion of housing fund received from donors during flood 98, and the interest income of Micro Finance rehabilitation program to be received by EC are kept set a side for this program. A disaster management fund has been established.</p>

Recommendations	Comments	Actions	Progress
<p>□ BRAC may consider commissioning a study on coping strategies of people. This would help BRAC to take on board several aspects of how the new disaster management fund may be used, and how the credit products offered by that fund may be designed to suit the needs of people in flood affected areas. It would help to design the relief component of the fund as well.</p>	<p>□ At present BRAC cannot commission a study to document the coping strategies of people during natural disasters. However, BRAC will consult any such study commissioned by any other organization, if available, while formulating the relief and rehabilitation strategies</p>		
<p>Projection of Credit Portfolio for Next five years</p>			
<p>□ Do an industry survey: The micro credit sector in Bangladesh has broken new ground and new products are being introduced. Given the size of the NGOs relative to the size of the country, new introductions tend to be replicated fast by others, and also make an impact on the overall market for micro credit. In this situation, it becomes important for a large NGO like to keep track of the current developments at all times and assess impact of these on its own credit operations.</p>	<p>□ BRAC has always tried to keep itself informed about the micro-credit market, about other organizations providing micro credit to the rural poor and their strategies. BRAC's connection to various micro-credit networks has kept BRAC updated about the micro-credit industry</p>	<p>□ The chief management accountant and Programme coordinator of RDP will be responsible for formulating broad policies as to how to strategically position BRAC's credit products. The policies will be in effect from December 2000 onwards</p>	<p>BRAC has started work to make a 5-year projection for Micro Finance for the year 2001-2005, which will be published in January 2001.</p>

Recommendations	Comments	Actions	Progress
<p>□ Position BRAC Credit Strategically: BRAC should conduct an internal study, through RED, or using external consultant on the size of the micro credit market, with specific reference to BRAC. Keep in mind the existing competition from different agencies and products, and then project the scenario that would be of relevance to BRAC. This would help BRAC make important strategic decisions. It is like an industry survey specifically meant to make market segmenting and positioning decision for BRAC.</p>	<p>□ The Impact Assessment Study to be conducted in 2000 will also provide information on the micro-credit industry. Based on the findings of the Impact Assessment Study BRAC will formulate strategies and if necessary will bring in micro-credit experts to formulate new products and strategies as to position BRAC in the right market segment.</p>		<p>Impact assessment (III) BRAC will provide some information about the Micro Finance market. Apart from that BRAC is a member of different Micro Finance networks, which will also provide detailed information about the potential of the Micro Finance market.</p>
<p>□ Explore Credit Guarantee Funds: BRAC has a large amount of funds locked up in loan loss reserve. While this is essential at the present stage, the banking sector has traditionally used credit guarantee funds. Large micro credit supporters in some countries are now considering this option. It may be good for BRAC to explore whether it is useful and/or possible to set up a guarantee fund for BRAC's credit fund. If this were possible, it would be a good back up for increasing coverage, especially to</p>	<p>□ Setting up guarantee funds is becoming a concern for the donor agencies. Therefore BRAC is searching ways to set up a guarantee fund. One option is to make a risk assessment of a portfolio before disbursing funds and keep aside the risky amount and treat it as guarantee fund, which would cover for the bad debts likely to incur in the portfolio being disbursed.</p>		<p>Negotiation is going on with Financial Institutions both home and abroad.</p>

Recommendations	Comments	Actions	Progress
<p>cover vulnerable people. It would also release more funds for BRAC for the loan operations. This may be a good idea to study and even look at working on for post RDP IV.</p> <p>Micro Enterprise Lending & Assistance (MELA)</p> <ul style="list-style-type: none"> □ A review of MELA should be done some time in the first half of 2000. This would capture the lessons from MELA. The overview should lead to a plan for the expansion of MELA, and a project proposal should be written out for MELA, with projections for disbursements, outstanding loans, earnings, expenses and cost recovery. An estimate of demands for loans and supply of funds would be required. The review would bring out clearly the scaling up potential and planning for scaling up of MELA. This may be done as an independent exercise between March and June 2000. □ Training programmes for MELA clients; BRAC may consider adding value to the entrepreneurs supported under MELA programme. Typically these are small entrepreneurs 	<ul style="list-style-type: none"> □ MELA will be reviewed within the first half of 2000. At present, BRAC is contacting various possible consultants to conduct the review. Due to unavailability of funds MELA will not be able to provide training to its clients at present. However, if donors grant funds, the programme will certainly facilitate training to its clients, as it would increase their efficiency in running their enterprises. 	<ul style="list-style-type: none"> □ Emphasizing MELA as part of their review, SAS will cover MELA in their financial review of RDP in February-March 2000. On completion of the review, SAS will suggest a format for documenting MELA experiences. 	<p>SAS has already reviewed MELA at the end of 1999. See RDP IV six monthly report January to June 2000.</p> <p>Need has already been assessed and based on the needs, a training module has been developed by the joint effort of RDP financial management team and the training division. The</p>

Recommendations	Comments	Actions	Progress
<p>who do not write accounts, have a large part of their capital invested in working capital and have no time to be trained. Yet, there is an opportunity to provide some value added in terms of training in basic enterprise management, accounts keeping, working capital management, etc. These programmes may be developed using internal expertise within BRAC or getting external support. With a small project for enterprise trainers, putting and piloting this package at the field level will not be difficult.</p> <p>□ BRAC can add value by promoting a network of small entrepreneurs at Area Level or Regional Level: Enterprise Promotion and Support institutions in India have found this a very effective strategy to have small businesses come together for growth. Over a period of time, they begin to provide training and enterprise start up support and become vibrant networks for marketing and even exports. As the business development services provided to entrepreneurs should be demand led, these entrepreneur associations will form the forums through which</p>			<p>training program for the MELA PO has started. BRAC maintains relations with different Micro Finance related organization like BIRD India, SEEDS Sri-lanka, SAS USA, CDF Bangladesh, SANMFI and INAFI to upgrade the knowledge of Micro Finance.</p> <p>BRAC has already developed charts and leaflet to increase people awareness about its different product and services.</p>

Recommendations	Comments	Actions	Progress
<p>such needs may be assessed and addressed by BRAC or by strengthening these associations and networks.</p> <p>Capacity Building</p> <ul style="list-style-type: none"> □ BRAC should do training needs analysis for its 100 staff employed for MELA work. This may be done internally in BRAC first and may involve external consultants at this stage. It would be good to use external resource persons with experience of enterprise training in the small business sector. □ Once TNA has been completed, it would be good to have external resource persons help BRAC with development of training packages (for different levels, senior staff and 	<ul style="list-style-type: none"> □ At present MELA does not have a budget provision to provide training to its staff, though BRAC also feels the necessity for providing training to its staff. However BRAC's affiliation with institutes like Bankers' Institute of Rural Development (BIRD), South Asian Network for Micro Finance Initiatives (SANMFI), JOBS, etc. serves as an access to networks of resource institutions for MELA. The review team is expected to design the form of documentation best suited for MELA, after which the programme will document its experiences. 		

Recommendations	Comments	Actions	Progress
<p>trainers, POs and clients) pilot testing of these and then the final stage. Consultancy for this entire process may be needed for the three-stage process outlined.</p> <p>□ BRAC needs to build links with a network of resource institutions for enterprise support. This requires the senior officers in MELA writing to, getting information on and even visiting some enterprise support institutions in India, SriLanka, Thailand and Philippines.</p> <p>□ Document the MELA experience. BRAC experience of MELA is unique in many ways. It is an NGO experience with micro entrepreneurs, which is not common in Asia through the NGO sector. It is mainstream organizations, which provide Finance at this level and NGOs provide through the group structures. It would be worthwhile to document the MELA experience as also to build in an element of action research with creation of small business networks at the district/area</p>			<p>BRAC will undertake case studies from MELA and will prepare a report by mid 2001.</p>

Recommendations	Comments	Actions	Progress
<p>level. The action research would have to be carefully designed and documented.</p> <p>Effectiveness and Sustainability of Sector Programmes</p> <ul style="list-style-type: none"> <li data-bbox="305 492 725 852">□ BRAC must produce pamphlets giving the details of each sector programme. The pamphlet must contain information like flow chart, individual enterprises/group enterprises and BRAC PSEs at each level, numbers of women reached through each sector programmes, training provided etc. <li data-bbox="305 1117 725 1349">□ The report forms for sectoral data from area offices must be redesigned or additional formats be created to enable better decision-making regarding sector-wise cost and expenses. 	<ul style="list-style-type: none"> <li data-bbox="748 492 1168 1084">□ Pamphlets for some Programme Support Enterprises (PSEs) are already existent explaining the procedures of the operations. There also exist some flowcharts explaining the sector programme cycle displayed at every Area Office. However, such flowcharts and pamphlets are mutually exclusive. BRAC will look into the option of preparing detailed pamphlets including flowcharts and information regarding the number of beneficiaries covered and technical support offered for each sector sub-programme. <li data-bbox="748 1117 1168 1479">□ There already exists a detailed formatted statement of income and expenses for the various sector sub-programmes. These are reported on to the Accounts Department of BRAC for record keeping. However, the field offices do not conduct cost benefit analysis, which is crucial for the profitability of the sector programmes. BRAC 	<ul style="list-style-type: none"> <li data-bbox="1191 492 1611 690">□ RDP training team is developing a training course on business management under sector programmes, which will be offered to the area managers from September 2000. 	<p>BRAC is currently developing training modules for business management, which will be conducted by June 2001.</p>

Recommendations	Comments	Actions	Progress
<p>□ There should be no pressure on the sectors to recover full costs through service charges. The cost incurred in training must be incurred through grants. This is all the more important in the context where more and more poor women are being included in the portfolio. If each client begins to pay full cost of services by BRAC in the third or fourth year of being a member, that should be all right. Subsidy to new members from the credit portfolio or from grants should be accepted as part of a development agenda.</p> <p>□ There is an opportunity for donors to promote more knowledge about BRAC in the private sector and to facilitate a dialogue. One possibility would be to hold a partnership workshop with an organization such as the Prince of Wales Business Leaders' Forum.</p>	<p>BRAC has assigned a few Senior Regional Managers to orient the area managers and encourage them to conduct cost benefit analysis and show them ways how it helps in decision-making.</p> <p>□ BRAC is aware and concerned about the necessity to subsidize services for the new members of BRAC who are likely to belong to the poorest sect of the country. BRAC is looking forward to receiving grants from the donor agencies to subsidize services for the poor and initiate subsidization in the next phase of RDP starting from 2001.</p> <p>□ BRAC is enthusiastic about partnership workshops with organizations like the Prince of Wales Business Leaders' Forum. However detailed discussions with donors is required in this regard as the conducting such workshops has budgetary implications. If</p>	<p>□ The project proposal developed for the hard-core poor (TUP) proposes subsidization of services for the new members of BRAC who are likely to belong to the poorest sect of the country. If the project is approved and funds are received, subsidization of services for the new members will be initiated from January 2001.</p>	<p>To include the poorest of the poor in RDP program and to reach the ultra poor BRAC needs some amount of subsidies for providing training, input supplies, technological knowledge. BRAC has to provide the subsidy either from the income from the other program (PSE) or to approach the donors for funds.</p>

Recommendations	Comments	Actions	Progress
<p>GENDER</p> <ul style="list-style-type: none"> □ Re-structuring Gender at a Corporate Level <ul style="list-style-type: none"> ▪ To serve the interests, at the corporate level, a gender Unit (GU) should be formed with personnel from various departments and new personnel hired-in as required. The present GRC should become the Gender Unit, re-conceived as a "human resource" center. Reporting to the Deputy Executive Director I, the GU should be placed outside the BRAC Training Division and should have the conceptual and managerial capacity to assess, strategize and monitor gender needs for BRAC programme and services, the GQAL could provide innovative, gender based training for outside groups. ▪ The GQAL team is well placed within the training division. After completing the GQAL sessions and other required training for BRAC, the GQAL could provide innovative gender-based training for outside groups. 	<p>budget provisions for such workshops are made available BRAC will certainly participate in such workshops.</p> <ul style="list-style-type: none"> ▪ A gender unit already exists within BRAC looking into the gender issues across the organization and creating awareness through documentation. This unit has been placed in the Rural Development Programme of BRAC, looking into the gender issues within all sector programmes. 	<ul style="list-style-type: none"> ▪ BRAC will seek assistance of a gender expert and an organization development expert to formulate gender policies and strategies for BRAC's Gender Unit. Possible personalities are being contacted. The experts are expected to initiate the policies within the first half of 2000. 	<p>BRAC has already developed a Gender Unit in the RDP headed by a female senior manager who is responsible for gender issue, HRLE and Social Development. She has already developed a format for gender audit. Information from all departments are being collected.</p> <p>Recently GQAL is fully occupied with training of BRAC staff and they are not in a position for some considerable time to give training to outside group</p>

Recommendations	Comments	Actions	Progress
<ul style="list-style-type: none"> • The Gender Unit would need close liaisons with other departments to conduct action research and to work with problems related to women' staff recruitment, promotion and retention, particularly for RDP's field programmes. • The documentation of the GRC could be centrally located in the Ayesha Abed Library. The children's day care center could be provided with logistical services and managed by a BRAC staff association or alternatively, by male personnel who may be challenged to undertake this non-traditional role. □ A Gender Management Core for the RDP • The RDP IV needs to ensure that its successful social, gender, health and community awareness achievements are not submerged to its equally successful micro credit programme. Placing social and gender concerns at the core of its programming will be good step in that direction. 			

Recommendations	Comments	Actions	Progress
<ul style="list-style-type: none"> ▪ A new unit known as "Social Development, Health, Gender and Poverty" should be reorganized within the RDP. Two well-qualified women should be placed in this unit, at the levels of Coordinator or Advisor (SDGHP) and Manager (Women's field Operations). The new Social Development, Health, Gender and Poverty Unit would report to the Deputy Executive Director II. ▪ Placing women in RDP managerial positions will strengthen the exciting Social Development section, where the pace of field programming is moving very quickly into the areas of federated organisations, women's legal rights and gender based actions with communities. Indications are that programming with very poor women through the IGVD will require new initiatives and rigorous attention. Placing the EHC component in the same unit will strengthen RDP. 	<ul style="list-style-type: none"> ▪ BRAC has already established a Gender Unit in RDP, headed by a female manager. The unit is responsible to look into gender issues of all RDP sub-programmes including social development. Health and Poverty Unit will be kept separate due to the vastness of the programmes' size. However, if any gender-related issue should arise, RDP's Gender Unit will look into it. 		

Recommendations	Comments	Actions	Progress
<p>□ Forming Women as Front Line Staff and Managers</p> <ul style="list-style-type: none"> ▪ It is imperative that the RDP does not sacrifice the quality of their field programmes in order to provide a 'quick fix' to meet the quotas for women staffing. BRAC's long experience indicates that effective staff and managers are developed from a base of sound field experience. Be they women or men, this practice should prevail. To develop all RDP women as competent staff and managers would require them to spend a concentrated portion of their training period at field level. 	<ul style="list-style-type: none"> ▪ BRAC is already promoting its capable women staff to frontline managerial positions and have even made a few female regional managers (RMs). BRAC has always encouraged women to compete for leading positions. Towards having more women staff in managerial positions, BRAC has been recruiting fresh university women graduate and placing them at a field level for a considerable period for gathering experiences, sufficient training and improved working condition are ensured in order to return more women staff. 		<p>BRAC has developed a policy that at least 50% of the total recruitment will be women and at the same time it promotes women leadership in different sectors. Out of 54 regional manager of Micro Finance 8 of them are women.</p>
<p>□ Women's Area Offices</p> <ul style="list-style-type: none"> ▪ To provide further learning opportunities for female staff and managers, a few selected Area Offices could be staffed and managed only by women. This provides the opportunity for effective role-modeling and coaching. Such area offices should be located in difficult and remote programme areas, such as the six areas where new components of the IGVD are being piloted. Appointment to 	<ul style="list-style-type: none"> ▪ A complete area office cannot be established due to the still existing impediments in the rural parts of our country. Still we find fundamentalists detesting women workers and damaging NGO compounds as form of protest. Moreover, men led area offices are being attacked by robbers and dacoits. Thus, it is not yet safe to have a complete women area office. 		

Recommendations	Comments	Actions	Progress
<p>these posts could be encouraged by additional remuneration in the form of a "remote post bar". Although permanently staffed and managed by women and running all regular RDP IV programmes. These Area Offices should also serve as field training centres for women.</p> <p>□ Village Level RDP Workers</p> <ul style="list-style-type: none"> ▪ RDP IV has access to a virtual army of women at the village level-the volunteer health workers (SS) and the HRLE teachers. Although these women have minimal education, they have been well trained in providing particular knowledge and skills. As their work in RDP IV comes to completion, programme managers should plan how these women can be creatively engaged for valuable work at the village level. <p>□ Women in BRAC's Non-Traditional Work</p> <ul style="list-style-type: none"> ▪ To encourage women's participation in all types of jobs, emphasis should be placed on recruitment and promotion 	<ul style="list-style-type: none"> ▪ BRAC is searching ways to absorb its field workers as regular staffs. Already some HRLE teachers have been absorbed and assigned to the popular theatre project. <p>BRAC has always encouraged women to get involved in non-traditional activities. Thus in BRAC one will find female</p>		<p>BRAC is exploring ways to absorb HRLE teachers in RDP activities. Some of them have already been absorbed into the PSE. In the case of the HRLE teachers, when the course will be finished BRAC will try to absorb as many of these women as possible into RDP activities. It is reflected that the health worker will continue as SS in the future.</p> <p>Presently a good number of women are working in different profession at BRAC like Accountant, Manager Micro</p>

Recommendations	Comments	Actions	Progress
<p>of women as sector specialists, accountants, financial managers, auditors, information technology specialists, rural enterprise specialists and researchers. It may be necessary to set quotas for women's recruitment to such jobs. In most cases, BRAC's male staff will be responsible to provide on-the-job training to new female staff. This process may require a revised GQAL exposure.</p> <ul style="list-style-type: none"> • With its vast organizational and training capacity throughout the country, BRAC is well positioned to increase the number of women who can be trained and employed in the service sectors, including guest center management, commercial cooking, maintenance and gardening. □ Women's Promotion through Education • Recruiting women at the PO-V entrance level is a good step to allow their promotion within the organization. Issues related to educational qualification 	<p>sector specialists, accounts officers, women involved in information services, etc. Moreover, even in the field level one will find women vaccinators and HRLS teachers.</p> <ul style="list-style-type: none"> • BRAC has also encouraged its female staff to enhance their career through education. Women may join BRAC after 		<p>Finance, Area coordinator, researcher, MIS etc.</p> <p>BRAC does not consider "an education bar" to practical in Bangladesh.</p>

Recommendations	Comments	Actions	Progress
<p>for this position (or other positions) can be dealt with by providing an 'education bar' to allow for differences in education. BRAC women staff wishing to pursue further education could be provided with an educational package consisting of a loan and the provision of weekly or monthly 'time-off' to attend classes or sit examinations.</p>	<p>passing out from college. However, they may pursue higher education while working in BRAC. There are many in BRAC who have taken leave and appeared for their Bachelors or Masters examinations. BRAC provides study leaves for such women.</p>		
<p>□ Rural Development Education</p> <p>Over the long term, BRAC could consider developing a Rural Development degree programme for women (and men). This could be for candidates with a lower level of education than that required for the Global Partnership programme.</p>			
<p>□ Community Wide Gender Training</p> <ul style="list-style-type: none"> • The GQAL team is currently considering how to deliver gender training at the village level. In light of the fine work done by the GQAL, the HRLC and the subsequent spin-offs of gender issues to the wider community, gender 	<ul style="list-style-type: none"> • The legal aid community workshops discuss gender issues from a legal standpoint, with an aim to make the local elites of the rural society aware of gender balance. However, there is no separate community workshop with a "Gender 		<p>BRAC has already decided to conduct GQAL orientation program for the community leaders, which will be commenced from the year 2001.</p>

Recommendations	Comments	Actions	Progress
<p>training for the VOs may be redundant at this time and may not be required during the course of the RDP-4.</p> <p>• However it appears that the Community Leaders Workshops will require the preparation of gender specific material for traditional male elite and religious leaders. To develop a suitable module and prepare a training team for these sensitive workshops, RDP IV may require a gender consultant with training experience in the South Asian context.</p>	<p>Workshop" label, as gender is yet a sensitive topic in the male dominated society of rural Bangladesh. Bangladesh is still a patriarch society where it is expected that women will be sober in attitude looking up to their counterparts for moral support and sense of direction. A workshop meant to make the community aware of gender issues would not be accepted or attended by as yet by the rural elites and influential male figures the rural society. An effort made to empower women and bring about gender balance would certainly cause sparks and friction among the male elites, as a result of which such gender issues are being addressed under the legal aid community workshops.</p>		

Recommendations	Comments	Actions	Progress
<p data-bbox="307 293 723 354">□ Developing a Revised Gender Policy and Strategy</p> <ul data-bbox="307 391 723 1149" style="list-style-type: none"> <li data-bbox="307 391 723 1149">• Senior gender-based staffs have indicated a need to update the Gender Policy. This may not be necessary at the present time. Much will be learned through the process of developing a corporate Gender Unit and as an RDP Social Development, Gender Health and Poverty Unit. Together with experimentation on improving women's recruitment training and gender workshops for the larger community. This experience will provide the type of background needed for BRAC to prepare a revised Policy and Strategy. This may come towards the completion of RDP IV. For this purpose, BRAC may wish to engage gender consultants, with a South Asian perspective. <p data-bbox="307 1182 723 1242">Trends in BRAC – Membership Relations and Organization</p> <p data-bbox="307 1284 723 1507">□ Recognizing the scale of RDP-IV and its remaining 18-month time frame, any changes of the social development components can only be conducted on an experimental and small-scale basis.</p>	<ul data-bbox="750 391 1166 651" style="list-style-type: none"> <li data-bbox="750 391 1166 651">• BRAC intends to bring in gender experts who will be responsible to formulate policies and strategies for BRAC's Gender Unit. However, it has not yet been decided when the experts will start work. 		<p data-bbox="1678 391 2048 651">BRAC has formulated a gender policy, which has been distributed to all area offices. BRAC is always concern to update the gender policy strategy, which is being reviewed time to time and acts accordingly.</p>

Recommendations	Comments	Actions	Progress
<p>□ Qualitative Reporting for Social Development Activities</p> <ul style="list-style-type: none"> • Qualitative assessment reporting indicating social trends and specific programme impacts should be included in reports provided to the DLO. It is expected that the next the next Impact Assessment (No.3) will provide a suitable format for in-depth study on selected social development and gender issues. The impact of RDP IV in influencing practices related to marriage, divorce, desertion, dowry and domestic violence at ward, union and Thana levels will be of particular interest. Work with the legal aid activity and the popular theatre can also be documented qualitatively. Impacts, as the result of new programming with IGVGDP women will be of interest for future planning. 	<ul style="list-style-type: none"> • BRAC also feels the need to improve the quality of reporting for its social development programme, emphasizing on qualitative aspects. BRAC decided that RDP and RED would work together on a format incorporating qualitative reporting on social development. BRAC will report according to the format from the new phase (TUP) intended to start in 2001. 		<p>RDP and RED are still working to develop a qualitative format.</p>
<p>□ A Revised Gram Shobha and Polli Shomaj Style</p> <ul style="list-style-type: none"> • Using a consultative process with selected members of the VOs, a broad set of guidelines for suitable, progressive discussions for the Gram Shobha and the Polli Shomaj meetings can be prepared. The groups themselves should be 	<ul style="list-style-type: none"> • BRAC has already worked on what the tasks of gram 'shobha' and 'polli shobha' are going to be. BRAC will develop discussion guidelines for gram shobha and polli shomaj incorporating the issues raised by review consultant. 		<p>BRAC has already developed a guideline to conduct Gram Shobha and Polli Shamaj, which is currently being implemented under RDP IV.</p>

Recommendations	Comments	Actions	Progress
<p>asked to consider such questions as:</p> <ul style="list-style-type: none"> - How can credit and loan cycles be more effectively used to strengthen women's economic empowerment? - What are the expectations of federations and how should they be utilized to enhance women's social empowerment? - What means will be effective to stimulate strong women's groups and retain their interest over long periods? <p>How can the interests of senior male guardians and elite village leaders best be utilized to improve the social and economic interests of poor people in the community?</p> <ul style="list-style-type: none"> • As a pilot activity in areas with both mature and immature groups, a core of senior social personnel and trainers could undertake to strengthen the Gram Shobha and Polli Shomaj discussion formats. The process could be similar to that used to develop the GQAL or the popular theatre material, with alternate sessions of consultation, field trial, readjustment and repeated field trial. A team of selected Polli Shomaj members and social 	<p>BRAC has already assigned senior social development experts to develop discussion formats and strengthen the gram shobha and polli shomaj structure. Moreover, efforts are being made to empower the women UP members through involving them in various decision-making processes at community level.</p> <p>BRAC – DLO will hire a social development consultant to train a technical team for social development by year 2001 in the inception period of the new phase (TUP).</p>		

Recommendations	Comments	Actions	Progress
<p>gender specialists could gain new ideas through a study tour of federated women's groups in West Bengal.</p> <ul style="list-style-type: none"> ▪ Each Union Council now has three elected women. Sample interviews with such women indicate that male Council members largely ignore them. They are seldom allocated funds for any particular work with women of their wards. Targeting union Councilwomen either separately or in the community leaders' workshops would strengthen the community/advocacy process. <p>□ Strengthening the Front-line Workers</p> <ul style="list-style-type: none"> ▪ In selected Area Offices, the PO staff dealing with the Gram Shobha and the polli Shomaj should be women, who have been upgraded through training and coaching in advanced facilitation techniques and group development. The selected areas could include those that have become "Women's Area Offices" (see Gender TOR No.4) 			<p>Under Discussion</p>

Recommendations	Comments	Actions	Progress
<p data-bbox="307 289 723 354">□ Improved Skills for Social Development Personnel</p> <ul data-bbox="307 386 723 909" style="list-style-type: none"> <li data-bbox="307 386 723 909">• RDP IV senior managers have indicated their interest in considering ways to improve social development skills of PO staff who work with the Gram Shobha and the Polli Shomaj. Based on the recent experiences of up-graded training arranged by DFID for the Sector – Technical teams, similar training could be provided to upgrade group facilitation and training skills for social development personnel. Such training could be combined with the process discussed in No. 2 above. <p data-bbox="307 941 723 1006">□ Strengthening the Community Leaders Workshops</p> <ul data-bbox="307 1039 723 1494" style="list-style-type: none"> <li data-bbox="307 1039 723 1494">• Special care is required for the delivery of gender-sensitive material provided at community leader workshops because this is a community-wide audience of male village elites and religious leaders. To achieve depth without upsetting sensitivities and traditional beliefs the skills of an international gender-training specialist with experience in the South Asian context could be utilized. Such a training 			<p data-bbox="1676 1084 1974 1149">Under Discussion within BRAC</p>

Recommendations	Comments	Actions	Progress
<p>module would be a 'first' in Bangladesh and could be replicated for many organizations working to change attitudes towards women and poor. The international specialist would work with a team of social-gender trainers. For the presentation of community leaders workshops men will be most suitable for the front-line facilitation work.</p>			
SOCIAL PROGRAMME			
The need for Donor Subsidy on Health, education and Social Programmes			
<p>□ BRAC's health, education and social programmes all have partial systems for the payment of training, services and goods by the VO members. Nevertheless, when one considers the infrastructure provided by BRAC to effectively deliver these services it becomes evident that some degree of subsidy will be required to maintain quality.</p>	<p>□ BRAC's Health, Education and social development programs are targeted to benefit poor households. These services are not delivered totally on payment basis. Some amount of subsidies is offered. BRAC will continue to provide subsidy to the hardcore poor by mobilizing donors' fund beyond year 2000.</p>	<p>□ The project proposal developed for the hard-core poor proposes a separate health Programme for the hard-core poor. If the project is approved and funds are received, subsidization will be provided on tube-wells and latrines supplied from January 2001 onwards.</p>	<p>BRAC feels the necessity to provide subsidy in the health and population program. These components have been incorporated into the (TUP) proposal.</p>
<p>□ In studies carried out by RED one of the main reasons for drop out of IGVGDP women is related to their lack of working and earning capacity because of illness or death of family</p>	<p>□ Separate Health program will be developed for the hardcore poor beyond RDP IV. BRAC is looking forward to receiving donors' fund so that provisions for subsidies may be made to supply tube-wells</p>		

Recommendations	Comments	Actions	Progress
<p>members. Although the RDP and WFP provide food aid, neither RDP nor government is able to provide the of curative (and subsidized) health service required for extremely poor families. Particular strategies for the hard core poor will require intensive health care services.</p> <p>□ Although the RDP IV intends to be financially self-sufficient at the completion of this phase it is unreasonable to expect that solvent VO members will be willing or indeed able to finance health, education and social services for hard core poor. Donors could consider paying for tubewells and latrines provided in the RDP IV. Financially capable VO members would continue to pay for their tubewells and latrines and the surplus of this fund could then be invested in the provision of improved water, sanitation and health facilities for hard-core poor in the IGVGDP programme. For extremely poor women donors may also wish to pay for health insurance-a programme that is under-consideration in BRAC.</p> <p>□ In discussions with participants at the community leaders' workshop in Jhenaidah, it became evident that there is</p>	<p>and latrines to the hard-core poor and ensure safe water supply and hygienic sanitation for them.</p> <p>□ Increasing violence against women is also a concern for BRAC. After RDP-IV BRAC</p>		

Recommendations	Comments	Actions	Progress
<p>great public concern on the issues of violence against women. One Union Council Chairman requested support to provide a public-education campaign on early marriage, dowry and illegal divorce. When asked if the Union Council had funds to cover the RDP's costs of HRLE teachers, he replied that government funding at the Union Council level is almost entirely designated to build roads and bridges. If RDP IV were to consider extending HRLE training to the general public, they would certainly require donor funding.</p> <p>Geared Up TBA Training for Shastho Shebikas</p> <p>□ The Shastho Shebikas interviewed in Jessore Sadar reported that they are frequently requested to carry out home deliveries because of the trust they have developed with women in the area and their availability at the time of delivery. Although the Shastho Shebikas have a sound knowledge of hygiene and can provide home delivery kits, they have not received full training as traditional birth attendants (TBAs). The EHC unit could not consider moving</p>	<p>intends to deal with such issues by extending gender and HRLE program through UP and women ward members. This would in turn also empower the women ward members.</p>	<p>□ Existing Traditional Birth Attendants (TBAs) will be provided refresher training from January 2000 onwards.</p>	<p>BRAC has incorporated TBA components in its refresher course, which has already started.</p>

Recommendations	Comments	Actions	Progress
<p>forward their plans to provide TBA training for SS workers in as many Thanas as possible. Safe delivery (and curative health) could form part of the strategy to enhance the package provided for the hard core poor under the IGVGDP.</p> <p>NGO Partners of BRAC</p> <ul style="list-style-type: none"> □ Partner NGOs are fledging, incipient organization; BRAC support is well respected and highly regarded by the partners. □ Partner NGOs require more training and capacity building from BRAC example: for field level staff, for sector programmes, for financial management and accounting; □ BRAC could give partners a more comprehensive training programme with perhaps less attention to financing per se as PKSF has funds; and arguably a goal of the programme could be to get these partners to PKSF "bankable status" □ BRAC is encouraged to develop a strategy paper covering future support for partner NGOs which addresses issues and options such as the duration and nature of BRAC support and possible exit strategies for BRAC from NGO support. 	<ul style="list-style-type: none"> □ BRAC intends to extend its support to smaller partner NGOs by providing staff training, designing MIS system and providing technical support and counseling for sector programmes. BRAC is looking into developing a strategy paper covering future support for Partner NGOs as suggested by the MTR consultants. 	<ul style="list-style-type: none"> □ BRAC is already providing training to partner NGOs on accounts management and credit and savings management. However, from July 2000 BRAC will further provide staff training and design MIS system. BRAC will also make provisions for technical support and counseling. 	<p>Training is being offered to the other NGO on Accounts, Credit and MIS.</p>

BRAC Sericulture Programme Revised Project Implementation Plan

BRAC's sericulture programme was reviewed in February 1999. The review team pointed out that sericulture is not fulfilling its objectives and that it is currently one of the least successful activities in BRAC. BRAC asked the review team to prepare a plan to revive the programme. BRAC is presently reviewing the sericulture programme in order to determine whether further investment is justified in this sector. BRAC is in overall agreement with the plan. However there is some disagreement about the technical recommendations and targets set. BRAC will try and implement the plan as much as possible with a few differences as outlined below. The main differences that BRAC has with the plan rests on several factors:

1. BRAC feels the targets set out in the plan are too ambitious and over optimistic. Even if BRAC accepts the model for bush farmers as given in Table 8 and Table 9 BRAC feels that only 20% of the farmers will have bush plantations by 1999 and 50% by 2000. This means that the global average will move up more slowly than the average for bush farmers.
2. The review report mistakenly states that BRAC does not allow rearers to sell to parties outside of BRAC. **This is not true.** Group members can sell the crop wherever they can. It would be impossible to stop the sale of cocoons to outside buyers who offered good prices. However, the precipitous drop in the price of Chinese silk and the reduction of tariffs, has led to the collapse of cocoon markets in Bangladesh. Silk production in Bholahat, the traditional silk producing area, has declined sharply and production has shifted to spun silk. Therefore the primary factor behind low cocoon prices is cheap imported silk not the 'dumping' of excess cocoon production into the market by BRAC.
3. Private sector reeling is taking place in Bholahat. BRAC does not want to displace reelers in Bholahat with reelers elsewhere in the project. Therefore BRAC wants to 'internalise' reeling operations in Bholahat.
4. The technical assistance rates have been recalculated based on the amount that BRAC has paid sericulture consultants from China and India.
5. The type of loans indicated in the model for chawki and cocoon producers is a five year loan which is not the type of loan extended in micro-credit programmes. Therefore BRAC is setting aside a fund for farmers for supporting bush plantation.

With these factors in mind BRAC is offering some modifications to the plan proposed in the report. This plan is very preliminary and will have to be improved upon in the coming months as BRAC monitors the progress of the programme. The table below shows the proposed plan and BRAC's comments on the plan. As can be seen BRAC is mostly in agreement with the plan but is taking a much more cautious approach to improvement in productivity. At the same time the productivity targets will still be challenging to achieve.

Review Report	BRAC's Comments	BRAC Progress
Objective and strategy		
The review team was instructed to prepare a Five Year Plan, although the current sericulture sector project under RDP IV terminates at the end of Year 2000. At present, there is not a particularly sound foundation upon which to build a follow-up project. The review team therefore		

Review Report	BRAC's Comments	BRAC Progress
herself or by BRAC staff during their visits.		
Following the devastating effects of the 1998 flood, BRAC estimates that there are now only about 10,000 women with sufficient roadside mulberry trees and rearing facilities to continue sericulture. The target number of rearers has therefore been revised down to this level for 1999, with the objective of recovering to the 1997 achievement of 15,000 by the year 2003.	Agreed	As per the MTR 10,000 women are now involved in silkworm rearing. On the basis of the progress of mulberry bush plantation, we will increase/expand the rearers activities.
It is intended that 10%-15% of these women will be chawki rearers, each supplying 5-10 neighbours with chawkis but also retaining some chawkis for production of cocoon crop. As more than 1,500 chawki rearers have been trained since RDP III, BRAC should focus initial operations on the 1,000 best trainees and initiate a retraining programme to bring women back into chawki production in accordance with the increasing annual requirement. It is anticipated that women currently involved in contract rearing for production of seed cocoons will be given preferential consideration during this selection process.	Agreed	As per the MTR, BRAC selected 1,000 of the best chawki rearers for further chawki rearing training. A agreement has been signed with BSF for the years 2000 to 2002 to provide advanced training to 600 chawki rearers and 2,600 late age silk worm rearers. In the mean time, 417 late age silk worm rearers and 99 chawki rearers have received training.
The existing capacity of the multi-end and cottage basin reeling centres is not sufficient to process the anticipated cocoon crop. However, until both the quality of the cocoons and reeling efficiency improve, it will not be profitable for BRAC to increase the capacity of these centres.	The existing reeling capacity is not being utilised fully. Presumably as prices are increased more of the total crop will come into the BRAC reeling facility.	A consultant has been hired to give T/A to increase the efficiency of the reeling centres. BRAC has taken the following necessary steps to improve the quality of the cocoon: Bush Plantation; Grants for building Rearing Houses and equipment; Advances Training.
Instead, it is proposed that BRAC will create additional employment opportunities for 924 katahai reelers by the end of RDP IV. Before the end of 1999, BRAC will need to reach a final decision on the balance between mechanised and manual reeling capacity expansion during the proposed three-year follow-up project.	BRAC proposes to support reelers in Bholahat where most of the katghai reeling is taking place. BRAC is working in the Bholahat area and does not want to displace reelers in Bholahat with reelers elsewhere in the project.	There are a couple of reasons why this target will not be realised by the end of RDP (1) The raw materials are not always available to allow for katghai reeling. (2) The market for the katghai reeling product i.e. raw silk, fluctuates considerably. (3) Charka Pedal reeling system is seen as being

Review Report	BRAC's Comments	BRAC Progress
	<p>'dumping' excess production into the market implies that rearers could find an alternative buyer for these cocoons at higher prices. BRAC would welcome the opportunity to link rearers to such buyers! Then BRAC would not have the headache of reeling!</p> <p>Rearers do find alternate buyers for their better quality cocoons. As stated before it would be neither desirable nor feasible to have all rearers sell their cocoons exclusively to BRAC.</p> <p>BRAC agrees with plan to increase the price of the cocoons to give a financial incentive to the farmers.</p>	
<p>BRAC will therefore have to <i>develop the capacity to process the entire cocoon crop</i>, using appropriate combinations of mechanised and manual technologies <i>according to cocoon quality and the market specifications</i> for products, quality standards and price.</p>	<p>BRAC will take steps to develop the capacity to process more of the cocoon crop. However since the rearers can sell to anyone they want, the entire cocoon crop may not pass through BRAC. How much goes through BRAC depends on the market i.e. how attractive the rearers find BRAC prices.</p>	<p>By considering the market demand, specifications and cocoon standard, BRAC is trying to develop the processing system. In this regard, good quality cocoon is processed in the mechanized reeling centres and the lower quality cocoon is processed using manual systems (Katghai and Charka). To develop the Charka system, BRAC contacted a Netherland based sericulture technical assistance organisation, SAWA TOOL, for T/A. To date SAWA TOOL has given two training courses to both BRAC staff and members on this system. SAWA TOOL will continue with T/A for BRAC for at least</p>

Review Report	BRAC's Comments	BRAC Progress
		<p>one more year.</p> <p>To develop mechanized technologies two different consultants have given a total of three inputs since the MTR</p>
<p>In addition to having a direct and immediate impact on beneficiary income, this strategy has the advantage of capturing the opportunities for increasing employment and adding value to product that are currently being lost through BRAC's disposal of cocoons into the Bholahat market.</p>	<p>BRAC disagrees with the nation that the strategy of internalising the cocoon processing will increase employment opportunities. BRAC would simply be replacing reelers in Bholahat with reelers elsewhere in the BRAC project. BRAC has projects in Bholahat also and there is no reason to discriminate against Bholahat reelers. Therefore BRAC will give support to reelers in Bholahat i.e. internalise using Bholahat first</p>	<p>In Bholahat, BRAC is encouraging private katchai reelers to buy cocoons and to start reeling activities. In this respect 10 reelers have been selected for technical assistance and training.</p>
<p>Given the present constraints, it is unrealistic to expect BRAC to be able complete the necessary reforms within the period remaining under RDP IV. This is not the objective. Instead, the recommended cocoon prices have been determined on the basis of production coefficients that are believed to be attainable. These are set out in the individual activity models presented below. Provided BRAC steadily improves the performance of its operations as planned, the progressive increases in cocoon prices are affordable. Operational losses are anticipated during the initial stages, but this is a usual feature of all commercial start-up operations. <i>The important point is that these losses are planned, limited and will be offset by future profits within the specified timeframe.</i></p>	<p>BRAC believes that the targets set out in the plan are overly ambitious and optimistic. BRAC also believes that the implementation speed assumed in the plan is too optimistic. Therefore BRAC wants to set challenging but more modest targets.</p>	<p>BRAC is still of the opinion that some of the MTR revised targets are not achievable within the specified time frame. However, even though the MTR was only received in September 1999, BRAC will continue to try and achieve the targets as planned.</p>
<p>On this basis, it is considered reasonable</p>		

Review Report	BRAC's Comments	BRAC Progress
<p>for the specified operating losses to be absorbed by the project, through provision of a defined subsidy. However, it is important to appreciate that the proposed subsidies do not simply underwrite BRAC's operations – failure to achieve the specified production coefficients implies that BRAC will probably incur losses far in excess of the available subsidy. Therefore, regardless of the subsidies, BRAC will be under financial pressure to deliver the significant improvements that are necessary if its sericulture and silk processing operations are to become sustainable. <i>The limited subsidy element is thus being used to build sustainability</i>, and not simply to support inefficient or ineffective activities.</p>		
<p>Another important part of the implementation strategy must be the preparation of a follow-up project of three years duration. The gap in funding between RDP III and RDP IV was one of the factors contributing to the fatally flawed revision of the proposed project methodology in 1996. It is essential that this should not be repeated upon completion of RDP IV.</p>	<p>The fatal revision primarily consisted of BRAC moving to extensive seed production instead of intensive seed production. Given that BRAC will be completing its seed farms within the next year this should not happen again.</p>	<p>Up to June 2000 BRAC has a total of 8 F1 Grainages: 1 Germ Plasm Centre: 1 P4 Station: 2 P3/P2 Stations. Each of the above has a mulberry farm attached, therefore there are 12 mulberry farms covering a total of 108 acres. BRAC also buys some DFLs from BSF.</p>
<p>Therefore BRAC should strive to complete the preparation of the follow-up project proposal during the coming twelve months.</p>	<p>Agreed</p>	<p>The preparation of a follow-up project proposal is in the initial stages. BRAC will finalize the proposal within the next few months.</p>
<p>The follow-up proposal should address the full vertical integration of BRAC's silk sector production activities from silkworm egg production through to fabrics and finished piece goods. A provisional outline for the sericulture sub-components is presented for the years 2001 – 2003 inclusive, but this will need to be reviewed and finalised before the close of RDP IV. The scale of the proposed follow-up project needs to be driven by market demand as evinced by Aarong's order books and market intelligence</p>	<p>Agreed.</p>	<p>BRAC will incorporate this recommendation into the revised project proposal.</p>

Review Report	BRAC's Comments	BRAC Progress
<p>collated by the Bangladesh Soil Foundation. The project should include provision for all necessary inputs – including the capital investments, credit for participants and the various types of training that are at present financed outside the sericulture sector project. The supply of these inputs management structure, and not spread over the responsibilities of several different projects as is the case at present.</p>		
Revised key project indicators		
<p>The suggested revised key project indicators are presented in Table 6. Unlike the current indicators, which tend to measure activity and <i>contributory outputs</i>, this set of indicators places emphasis directly on the progress being made towards achieving the developmental objectives (beneficiary numbers and income) and the specific production coefficients that are necessary to ensure sustainability. For example, it is not sufficient simply to produce a certain amount of raw silk – it must be produced at a specified cost under conditions whereby both the price of raw materials (cocoon) and the cost of employed labour are fixed.</p>	<p>The indicators are extremely ambitious and overly optimistic. Given the macroeconomic situation it cannot be estimated that the demand for silk will be that large. BRAC feels that the growth in DFLs reared should be curtailed. Given that BRAC expects only 20% of farmers to adopt bush in 1999 and 50% in 2000 the global productivity will go up slower than bush farmer productivity. A revised table of targets is given in Table A4.</p>	<p>As per the MTR, in December 2000, BRAC members should have 5,513 acres under mulberry bush plantation cultivation. Up to June 2000, BRAC members have 2,042 bighas of land are under mulberry bush bush plantation cultivation. This land is either owned or leased by the members. By the end of 2000 BRAC expects to have 3,542 acres under mulberry bush plantation cultivation.</p>
<p>It will be necessary for BRAC to review and if necessary revise the record systems at the field offices and the reporting and MIS systems at Head Office to ensure that indicators can be monitored by management and regularly report to the donors. Particular attention needs to be given to collecting data on <i>net income</i> at beneficiary level, and not simply the gross return on sales. One possibility discussed during the field visits was to supplement the existing field office registers by introducing individual 'passbooks' wherein all information relating to each crop is recorded, either by the woman</p>		<p>At field office level a register is maintained to record the income and production level of rearers. BSF gave BRAC 1,100 rearer cards which were distributed to the rearers in August 2000. The purpose of these cards is to enable BRAC to better track production sales income and expenditure.</p>

Review Report	BRAC's Comments	BRAC Progress
	BRAC expects that most of the production will continue to be spun silk.	more profitable as there is a greater demand for this end product i.e. spun silk. To date there are 1,050 Charka reelers in Bholatata operating with support from BRAC.
Products and Costs		
<p>For the remainder of RDP IV, production will focus on raw silk. Spun silk yarn will continue to be produced by BRAC outside the scope of the sericulture sector project, but only the sales of silk waste will be attributed to this project. However, it is strongly recommended that the scope of the project be expanded for the proposed follow-up period, to encompass the full range of BRAC's current vertical integration from mulberry to finished goods.</p>	Agreed	Reeling waste and no reelable cocoons are the raw materials for the Pedal Charka spinning system. BRAC is providing inputs and marketing support to the Charka spinners.
<p>The planned annual output of the multi-end and cottage basin reeling centres will increase from 7.8 tonnes in 1999 to 12.1 tonnes by the close of RDP IV. Although production is currently focused on a lighter weight raw silk (18 20d), management may elect to change to a heavier fibre and thus avoid competition with imported raw silk, which is mostly 20 22d. The most important requirement is that, despite the increased cost of cocoons and payment of higher piece-work rates, the cost of production must be reduced from about Tk. 1,800/kg in 1999 to Tk. 1,570/kg by the close of RDP IV. Thereafter, the production cost must be reduced to about Tk. 1,100/kg by the year 2003.</p>	<p>BRAC consider that the planned output of 7.8 tonnes for mechanised reeling in 1999 is too ambitious. Instead BRAC feels that a target of 3.2 tonnes is more realistic based on a twenty percent increase over the output in 1998. The Jaishita and Bhaduri crop will not produce reelable cocoons. The Agrahayani season will produce at most 60 tonnes of cocoons and there will be demand for these cocoons outside BRAC.</p>	<p>In 1999 BRAC produced 2.43 tonnes of silk from the mechanised reeling centres.</p> <p>In 1999 BRAC produced 7.6 tonnes from the manual reeling centres against the MTR target of 12.8 tonnes.</p> <p>In 2000 BRAC produced 2.23 tonnes of silk from the mechanised reeling centres against the MTR target of 5.7 tonnes.</p> <p>In 2000 BRAC produced 2.5 tonnes of silk from the manual reeling centres against the MTR target of 35 tonnes.</p> <p>The main reason for BRAC's under performance against the MTR targets is due to a variety of reasons. (1) Farmers not able to obtain leases of land in a timely fashion hence bush plantation is delayed. (2) Delays in BRAC receiving T/A from India due to bureaucracy.</p>

Review Report	BRAC's Comments	BRAC Progress
		(3) Bush plantation not yet in full production (4) Lack of high quality suitable silk worm varieties for the Jaistha and Bhaduri Seasons (summer and monsoon seasons)
<p>It is anticipated that the bulk of the cocoon crop will have to be processed at newly established manual reeling units, using traditional <i>katghai</i>. In effect, BRAC will internalise the <i>katghai</i> processing that currently takes place in the private sector using BRAC produced cocoons. The annual output of a bulky, lustrous raw silk in demand for use as weft in the production of heavier fabrics (e.g. <i>dupion</i> and <i>motka</i>) is expected to increase from about 24 tonnes in 1999 to more than 55 tonnes by the close of RDP IV. During the proposed follow-up period, production of manually processed raw silk yarn will need to increase to more than 192 tonnes by the year 2003 unless there is a significant expansion in mechanised reeling capacity. The only sustainable alternative to this planned expansion would be to reduce the scale of cocoon production, and hence the number of rearers. Fortunately, the anticipated cost of production is less than Tk. 840/kg and thus is comfortably within the current market price range of Tk. 750/-950/kg.</p>	<p>BRAC will use Bholahat for its <i>katghai</i> reeling purposes because BRAC does not want to displace the workers in Bholahat who are currently processing the cocoons. However the programme will strengthen their efforts by giving them additional training and support as outlined in the plan.</p>	<p>In Bholahat, BRAC has selected 10 traditional <i>katghai</i> reelers for reelings. In this respect, BRAC provides inputs, technical support and marketing facility to improve the overall standard of <i>katghai</i> rearers.</p> <p>The target figures of 24 tonnes in 1999 and 55 tonnes in 2000 were revised downwards by the consultants to 12.8 and 35 tonnes respectively. BRAC produced 7.6 and 2.5 tonnes in 1999 and to date 2000 respectively. This is mainly due to the underachievement in the mulberry bush plantation targets. (see above reasons for this)</p>
<p>The efforts to increase beneficiary income focus on increasing the average yield of cocoons from fixed quantities of mulberry leaf and silkworm eggs. During the remaining period of RDP IV, average cocoon yields are expected to increase from 16 kg/100 dfl in 1999 to 25 kg/100 dfl in year 2000 and total cocoon production is planned to increase from 400 tonnes to 756 tonnes. During the proposed follow-up project, the target will be to improve the average cocoon yield to 30 kg/100 dfl. Annual cocoon production is anticipated to increase to about 1,800 tonnes by year 2003.</p>	<p>BRAC feels that the jump in global average productivity from 16 kg/100 dfl to 24 kg/100 dfl is impossible. It will be difficult enough to achieve productivity of 16 kg per 100 dfl in 1999 considering that the average productivity in 1998 was 11.3 kg. The experts are divided on this issue. Dr. Datta feels that the jump is too high. Dr Morton feels it is achievable based on</p>	<p>See above reasons.</p>

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	<p>the fact that BRAC has already achieved 32 kg per 100 dfl in Agrahayani last year. BRAC's calculations show that the Silk Foundation dfl which were given to some of the better rearers in Jamalpur attained an average of 27 kg/100 dfl and this was for 9,800 dfls distributed among 190 rearers.</p> <p>The total number of rearers was 10000 and the total dfls reared was 1.9 million last year. The global targets have been recalculated on the basis of speed of implementation. BRAC is assuming that the model for bush plantation will show productivity increase of 16, 24 etc. However only 20% of the farmers are expected to shift to bush by 1999 and 50% by 2000. If we calculate the global productivity based on these averages then we get figures of 13 and 19. These are still very challenging targets and the programme will have to perform extremely well to achieve these targets.</p>	
<p>By bringing about improved productivity whilst keeping investment in costly infrastructure to the minimum, the cost of cocoon production is expected to fall rapidly during the next two years, from about Tk. 100/kg in 1999 to about Tk. 61/kg in year 2000. Thereafter, production costs will fall more gradually and are</p>	<p>BRAC will increase the price of the cocoons for mechanical reeling to Tk 96/kg for 1999 and increased to Tk 108/kg by 2003 as suggested by the 2003 as suggested by the review report.</p>	<p>BRAC increased the price paid to the cocoon rearers to Tk 95/1 Kg. of cocoon for mechanical reeling. It is noted that cocoon price should be increased when the quality of the cocoon is improved.</p>

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<p>expected to stabilise at around Tk. 43/kg by year 2003. Over the same period, it is intended that BRAC should progressively increase the average price it pays for cocoons, so as to approach parity with market prices in West Bengal. The price of cocoons suitable for mechanised reeling is to be set at Tk. 96/kg for 1999 and increased to Tk 108/kg by year 2003. The corresponding prices for cocoons sold to the katghai reeling units are Tk 62/kg in 1999 and Tk 96/kg by year 2003. Owing to the different capacities of these processing centres, the average prices received by the target beneficiaries are expected to increase from Tk 71/kg in 1999 to Tk 98/kg by year 2003.</p>	<p>Similarly for katghai reeling BRAC will increase the price to Tk 62/kg in 1999 and upto Tk 96/kg by 2003.</p>	
Project components		
<p><i>Germplasm Maintenance Centre</i> A Germplasm Maintenance Centre (GMC) is to be established by redeploying the existing facilities at either Bhaluka or Trishal. In addition to maintaining the necessary elite stocks of parental races required for the synthesis of commercial F1 hybrid silkworm eggs, the GMC will provide the founding stocks for production of each crop of silkworm eggs. The total annual requirement is estimated to be 4,800 dfl.</p> <p>The project will provide almost Tk 1.65 million during 1999 for capital investment, comprising construction or rehabilitation of 3,120 ft² buildings and procurement of equipment. Including a walk-in cold store.</p> <p><i>P2 Silkworm egg multiplication stations</i> The existing P3/P2 facilit at Sherpur (Bogra) and the one under construction at Magura will be re-designated as P2 multiplication stations. Each station will have a planned annual production capacity of 68,000 dfl. requiring about 2 acres of mulberry bush plantation and 600 ft² of production buildings. As sufficient mulberry has already been established at</p>	<p>Agreed</p>	<p>The F1 grainage centre at Rajendrapur is now a Germplasm Maintenance Centre, because all the necessary infrastructure is already available there.</p> <p>The implementation and improvement of the P3, P2, P1 silkworm seed farms and commercial F1 grainages is going on as per revised permission report.</p>

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<p>these stations, the project provisions is limited to just over Tk. 1.0 million during 1999 for capital investment in construction or rehabilitation of buildings and procurement of equipment.</p> <p><i>P1 Silkworm seed farms</i> During 1999, BRAC's established grainages at 7 locations will be redeployed as intensive P1 silkworm seed farms to replace the current extensive system based on contract farmers. To operate at the planned average annual production capacity of 3,840 kg seed cocoons, each seed farm requires about 9 acres of mulberry bush plantation and 4,500 ft² of production buildings. Sufficient land has already been acquired at each site but it will be necessary to establish about 42 acres of mulberry bush plantation. The project therefore makes provision for capital investment of Tk 13.7 million during 1999, comprising establishment of mulberry plantations, construction or rehabilitation of buildings, and procurement of equipment. For the proposed follow-up project, four additional seed farms will need to be established – three in year 2001 and one in year 2002. Land will have to be required for these farms, so the provision for this phase has been increased to Tk. 11.1 million.</p> <p><i>Commercial F1 grainages</i> The annual demand for silkworm eggs for cocoon production is expected to increase from 2.5 million dfl in 1999 to 3.15 million dfl by the close of RDP IV. To meet this demand, it is necessary to establish four grainages of unit capacity 800,000 dfl during 1999 and one additional unit during year 2000. As these F1 grainages do not require access to any mulberry, it is proposed that they be established within the same physical campus as the P1 seed farms. This alleviates any need to purchase or lease</p>		

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<p>land. However, separate personnel working in separate buildings must undertake the grainage operation. The project therefore makes provision for capital investment of Tk 9.2 million during 1999 and Tk 2.3 million in year 2000, for construction or rehabilitation of building and procurement of equipment.</p> <p>During the proposed follow-up project, the annual demand for silkworm eggs is expected to increase to about 6.0 million by year 2002. It will therefore be necessary to make provision for two additional grainages in year 2001 and one more in year 2002. It is assumed that these grainages can also be located at existing BRAC premises, so the anticipated total capital requirement during the follow-up phase is Tk 6.9 million.</p>		
<p><i>Chawki rearing</i> As the option of centralise chawki rearing centres has been rejected by BRAC, the recommended alternative is based on a decentralised production system involving 1,000 chawki-cum-cocoon producers in 1999, increasing to 1,050 by the close of RDP IV. Each participant will be required to lease 1.5 bigha land in order to establish as mulberry bush plantation to support the annual rearing of maximum 4,000 dfl silkworm eggs, of which 400 dfl will be retained for cocoon production and the remainder will be distributed to neighbouring cocoon producers at the end of instar III. In order to optimise beneficiary income, additional capital investment needs to be minimised. It is therefore recommended that each chawki rearer be encouraged to install four Gumma-type rearing chambers instead of a rearing house. The total capital investment is estimated to amount to Tk 12,400 per participant. At present, the provision of credit to RDP IV sericulturists is arranged through a generalised micro-credit project. It is</p>	<p>Chawki rearing remains a problematic issue for sericulture. Everybody agrees that proper chawki rearing would improve the production of cocoons. However making a chawki centre financially sustainable has proved to be impossible. BRAC has implemented a chawki cum cocoon rearer system, which is however beset with quality problems. The review report is suggesting that BRAC chawki rearers lease land and do chawki from bush plantation. BRAC will attempt to implement this model. Keeping in mind that most of BRAC's target group have little or no land this still a difficult proposition. Members</p>	<p>BRAC has given grants ranging from Tk 7,000 to Tk 10,000 to 278 Chawki rearers to plant mulberry bush and to renovate/construct rearing houses and to purchase the necessary equipment.</p>

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<p>assumed that this arrangement will persist at least until the close of RDP IV, so no additional provision has been made within the sericulture sector project. Project support for chawki rearing until the close of RDP IV therefore remains restricted to providing for the costs of training. Alternative arrangements for financing chawki rearing activities may be preferred for the proposed follow-up project, but these will need to be explored during project preparation.</p>	<p>would have to take a loan to lease the land and since the returns for sericulture are uncertain they will be reluctant to take such a loan. BRAC proposes to jump start the chawki bush plantation process by making a fund for establishing bush plantations.</p>	
<p><i>Cocoon Production</i> The recommended system for production of cocoons is outdoor shoot-rearing based on mulberry bush plantations instead of roadside trees. The number of participants is expected to increase by 500 to 10,500 by the close of RDP IV, and to 15,000 by year 2003. Each of the present 10,000 active rearers should be encouraged to lease about 1 <i>higha</i> land for establishment of a mulberry bush plantation to supplement (and eventually replace) their roadside trees. All new entrants should be required to establish such plantations as a conditions of acceptance into project. The adoption of outdoor shoot-rearing is recommended as the most cost effective solution to the persistent problem of poorly designed and inadequately ventilated rearing house. Based on this option, each rearer's total capital investment in mulberry garden, rearing facilities and equipment can be reduced detailed specifications for a standard rearing house and take measures to ensure that participants fully comply with these specifications as a condition if my credit agreements. As investment finance is currently arranged through a separate micro-credit project under RDP IV, on additional provision has been made within the sericulture sector project. Project support for cocoon production until the close of RDP IV therefore remains restricted</p>	<p>Agreed BRAC will encourage rearers to establish bush plantation. However:</p> <ol style="list-style-type: none"> 1. Rearers have very little land 2. Taking a loan to lease land for sericulture will expose rearers to high risk because the returns from sericulture are uncertain. <p>Therefore BRAC will set aside a fund for establishing bush plantations as mentioned about.</p>	<p>BRAC is encouraging the late age rearers to start bush plantations. BRAC has given grants ranging from Tk 2,500 to Tk 4,000 to 2,222 rearers to establish rearing houses and bush plantations.</p>

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<p>subsidy element intended to compensate for anticipated operating losses during the first year. Alternative arrangements for financing cocoon production activities may be preferred for the proposed follow-up project, but these will need to be explored during project preparation.</p>		
<p><i>Tree maintenance</i> At present, the project includes annual provision for 'tree maintenance'. This apparently comprises grants or loans for establishing mulberry gardens that are used to propagate saplings for homestead planting and roadside gap-filling. As the recommended approach to cocoon production is based upon establishment of mulberry bush plantations, continued project support for tree maintenance after 1999 would be inappropriate. An exception has been for 1999 in recognition of the fact that a proportion of the 10,000 women who are currently active in sericulture have suffered losses during last year's floods. Not all of these women may be able to lease land and therefore some may remain dependent upon their remaining roadside trees for income. To alleviate hardship in these circumstances, the project includes provision of Tk 2.5 million to finance provision of up to 2.5 million saplings for roadside gap-filling. It is intended that this fund be dispersed by the area offices as a grant, based on individual needs assessments.</p>	<p>Agreed</p>	<p>BRAC will implement as per plan.</p>
	<p><i>Support for Bush Plantation Farmers</i> The success of the project is among other things dependent on the better farmers establishing bush plantations. BRAC would like to give these farmers extra support for establishing bush plantation. Therefore BRAC is setting aside</p>	<p>See Progress Under Chawki Rearing and Cocoon Production</p>

Review Report	BRAC's Comments	BRAC Progress
	<p>Tk 9.9 million for this purpose. This money will be divided into two chunks. There will be Tk 4.5 million for chawki rearers. This money will be used to support 500 chawki rearers with grants of Tk 8000 each. They will be asked to establish 1.5 bigha plantations. As additional 1475 cocoon farmers will be given grants to Tk 1000 for the purpose of establishing 1 bigha bush plantation. According to both the chawki rearer modele and the cocoon producer financial model given in the review report this grant will not be sufficient to cover the entire cost of setting up the plantation but it will reduce the amount of loan that a farmer will have to take thereby reducing her risk.</p>	
<p><i>Cocoon dryers</i> The revised project includes provision of almost Tk. 9.7 million for low-cost solid-fuel cocoon drying chambers to be established at each of the 215 existing cocoon production centres during 1999. Operation of the dryers is expected to add less than Tk 2 per kg to reelers costs of cocoon procurement. The design of the dryers should be finalised as soon possible, so that they are ready in good time for the coming Bhaduri crop. This is essential if the operating parameters are to be tested and refined in time to process the important winter Agrahayani crop.</p>	<p>It will be a big challenge to come with a working model for the cocoon dryers and an evaluation will have to be done at the end of the Agrahayani season as to the effectiveness of any model that BRAC sets up. It would be helpful if any working models were available in India or elsewhere and BRAC would like some advice on models that have been disseminated and are actually being used.</p>	<p>BRAC is still using the electrical hot air dryer system to dry cocoons. BRAC staff have been to India to see if there is a model for low-cost solid fuel cocoon drying chamber available there.</p>

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<p><i>Mechanised reeling centres</i> The keys to improving mechanical reeling performance are better quality cocoons and more experienced management. The purpose of the proposed investments in silkworm egg supply, rearing and cocoon drying is to bring about the necessary improvements in cocoon quality. To address the constraint of inexperienced management, the project includes provision for 12 person-months technical assistance to enable an experienced commercial reeling manager from India, China or Thailand to be seconded to the BRAC reeling centres for four, three-month inputs over the remaining two years of RDP IV. In addition, the project includes provision of Tk 1.5 million for implementing machine repairs and improvements recommended by the consultant.</p> <p>Conditional upon BRAC purchasing suitable quality cocoons at specified increased prices and introducing increased piecework rates for all reeling centre employees, the project would also provide a subsidy of about Tk 9.8 million over two years to compensate for anticipated short term operational losses.</p>	<p>Agreed. BRAC will be raising cocoon prices to the levels suggested by the consultants and will look for an experienced reeling manager to be employed for a period of 12 person months to run a reeling centre efficiently.</p>	<p>Since the MTR BRAC has hired two consultants to develop the production capacity of the mechanized reeling centres for a period of 2.5 person months. These consultants have introduced effective technologies which have already impacted on production.</p>
<p><i>Katghai reeling units</i> Conditional upon BRAC establishing the recommended manual reeling units by utilising its own resources to procure about 900 traditional <i>katghai</i> at an estimated total cost of Tk 3.6 million, the project would provide more than Tk 4.1 million to finance training of these reelers plus and additional Tk 2.2 million as a subsidy to compensate for anticipated operational losses during the first year.</p>	<p>BRAC will support <i>katghai</i> reelers in the Bholahat area through training and subsidising operational losses. As mentioned before BRAC does not want to displace reelers in Bholahat with reelers elsewhere in the project. Instead BRAC wants to give support in Bholahat. Since reelers in Bholahat are already at a high skill level it should be easier to implement the manual reeling model given in Table 11 in Bholahat</p>	<p>In Bholahat. BRAC is encouraging private <i>katghai</i> reelers to continue using this reeling method. In this respect, 10 reelers have been selected and will receive technical assistance, training and financial support is necessary.</p>

Review Report	BRAC's Comments	BRAC Progress
<p><i>Training</i> The project makes provision for all 10,500 chawki rearers and cocoon producers to undergo training at the three established Sericulture Resource Centres, based on the unit costs actually incurred during 1996-1998. The total provision is almost Tk 7.5 million over two years.</p>	<p>than elsewhere! Agreed</p>	<p>As per the MTR BRAC has provided training to 249 chawki rearers and to 2,520 late age rearers.</p>
<p><i>Consultancy</i> The project includes provision for two categories of consultancy input. The first category is technical assistance, where almost Tk 20.3 million has been allocated to provide the following key inputs: <u>International specialists</u> Commercial Cottage-Basin Reeling Manager: 12 person months over four inputs during 1999-2000. Commercial Grainage Manager, 6 person-months over two inputs during 1999-2000. <u>National specialists</u> Katghai Reeling Training Specialist: 3 person-months in one input during 1999. Silkworm Rearing Extension Specialist: 6 person-months over two inputs during 1999.</p>	<p>BRAC agreed with the amount of man months fixed for the technical assistance. However BRAC feels that too much money has been allocated for the technical assistance. BRAC will be getting consultants from India or China. Based on the amount that BRAC has paid for consultants BRAC feels that this amount should be reduced to Tk 7 million.</p>	<p>Since the MTR the following consultants have been hired by BRAC:</p> <p>1) Development and Improvement of Mechanical and Manual Reeling: 2 consultant for 2.5 person - months.</p> <p>2). Development of the Commercial Grainages: 1 consultant for .5 person - months.</p> <p>BSF is also providing T/A in Reeling, Weaving, Rearing Training etc</p>
<p>BRAC management has also requested more frequent external missions to provide advice on project implementation and assist with preparation of proposals for a follow-up project. The second category therefore makes provision of Tk 3.1 million for a two-member international Project Monitoring and Advisory (PMA) team to make three visits at six-monthly intervals, with each visit of about two weeks duration. The training of each mission must be determined by the availability of BRAC senior management counterparts to accompany the international members for the duration of each visit, but should generally coincide with the most important rearing seasons.</p>	<p>Agreed</p>	<p>In March 2000 BRAC contacted Indian experts for this purpose. But due to bureaucratic reasons they were unable to undertake the consultancy. However as a result of a recent meeting with the Indian Central Silk Board and the Dept. of Sericulture, West Bengal BRAC is hopeful that this consultancy will now take place before the end of October.</p>
<p><i>Staff costs and logistic support</i> There are no changes to these items, other than increased financial provision to</p>	<p>Agreed</p>	<p>The implementation is going on as per the recommendation.</p>

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reconcile current deficits.		
Financial Analysis		
<p><i>Cocoon producers</i> The activity model for cocoon producers is presented in Table 8. Capital investment of Tk 7,200 is required for plantation establishment, materials for constructions of the hangar, and the shoot-rearing beds and equipment. Annual operating costs are expected to increase from about Tk 4,000 in 1999 to almost Tk 5,200 by year 2003, as rearing activity expands from 250 dfl/year to 400 dfl/year. This includes the cost of land lease and the purchase of <i>chawki</i> at the recommended price of Tk 2.5 – 4.0 per dfl.</p> <p>On the basis of improving yield and increased prices, average net income from cocoon production is expected to increase to Tk 6,500 by year 2003. Employment in mulberry management and rearing will increase from about 90 days/year to 128 days/year, so the net return to labour will be about Tk 50/day. However, the women will probably incur an operating loss during the first year because they will gain no immediate return from the increased investments associated with establishing a mulberry bush plantation. The project therefore includes provision for a one-off grant to subsidise the anticipated operating loss of Tk 1,173 in the first year only.</p> <p>In addition, each woman will require credit of about Tk 12,000 for capital investment and a subsistence allowance. The estimated internal rate of return of 21% over five years confirms that this loan can be repaid through the existing financing mechanism. As the existing credit arrangements are external to the sericulture sector project, no provision for credit has been made in the current proposal.</p>	<p>The financial model does not include the cost of irrigation. The IRR shown is IRR without labour calculated over a 5 year period. If the 5 year IRR w/o labour is calculated taking into account the cost of irrigation the IRR is 8% (see Table A3).</p> <p>The reviewers are expecting that cocoon producers will take out loans of Tk 12,000 for bush plantation to be paid back over a five year period. There is no such loan in RDP. The existing micro-credit loans are primarily loans given over a one year period with an interest rate of 15%. Clearly the rearer will not be able to payback this type of loan without access to additional income from some other source. In order to facilitate this BRAC is proposing a grant of Tk. 5000 cocoon producers. BRAC will also search for alternative financing mechanisms.</p>	<p>For mulberry bush plantation, BRAC has provided financial support of Tk 8,000,000 to 2,222 cocoon producers.</p>
<p><i>Chawki-cum-cocoon producers</i> The activity model for chawki producers is presented in Error! Reference source</p>	<p>The activity model does not include the cost of irrigation. If this cost is</p>	<p>BRAC has provided grants of Tk. 2,000,000 to 278 chawki-cum-cocoon producers for</p>

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<p>not found. The total capital investment is estimated to be Tk 12,400. This includes establishing the 1.5 <i>bigha</i> mulberry bush plantation, Gumma rearing rooms, <i>chawki</i> rearing trays and equipment, late-age rearing hangar, and late-age shoot-rearing beds and equipment. The total annual operating costs, including land lease and purchase of silkworm eggs Tk 2-3 per dfl, are expected to increase from about Tk 10,700 in 1999 to just over Tk 18,500 by 2003 as the scale of production increases from 2,500 dfl/year to 4,000 dfl/year. Assuming that the sale price for <i>chawkis</i> is based on a service charge of Tk 2 per dfl, annual net returns are expected to increase from Tk 1,200 in 1999 to more than Tk 11,000 by year 2003. The additional net income derived from the <i>chawki</i> rearing activity is therefore about Tk 5,000 per year.</p> <p>The low return in the first year means that each <i>chawki</i> rearer will require a bridging loan for subsistence in addition to the capital investment requirement. The credit requirement is about Tk 15,000. However, the higher estimated IRR of 46% over five years justifies the extra investment and confirms adequate cash flow to replay the loan during the project period. Moreover, as a net profit is generated in the first year, no provision has been made for any subsidy support.</p>	<p>taken into account then the IRR (5 years w/o Labour) is 30% (Table A2).</p> <p>Again in order to jump start the process of <i>chawki</i> rearing BRAC will extend grants to 500 <i>chawki</i> rearers to help them get started with 1.5 <i>bigha</i> of bush plantation. They will be given grants of Tk 8000. This will reduce their loan requirement.</p>	<p>mulberry bush plantation.</p>
<p><i>Machanised reeling</i></p> <p>The profitability of mechanised reeling is extremely sensitive to <i>renditta</i> and, to a lesser extent, worker productivity. This is clearly demonstrated by the activity model Table 10.</p> <p>The model envisages the average price for cocoons by the BRAC reeling centres being raised to Tk 96/kg in 1999 and then increasing to Tk 108/kg by year 2003. Cocoon drying is assumed to add Tk 2/kg to the cost. The piecework rate for reeling has been set at Tk 150/kg raw silk – this is the reeling unit average calculated over all</p>		<p>BRAC increased the cocoon price as per the MTR During 1999, it was Tk. 95/kg and in 2000 it is Tk.98/kg</p> <p>The production cost of raw silk of the mechanized reeling centre is around the activity model.</p>

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<p>non-salaried workers (<i>i.e.</i> reelers, cookers, helpers have been aggregated). Therefore, as worker productivity improves, average wages will increase.</p> <p>Based on current performance, the model assumes that initial capacity utilisation and worker productivity are low and renditta is relatively poor, at 12. The planned increased cost of cocoons and wages will therefore inflate the production cost to about Tk 1,800/kg, the centres must be expected to generate an annual loss of about Tk 5 million unless this raw silk is marketed internally at a premium over the cost of imported raw silk. Yet, despite further increases in cocoon price and wages, this annual loss switches to a profit of Tk 1.6 million as soon as the renditta improves to 8 and the production cost is thus reduced to Tk 1,120/kg. The potential for financial sustainability is therefore present, but realising this potential demands significant improvements in renditta.</p> <p>In fact, the review mission does not envisage BRAC operating the reeling centres as independent profit centres – this approach has been adopted simply for purposes of financial analysis. The returns to reeling rarely exceed 5% unless there is a substantial and well-developed market for waste products. Instead, it is recommended that BRAC should focus upon developing integrated reeling twisting-weaving units. These units will capture the opportunities for adding value through vertical integration and so are more easily developed as profit centres.</p> <p>For this reason, it is strongly recommended that the proposed follow-up project should encompass the broader scope of BRAC's <i>de facto</i> vertical integration and bring all the sub-sector activities under a unified system of project management.</p>		

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<p><i>katghai</i> reeling only enjoys an advantage over mechanical reeling when cocoon quality and prices are relatively low.</p> <p>Silkworm egg production Separate activity models have been prepared for each stage of the silkworm egg production systems and these are presented in Table 11 to Table 15.</p> <p>The proposed capital investment in the germplasm Maintenance Centre is about Tk 1.65 million for buildings and equipment, but for purposes of general analysis the model takes into account additional investment in land purchase and development. On this basis, annual operating costs amounts to about Tk 0.75 million and the production cost of the P₃ silkworm eggs is about Tk 157 per dfl. This high unit cost is an inevitable consequence of the need to produce an exceptionally high quality product in very limited quantities. It is anticipated that the full costs of the germplasm maintenance operation can be recovered by a charge of Tk 181 per dfl on the annual supply of 4,800 dfl to the P₂ stations, so the project does not include any additional provision for operational support.</p> <p>The proposed investment in the two P₂ egg multiplication stations is just over Tk 1.0 million for buildings and equipment. As with the GMC, the cost of land acquisition and development has been factored into the estimated annual operating costs. These increase from about Tk 432,000 per station in 1999 to Tk 642,000 in 2003 as the output increases. This estimate includes the cost of purchasing silkworm eggs from the GMC at the rate of Tk 181 per dfl. The operating costs can be fully recovered by charging an average Tk 10.7 per dfl supplied to the P₁ seed farms. However production costs are higher than this during the first two years of operation.</p>		<p>As per recommendation, BRAC has established a P₁ seed cocoon farm to produce good quality silkworm seed. Suitable mulberry variety is being planted in the farm area.</p> <p>Rearing buildings have been established and necessary equipment and appliances have been procured.</p> <p>The silkworm egg production in 1999 was 1.61 million and in January 1999 - June 2000 it was 1.30 million which is on target</p> <p>The unit cost of DFL is as per activity model. Future expansion will be based on the next sericulture cycle of 2001 - 2003.</p>

Review Report	BRAC's Comments	BRAC Progress
<p>The project therefore includes provision for each of the two stations to receive a subsidy of about Tk 85,000 in year one, reducing to Tk 50,000 in year two and zero thereafter.</p> <p>Existing mulberry plantations at the initial seven P1 seed farms enable investment costs to be reduced a total of about Tk 13.7 million, whereas Tk 11.1 million will be required to establish the next four farms during the propose follow-up project. Based on the latter figure, the full estimated annual operating costs are expected to increase from about Tk 907,000 per seed farm in 1999 to Tk 935,000 in 2003. This estimate includes purchase of silkworm eggs from the P2 stations at Tk 10.7 per dlf. The costs can be fully recovered by selling seed cocoons to the grainages at Tk 290/kg. During the first year, however, the cost of production is expected to be higher than this and so provision has been made for each seed farm to receive a one-off subsidy of Tk 45,441.</p> <p>Assuming that all eight commercial F1 grainages will be established on land already owned by BRAC, the investment cost in buildings and equipment is about Tk 2.3 million per grainage. the provision for the remainder of RDP IV is therefore Tk 11.5 million and additional Tk. 6.9 million will be required during the proposed follow-up project.</p> <p>The annual operating costs of each grainage are estimated to increase from about Tk 1.8 million in 1999 to just over Tk 2.0 million in year 2003, as annual output increases from 625,000 dfl to 750,000 dfl. This includes the purchase of seed cocoons from the P1 seed farms at an average prices of Tk 290/kg. Unit production costs will fall from Tk 2.9 per dfl to Tk 2.7 per dfl over the five year 1999-2003.</p>		

Review Report	BRAC's Comments	BRAC Progress
<p>To sustain the grainage operations, BRAC needs to introduce pricing based on full cost recovery. However, the review team accepts that the higher price should introduced gradually. The model therefore assumes that the price BRAC will charge for eggs will increase from Tk 2.0 per dfl in 1999 to Tk. 3.0 per dfl by year 20002. Provision is made for each grainage to receive a subsidy to cover the operational losses resulting from this price structure. The size of the subsidy will reduce from Tk. 458,285 in 1999 to tk 143,912 in year 2000. If there is a follow-up project, a subsidy of Tk 130,170 may be required during year 2001.</p>		

Rural Enterprise Project

Introduction

Rural Enterprise Project (REP) is an experiment entirety within RDP, which, started in 1985. The Programme is responsible for supporting and promoting the development of non-farm enterprises in rural areas. It is encompass in innovating and generating both non-traditional and reformed traditional enterprises and introducing them to the BRAC program participants. REP identifies different self-employment schemes for women and 'experiments' or 'tests' schemes in limited numbers at limited areas. When different enterprises proved to be successful income and employment generating activities then those enterprises are handed over to RDP for further expansion. Some income and employment generating activities (Social Forestry, Fish culture) have emerged from the testing carried out by REP, REP also introduce some other enterprises (restaurant, grocery, laundry etc), which are non-traditional endeavors for women. Furthermore, REP under takes new ventures that it considers worthwhile for the attainment of its objectives. [For detail please see the report "Report to donors RDP IV, July to December, 1999.]

Expected and Achieved Output

In the RDP IV. REP planned to achieve a particular target. REP had some particular business program those were supposed to experiment, pilot and handed over to RDP during the period 1996 to 2000.

During 1996 to 2000 REP planned to experiment 33 projects and experimented 41 projects, some of the projects are apart from the planned one. The targeted No. of pilot project were 33 and piloted 29 projects. Finally handed over 20 projects out of targeted 26 projects. There were 4 projects -(shon-papri, Hardware factory, Tempo, Binding factory) come to infeasible in the beginning thus they were not piloted and handed over as well.

One of the most innovative projects of REP is tissue culture. This venture was taken in 1997 and after experimenting the project REP piloted the project for producing healthy stock plants and clean plantation materials for growers, plant propagators and seed producers in the country. One tissue culture lab has been established at Dhaka. The aim of this lab is to expand the capacity for producing tubers to the tune of 10,000,000 per year.

REP had a target that, they will develop 8000 entrepreneur during the period of 1996 to 2000. And at the end of 1999 REP developed 11896 entrepreneurs.

An update of Solar Energy project is in the following pages.

Solar Energy Programme for Sustainable Development

Introduction

The BRAC solar energy system for sustainable development was launched during December 1997. First of all, this program is about a vision – a vision to be shared and acted upon collaboratively. It is a vision of transforming the worldwide collapsing trend – muchly due to the rapid depletion of non renewable energy sources (oil, coal, natural gas and uranium), with destructive economic as well as environmental consequences – into a sustainable, peaceable and prosperous future.

One Lac Solar Electrification Program and **BRAC Solar Energy Complex** are two major projects through which the Solar Energy Program proposes to expand. The primary goal of the first project will be to provide cost-effective and environmentally responsive electricity generated through one Lac (hundred thousand) photovoltaic system. The sites and settings for this systems will be chosen reflecting the diversity of needs and uses. The currently operating pilot program is ventering significant data for the project. The second project, the BRAC solar energy Complex, relying 100% on renewable energy sources, will simultaneously serve the comprehensive function as the Program's headquarters' the BTAC Solar Energy Institute for education, research, training, planning and consultation, and a demonstration model.

Project objective

The project is directly aim at promoting social and economic development; promote higher agricultural productivity, enhance food security and improve quality of life. The project will conduct and disseminate appropriate education, training and community information on appropriate technologies to facilitate rural development to-

- Change the living and social standards of people
- Change the economy of the society by pursuing modern approaches through TV, Radio.
- Conserve the environment
- Increase self dependency
- Mobilize the local resources
- Increase the responsibilities towards community

FINDINGS

Availability of high quality and adequate quantity of energy is the kingpin in sustainable rural development. As a result of the recent economic reforms and changes in the economic policies of Bangladesh to foster rural development.

Photovoltaic: Photovoltaic are appropriate for rural Bangladesh for lighting. PV offers the least cost alternative for electricity generation; one 35-watt PV module will generate an average of 140-watt hrs/day of electricity. Even when compared to kerosene – the most commonly used fuel in rural areas – which is also both polluting and hazardous – a one-module, PV system (US\$400), can pay for itself in less than four years with the money saved from the discontinuation of the kerosene expense.

Wind: BRAC Solar Energy Program has setup 11 nos. 300-watt capacity “Air 303™” model turbines at 11 place of 3 different coastal zones in an aim to monitor and measure the wind speed & flow, to select of find the appropriate places for wind energy technology and to design the appropriate system and select appropriate wind turbines for the future projects.

Findings of pilot project:

- 1 Like photovoltaic, wind turbines for electricity can provide energy in a sustainable manner.
- 2 Due to seasonal fluctuation of wind speed, wind turbines could not supply power round the year. Therefore , wind turbine cannot be a stand alone system.
- 3 Initial investment is so high, therefore, it need a community base financing mechanism or an installment method.

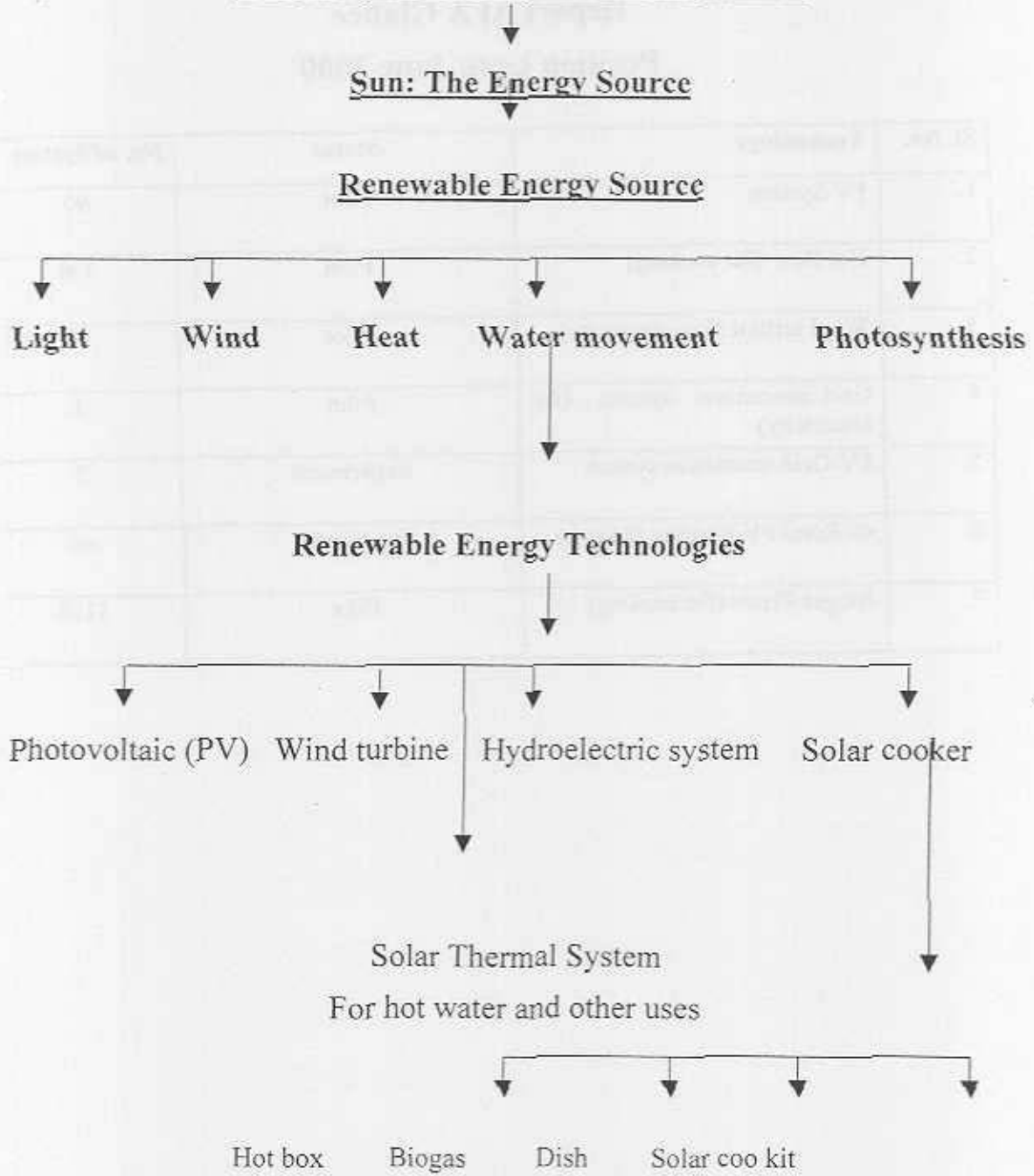
Biomass: Biomass energy, which is derived from the “poor-man’s fuel”, like agricultural residues and cattle dung, could be the basic energy source for more than 65 percent of our population. The increasing use of cattle dung as fuel is depriving the agricultural lands of much needed organic manure without which the sustenance of higher crop productivity is difficult. Therefore, the strategy of the BRAC has been to promote indigenously developed biogas production technology for the recycling of animal and human waste.

Fields for application of Solar System

The following fields are suitable for solar system-

- a. Small, standard PV system for household, grocery shops, restaurants.
- b. PV-wind interactive power plant for costal area.
- c. PV-grid interactive power system for office of Training Institutes, urban commercial centers, hospitals etc.
- d. Solar thermal to heat water mainly for industrial uses, like hotel, textile industries, leather industries, dyeing industries etc.
- e. Pumping system for irrigation and livestock watering
- f. Small hatchery plants.

Diagrammatic flowchart of Solar System



BRAC Solar Energy Program
Report At A Glance
Position Upto June 2000

Sl. No.	Technology	Status	No. of System
1.	PV System	Pilot	90
2.	Hot Box (for cooking)	Pilot	490
3.	Wind turbine (For electricity)	Pilot	12
4.	Grid-interactive system (for electricity)	Pilot	3
5.	PV-Grid interactive system	Experiment	2
6.	40 Rural PV Rooftop Program	Experiment	40
7.	Biogas Plants (for cooking)	Pilot	1156

**REP
Current Status**

Sl No.	Future Projects	As per Project Proposal RDP IV					Current Status					Remarks
		1996	1997	1998	1999	2000	1996	1997	1998	1999	2000	
1	Vegetable Transportation	-	-	Experimental		Pilot		Experimental & Pilot	pilot	Hand Over		It started as an experimental project then transferred to pilot project of REP and now it is an ongoing project of RDP. BRAC supply HYV seeds to the farmer and after production BRAC purchase the vegetable for marketing.
2	Vegetable Marketing	-	-	-	Experimental			Experimental & Pilot	Hand Over			Already RDP has launched the marketing program.
3	Ball pen factory	-	-	-	Experimental		-	-	Experimental	Pilot	Pilot	It is supposed to started from 1999 but Micro Enterprise Development (MED) wing of REP experimented it earlier and piloted due to its feasible condition.
4	Ice Factory	-	-	Experimental						Not yet started	Not yet started	It was supposed to started from 1998 REP is testing its feasibility
5	Spice Factory					Experimental				Pilot	Pilot	It is supposed to started from 2000 but Micro Enterprise Development (MED) wing of REP has already launched due to its feasible condition .
6	cotton plantation					Experimental		Experimental	Pilot	Pilot	Pilot	It is supposed to started from 2000 but Micro Enterprise Development (MED) wing of REP has already experimented and piloting the project due to its feasible condition.
7	mini store(cold & normal)									Not yet started	Not yet started	REP is trying to start the program during the year 2000 as per project proposal.
8	Soybean plantation processing			Experimental						Not yet started	Not yet started	REP is testing the feasibility of the project.
9	Soybean Oil			Experimental						Not yet started	Not yet started	REP will start feasibility testing during the year 2000.
10	Lemon Cultivation		Experimental		Pilot		Experimental	Pilot	Hand Over			REP has Hand over the project to RDP.
11	Poultry Feed					Experimental	Experimental	Pilot	Hand Over			It is an on going project of RDP.
12	Shon papry				Experimental					Not yet started	Not yet started	BRAC did not start the project because of its non feasible condition.
13	Hardware Factory	Experimental	Pilot	Hand Over						Not yet started	Not yet started	BRAC did not start the project because of its non-feasible condition.
14	Wooden toy	Experimental	Pilot	Hand Over					Experimental	Pilot	Pilot	REP's on going pilot project.
15	Candle Factory	Experimental	Pilot	Hand Over					Experimental	Pilot	Pilot	REP's on going pilot project.

Sl No.	Future Projects	As per Project Proposal RDP IV					Current Status					Remarks
		1996	1997	1998	1999	2000	1996	1997	1998	1999	2000	
16	Chalk	Experimental	Pilot	Hand Over					Pilot	Pilot	REP's ongoing pilot project	
17	Tempo		Experimental	Experimental		Hand over			Not yet started	Not yet started	BRAC did not start the project because of it non feasible condition	
18	Silk twisting (spindle)			Experimental	Pilot			Experimental	Pilot	Pilot	REP's ongoing experimental project.	
19	Char coal making	Experimental	Pilot	Hand Over					Experimental	Pilot	REP's ongoing experimental project	
20	Broiler (poultry rearing)		Pilot	Hand Over					Hand Over		Activities are going through in RDP.	
21	Mixed silk		Experimental	Experimental	Pilot				Not yet started	Not yet started	REP will start this program during the year 2000	
22	Threadlike pump making		Experimental	Experimental	Pilot				Not yet started	Not yet started	REP will start this program during the year 2000	
23	Rice seed production		Experimental	Experimental	Pilot	Experimental	Pilot	Hand Over			Presently this is an extension program of RI	
24	Orange Grafting	Experimental	Experimental	Pilot	Pilot				Not yet started	Not yet started	REP will start this program from 2000	
25	Tissue Culture		Experimental	Experimental	Pilot		Experimental		Pilot	Pilot	REP's on going pilot project.	
26	Binding Factory		Experimental	Experimental	Pilot				Not yet started	Not yet started	BRAC did not start the project because of it non feasible condition	
27	Tannery	Experimental	Experimental	Pilot				Experimental		Experimental	Launched with MED project.	
28	Sandal Factory (sponge)	Experimental	Experimental	Pilot	Hand Over			Experimental			Launched with MED project.	
29	Bush Plantation (Mulberry)	Experimental	Experimental	Pilot	Hand Over				Not yet started	Pilot	REP's on going pilot project.	
30	Dying (silk & Cotton)							Experimental	Pilot		On going pilot project of REP.	
31	Cotton weaving (BRAC check)							Experimental	Experimental		On going experimental project of REP.	

Market Development Unit

BRAC has been involved in linking rural producers to markets in both urban and rural areas. In most BRAC sector programmes the products such as poultry, eggs, fish, vegetables usually find their way into local markets with minimal intervention of BRAC. However handicrafts and fabrics have to be linked to the urban markets and this requires marketing support from BRAC. In RDP III BRAC started to coordinate the manufacturing with the marketing process through its textile-marketing unit. In RDP IV BRAC Market Development Unit concentrated mainly on agricultural product textile-sector and silk yarn and silk product marketing.

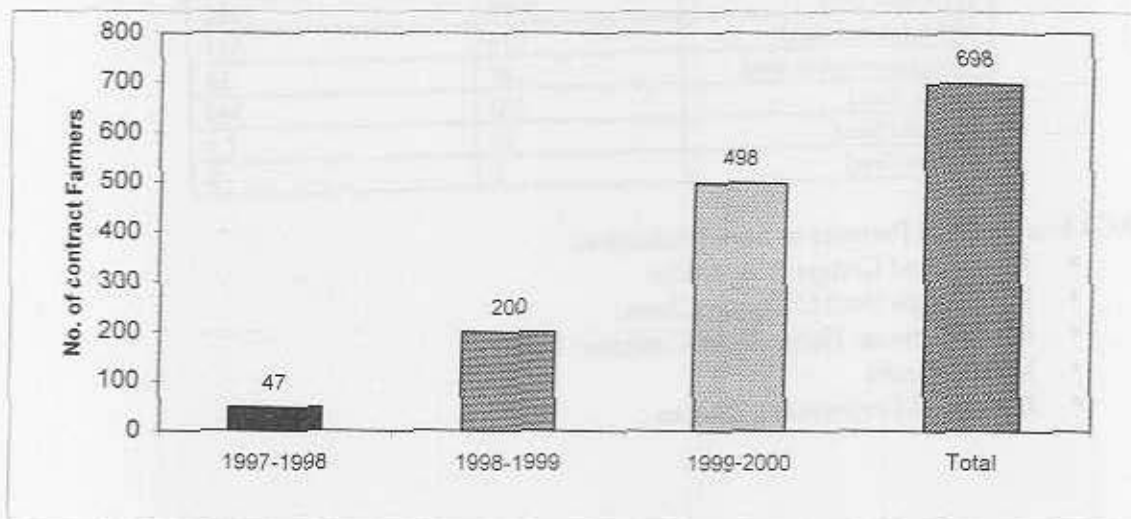
1.0 Vegetable Export Programme

BRAC vegetables export program which was initiated during 1997-'98 has made tremendous progress by exporting quality and demand based products like french beans, green hot chili, kantola, Long beans, bitter gourd, Okra and potatoes. These products are marketed through a chain of supermarkets in London, Paris, Amsterdam and Singapore.

In the original PP there is no provision for vegetable export. But BRAC has decided to enter into the vegetable export programme mainly for two reasons. To highlight Bangladeshi vegetable in the world market and explore a better opportunity for the farmers. And to promote non-traditional crop cultivation which will help them to get a better prices for their crops.

The Vegetable Export Program, while still in its early stages has proved successful in providing local farmers with regular incomes, upgrading their skills and knowledge, and providing them with quality inputs which allow them produce high quality vegetables that are in demand on the global market. But the program faces challenges as well.

Graph 1: Growth of the Contract Farmers 1997-2000 (All Crops Basis)



2.0 Seed Production and Marketing

The shortage of high quality seeds is one of the major constraints in increasing the productivity of agriculture in Bangladesh. Only 4.5% of the seed available to farmers are produced in controlled conditions to ensure high quality. Farmers in their own fields without the technology to insure high yield and disease free varieties produce the vast majority of seed. To provide high quality seeds to its farmers, BRAC's Seed Development and Marketing Programme has set up eight seed farms to produce a wide variety of certified, high quality seeds.

Objectives of the Seed Production and Marketing Programme:

- Provide high quality seeds to VO Members and small farmers
- Increase agricultural productivity

Types of Seed Produced

- 22 types of Vegetable
- Maize
- HYV and Hybrid Rice
- Cotton
- Varieties of Spice

Quantity of Seed Distributed in 1999

- Vegetable: 133.47 MT
- Rice: 700 MT
- Wheat: 50 MT
- Maize: 227 MT

Seed Production Target and Achievement in 2000

Particulars	Target (in MT) For 2000	Achievement (in MT) (January-June 2000)
Vegetable seed	332	207
HYV rice seed	3000	1360
Hybrid maize seed	476	511
Composite maize seed	30	28
Wheat Seed	400	346
Mustard Seed	10	7.5
Cotton Seed	1	.5

BRAC's International Partners in Seed Production:

- Pacific Seed Company Australia
- Hefei Fingle Seed Company China
- Indo-American Hybrid Seed Company, India
- Mahyco, India
- Druk Seed Corporation, Bhutan

Current Status of Staff External Training and Exposure

Sl #	Participants Name	Name of the Course	Year	Duration	Place
1.	Shajahan Chowdhury	Trade fair for intensive Animal Production	1996	11 Days	Thailand
2.	Abdul Saleque	Do	1996	Do	Do
3.	Anamul Haque	Do	Do	Do	Do
4.	Altaf Hossain	Fourth Indian Fisheries forum	1996	5 Days	India
5.	Sultan Ahmed	Do	Do	Do	Do
6.	Nasima Akter	Regional Training Orientation Cause	1997	3 Days	Philippines
7.	Atiqun Nabi	SAP	1997	10 Days	Nepal
8.	Istiaq Mohiuddin	Workshop SAPNA/AMC	1997	5 Days	India
9.	Rehana Amin Murshed	International Confarence in DLO	1997	4 Days	Noraway
10.	Md. Abdus Salam	Monitoring and Evaluation of Social Dev	1997	10 Weeks	U.K.
11.	Shah Noor Mahmud	Epidemiology and health research methods	1997	11 Days	Sweden
12.	Atiqun Nabi	Micro credit Summif kathy morell and Associals	1997	11 Days	U.S.A
13.	Aminul Alam	Miero Credit Summit	1997	11 Days	U.S.A
14.	Md. Ashrafurzzaman	Tropical Animal production	1997	10 Month	Netherlands
15.	Lutfor Rahaman Khan	International Course on Tropical Animal Production	1997	10 Month	Netherlands
16.	Ahmed Ali	International Rural Dev Planning	1998	12 Month	Canada
17.	Shafiqur Rauf	Tropical Animal Production	1998	10 Month	Netherlands
18.	Dewan Zahid Husan	Poultry husbandry and international Animal feed training Program	1997	10 Month	Netherlands
19.	Md. A. Saleque	IPC Livestock Barneveld College	1998	1 Month	Srilanka
20.	Atiqun Nabi	INAFI third General Assembly	1998	2 Days	India
21.	Sharif Uddin	Global meeting	1998	11 Days	Ghana
22.	Rabeya Yesmin	World food program	1998	6 Days	Italy
23.	Majeda Haq	Consortium of Women ent.	1998	3 Days	India
24.	Aminul Alam	Conference of the Asian and Pacific Seed Association	1998	8 Days	Philippines
25.	Faridur Rahman	Workshop on Training the trainers in Socil mobilization and Regional participatory dev	1998	11 Days	Napal
26.	Lutfe Rabbi	SIPU/CDP Study Tour on Seed business Management	1998	10 Days	India
27.	Mr. Rafiqul Islam	Motivating Self employment	1998	13 Days	India

28.	Md. Aminul Alam	IFDC	1998	21 Days	U.S.A
29.	Farzana Chowdhury	Micro Credit Summit	1998	3 Days	U.S.A
30.	Aminul Alam	Study tour on Operation of Micro Finance	1998	12 Days	U.S.A
31.	Md. Farhad Ali	Silkworm Sed Production Techniques	1998	2 Weeks	India
32.	Md. Ziaul Hq	Do	Do	Do	Do
33.	MD. A. Hossain	Do	Do	Do	Do
34.	Akter Jahan Hq	Do	Do	Do	Do
35.	Gopal Ch.	Do	Do	Do	Do
36.	Mahfuzul Hq	Do	Do	Do	Do
37.	Biswa Nath	Foundation training in Sericulture Research	1998	2 Month	India
38.	Debobrato Dhar	Do	Do	Do	Do
39.	Deb Kumar Halder	Do	Do	Do	Do
40.	Kazi Firoz Hassain	Do	Do	Do	Do
41.	Kamruzzaman	Do	Do	Do	Do
42.	Sohel Akter Khan	Do	Do	Do	Do
43.	Golzer Hossain	Do	Do	Do	Do
44.	Pankoj Roy	Do	Do	Do	Do
45.	Mofazzal Hossain	Do	Do	Do	Do
46.	Hosenuzzaman	Do	Do	Do	Do
47.	Ishtiaque Mohiuddin	Khula Enterprise Dr. thami Medicane	1998	18 Days	South-Africa
48.	Afiqun Nabi	Orientation Session for Technical Service Provider	1998	3 Days	U.S.A
49.	Md. Shafiqur Rouf	Training on Semen Freezing Technique	1998	1 Month	India
50.	Kamrul Islam	Do	Do	Do	Do
51.	Atiqun Nabi	PRRM – INAFI Asian EC Meeting	1998	3 Days	Philippines
52.	Sabbir A. Choudhury	SAP Nepal as Resource Person	1998	14 Days	Nepal
53.	Atiqun Nabi	SAP Nepal as Resource Person	1998	1 Month	Nepal
54.	Aminul Alom	International Poultry Exposition	1998	7 Days	India
55.	Lutfor Rahaman	Do	Do	Do	Do
56.	Md. A.Saleque	Do	Do	Do	Do
57.	Rehena Amin Morshed	Workshop on Retraining course	1998	7 Days	Denmark
58.	Farzana Isad Amin	PPA Session 505 on Micro Credit Prog Women's Empowerment & Change in Nuptiarity in Bangladesh Village	1998	38 Days	U.S.A
59.	Delaware Hossain	Plant breeding & Seed Production activities Visit	1998	9 Days	India
60.	Azijul Haque	Do	Do	Do	Do
61.	A. Motaleb	Do	Do	Do	Do
62.	Mahbool Islam Khan	Do	Do	Do	Do
63.	Jalal Uddin Ahmed	Int Conference on Rural Water	1998	5 Days	U.S.A

		Supply & Sanitation			
64.	Lutfur Rahman	Int Poultry exposition	1998	5 Days	India
65.	MD. A.Saleque	Do	Do	Do	Do
66.	Md. Jalal Uddin	Do	Do	Do	Do
67.	Harun ur Rashid	Do	Do	Do	Do
68.	Dewan Zanid Hassain	Poultry Husbandry & 1 st Animal Feed Training Prg	1998	10 Days	Netherlands
69.	Aminul Islam Bhuya	Visit to Central Silk & SAP	1998	6 Days	India
70.	Shayma Kariam Sikander	Int Rural Dev Planning	1999	36 Days	Canada
71.	Rehana Amia Morshed	MA Course	1999	1 Year	U.K.
72.	Siraj Uddin Mondal	Post Graduate Diploma in NGO Leadership and Management	1998	6 Month	CDM
73.	Shafiqur Rouf	Tropical Animal Production	1998	10 Month	Netherlands
74.	Hare Krishna Debnath	Diploma in Rural Training & Dev.	1998	10 Month	Canada
75.	Nil Ratan Halder	Do	Do	Do	Do
76.	Md. Siraj Uddin Mondal	Masters in International & Interculture Mgt.	1999	4 Month	U.S.A
77.	Kastari Taslim Jahan	Potato Production	1999	20 Days	Philippines
78.	Maksuda Khatun	Do	Do	Do	Do
79.	Mr. Rafiqul Islam	Visit To Heifai Fengle Seed Co. Ltd	1999	1 Month	China
80.	Dr. M.A.Razzak Shan	Potato Production	1999	20 Days	Philippines
81.	Elina Bakker Siddique	Bankers Institute of Rural Dev Kanpur	1999	8 Days	India
82.	Mokarram Hossain	Participatory nat. Resource Dev in Asia	1999	6 Days	India
83.	Gunendo K. Roy	Micro credit Summit	1999	3 Days	Cote D'Ivori
84.	Harun ur Rashid	Poultry Exhibition VIV Asia	1999	5 Days	India
85.	Faridur Rahman	Deep Immersion Exercise in Training the Trainers in Regorus Social Mobilization	1999	16 Days	Srilanka
86.	Bazlur Rahman	Development Management	1999	11 Days	India
87.	Reaz Uddin	Micro credit Summit	1999	3 Days	Cote D'Ivori
88.	Md. A. Saleque	Visit Poultry Exhibition VIV Asia	1999	9 Days	Thailand
89.	Md. A. Saleque	Visit LNB International	1999	8 Days	Netherlands
90.	Abul Kalam Samsuddin	International work shop on community Mobilization for group formation and Activation	1999	10 Days	India
91.	Aminul Alom	APSA Conference	1999	7 Days	Thailand
92.	Aminul Alom	Sidama Dev Corporation	1999	12 Days	Ethiopia
93.	Elina Zubaidy	Deep Immertion Exercise in Training the trainers Social Mobilization	1999	15 Days	Srilanka
94.	Lubana Yasmin	Training on Indo - American Hybrid Seeds in India	2000	15 days	India

95.	Mahfuza Khatun	Training on Indo – American Hybrid Seeds in India	2000	15 days	India
96.	Sitesh Chandra Biswas	Visit different places and organisations in Calcutta and Orissa city to see and get information about different species i.e. Amrapallis	2000	-	India
97.	Md. Aminul Alam	Conference at Singapore the seed exhibition at Wuhan China and to the new seed organization at Chandu	2000	11 days	China
98.	Md. Atiqun Nabi	International Network of Alternative (INAFI) Executive Meeting at Mauritskade	2000	4 days	Netherlands
99.	Md. Abubakar	Workshop on Going to scale: can we bring more benefits to more people more quickly? in the Philippines	2000	5 days	Philippines
100.	Muhammed Faridur Rahman	SAPNA	2000	13 days	Nepal
101.	Harun Ur Rashid	Visit VIV Exhibition in Beijing, China	2000	6 days	China
102.	Md. Mokarrom Hossain	Association of aquaculturists	2000	10 days	Orissa India
103.	Shankar Kumar Biswas	Association of aquaculturists	2000	10 days	Orissa India
104.	Mizanur Rahman	Workshop on Control of Arsenic Contamination in Groundwater	2000	4 days	India
105.	Rehana Amin Murshed	7 th Global Conference of Women Entrepreneurs at New Delhi	2000	3 days	India
106.	Rubaba Rahman	7 th Global Conference of Women Entrepreneurs at New Delhi	2000	3days	India
107.	A.M. Muazzam Husain	Visit the International Rice Research Institute (IRRI) Phileppines	2000	14 days	Philippines
108.	Md. A. Saleque	Visit Arbor Acres (Malaysia) 1991 SDN.BHD.,Malaysia	2000	7 days	Malaysia
109.	Harun-ur-Rashid	Visit Arbor Acres (Malaysia) 1991 SDN.BHD.,Malaysia	2000	7 days	Malaysia
110.	Md. Abdus Salam	Training on hybrid technology & seed production KU-CIMMYT	2000	4 days	Bangkok
111.	Md. Rajab Ali	Training on hybrid technology & seed production KU-CIMMYT	2000	4 days	Bangkok
112.	Md. Mozammel Haque Khan	Training on hybrid technology & seed production KU-CIMMYT	2000	4 days	Bangkok
113.	Kamakshi prosad Hazra	Training on hybrid technology	2000	4 days	Bangkok

		& seed production KU-CIMMYT			
114.	Md. Abu Bakar	Rice Seed Health Training Course (RSHTC)	2000	2 month	Philippines
115.	Md. Azharul Islam	Advance Maize Improvement Course	2000	1 month	Mexico
116.	Md. Abdul Khaleque	Regional Training Program on Food and Nutrition Planning of Peradeniya University	2000	3 month	Srilanka
117.	Md. Shahidul Islam	Livestock Management and Extension at Nordic Agri Accademy, Odense	2000	4 month	Denmark
118.	Md. Isa Zakaria	Livestock Management and Extension at Nordic Agri Accademy, Odense	2000	4 month	Denmark

BRAC-RED

ON-GOING : RESEARCH STUDIES

RDP RELATED

	Title	Researcher
1.	Early experiences of hybrid rice adoption in Bangladesh : a socio-economic assessment (A joint IRRI-BRAC research project)	AMM Husain A. Janaiah
2.	Reaching the poorest : identification of the poor, their problems and areas of intervention	Shantana R Halder
3.	Factors behind success : Case studies of nine succesful IGVGD participants	Nusrat S Chowdhury
4.	'Food insecurity in the context of Bangladesh,' (A collaborative study with Cornell University).	Nusrat S Chowdhury
5.	Contribution of BRAC to the Gross National Product (GNP) of Bangladesh	Debdulal Mallick
6.	An assessment of biweekly collection system of RDP	Dilruba Banu
7.	Sustainability assessment of BRAC's village organization	Mohammad Rafi Shahnuj Akter
8.	Impact of HRLS training on the livelihood of BRAC's Shebikas and VO members.	Shahnuj Akter Natacha Stevanovic
9.	The impact of RDP activities on household well-being : a case study on five VO Presidents in Pirojpur	Md. Abdul Alim

Narrative Summary	Agreed Indicators	Achievement to end -June 2000	Achievement on yearly budget in %
Programme - level finance	Cumulative budget to end -Dec. 2000 5,762,240,739 Budget for January -Dec. 2000 859,355,786	Cum. Expenditure January - June 2000 5,339,166,631 Expenditure for January - June 2000 436,281,675	On target 51%
Output - 1 Finance of the Village Organisations Sub - Programme	Cumulative budget to end -Dec. 2000 723,080,034 Budget for January -Dec. 2000 58,322,156	Cum. Expenditure January - June 2000 703,170,436 Expenditure for January - June 2000 38,412,558	 66%
Output - 2 Finance of the Credit Sub - Programme	Cumulative budget to end -Dec. 2000 2,399,339,434 Budget for January -Dec. 2000 388,597,990	Cum. Expenditure January - June 2000 2,175,417,687 Expenditure for January - June 2000 164,676,243	 42%
Output - 3 Finance of the Employment and Income generation	Cumulative budget to end -Dec. 2000 1,229,692,204 Budget for January -Dec. 2000 204,669,152	Cum. Expenditure January - June 2000 1,133,172,925 Expenditure for January - June 2000 108,149,869	 53%
Output - 4 Finance of the Human Rights and Law Sub - Programme	Cumulative budget to end -Dec. 2000 230,014,725 Budget for January -Dec. 2000 44,738,523	Cum. Expenditure January - June 2000 209,537,103 Expenditure for January - June 2000 24,260,901	 54%
Output - 5 Finance of the Health Sub - Programme	Cumulative budget to end -Dec. 2000 327,232,774 Budget for January -Dec. 2000 52,578,470	Cum. Expenditure January - June 2000 311,892,141 Expenditure for January - June 2000 37,237,837	 71%
Output - 6 Finance of the VGD Sub - Programme	Cumulative budget to end -Dec. 2000 218,589,575 Budget for January -Dec. 2000 19,017,300	Cum. Expenditure January - June 2000 210,030,640 Expenditure for January - June 2000 10,458,365	 55%
Output - 7 Finance of the BRAC's management capacity Sub - Programme	Cumulative budget to end -Dec. 2000 158,241,768 Budget for January -Dec. 2000 31,648,127	Cum. Expenditure to end -Dec. 99 143,542,426 Expenditure for January - June 2000 16,948,785	 54%
Output - 8 Finance of the Partner NGO's Sub - Programme	Cumulative budget to end -Dec. 2000 39,999,931 Budget for January -Dec. 2000 12,578,700	Cum. Expenditure to end -Dec. 99 35,172,008 Expenditure for January - June 2000 7,750,777	 62%

Details Financial Report of
Rural Development Programme Phase IV
As of June 2000

Budget		Actual Expenditure		Achievement
January 1996 to Dec. 2000	As per Work Plan January 2000 to Dec. 2000	Reporting period January 2000 to June 2000	Total to date January 1996 to June 2000	on yearly budget In %
1	2	3	4	5

Output 1-level Financing :

I. ORGANISATION DEVELOPMENT & CREDIT PROGRAM

1.1 Organisation Development

1.1.1 VO Workshop	27,221,469	7,498,736	6,494,812	26,217,545	87%
1.1.2 Educational Materials	672,972	0	0	672,972	0%
1.1.3 H O Logistic & Management Support	2,789,435	749,864	649,481	2,689,051	87%
Total of 1.1	30,683,876	8,248,600	7,144,293	29,579,568	87%

1.2 Branch Operating Cost

1.2.1 Salaries & Benefits of Manager	49,568,813	3,646,519	1,815,637	47,737,931	50%
1.2.2 Salaries & Benefits of PO (Pr)	38,809,868	4,375,823	2,792,246	37,226,291	64%
1.2.3 Salaries & Benefits of PO (Cr)	57,343,075	4,375,823	2,171,690	55,138,942	50%
1.2.4 Salaries & Benefits of PO (A/c)	30,654,565	2,431,013	1,531,925	29,755,477	63%
1.2.5 Salaries & Benefits of PA	217,489,408	14,586,075	10,721,438	213,624,771	74%
1.2.6 Salaries & Benefits of Cook	12,948,306	972,405	450,643	12,426,544	46%
1.2.6 Travelling and transportation	67,739,380	5,907,360	3,740,624	65,572,644	63%
1.2.7 Rent	18,456,860	1,620,000	839,041	17,675,901	52%
1.2.8 Utilities	11,188,013	729,304	501,287	10,959,996	69%
1.2.9 Office Stationery	31,240,153	972,405	278,508	30,546,256	29%
1.2.10 Maintenance	10,508,189	486,203	239,973	10,261,959	49%
1.2.11 General Expenses	13,256,387	729,304	532,719	13,059,802	73%
1.2.12 H O logistics and Management Support	54,581,128	3,921,223	2,561,569	53,221,474	65%
Total of 1.2	613,784,145	44,753,457	28,177,300	597,207,988	63%

1.3 Regional Office Operating Cost

1.3.1 Salaries of RM	11,286,201	833,490	493,753	10,946,454	59%
1.3.2 Salaries of PO (A/C)	6,689,900	666,792	378,629	6,401,737	57%
1.3.3 Salaries of Monitor	15,610,330	1,000,188	597,334	15,207,476	60%
1.3.4 Salaries of Computer Operator	416,745	416,745	209,282	209,282	50%
1.3.5 Salaries of Office Asstt	3,445,096	166,698	101,925	3,380,323	61%
1.3.6 Salaries of Cook	2,702,017	111,132	60,977	2,651,862	55%
1.3.7 Travelling and transportation	12,292,969	925,174	527,679	11,895,474	57%
1.3.8 Rent	6,974,848	360,000	177,664	6,792,512	49%
1.3.9 Utilities	5,637,374	166,698	96,862	5,567,538	58%
1.3.10 Office Stationery	1,014,325	55,566	38,353	997,112	69%
1.3.11 Maintenance	2,482,290	83,349	74,768	2,473,709	90%
1.3.12 General Expenses	3,411,836	83,349	36,379	3,364,866	44%
1.3.13 H O logistics and Management Support	6,648,083	450,918	297,360	6,494,525	66%
Total of 1.3	78,612,014	5,320,099	3,090,965	76,382,880	58%
Total of Output 1	723,080,034	58,322,156	38,412,558	703,170,436	66%

Output -2 level Financing :

1.5 Loan Fund Requirement

1.5.1 Loan to VO members					
1.5.1.1 Closing Loan outstanding	595,311,000	595,311,000	411,412,946	411,412,946	69%
1.5.1.2 Loan transferred to RCP	1,737,737,090	359,524,592	359,524,592	1,737,737,090	0%
1.5.1.3 Opening Loan outstanding	220,472,006	711,237,602	711,237,602	220,472,006	0%
1.5.1.3 Opening from Bank loan	50,000,000	50,000,000	50,000,000	50,000,000	
Total of 1.5.1	2,162,576,084	293,597,990	109,699,936	1,978,678,030	37%

	Budget		Actual Expenditure		Achievement on yearly budget In %
	January 1996 to Dec. 2000	As per Work Plan January 2000 to Dec. 2000	Reporting period January 2000 to June 2000	Total to date January 1996 to June 2000	
	1	2	3	4	5
1.5.2 Enterprise Loan					
1.5.2.1 Closing Loan outstanding	236,763,350	95,000,000	54,976,307	196,739,657	58%
1.5.2.2 Opening Loan outstanding	0	0	0	0	
Total of 1.5.2	236,763,350	95,000,000	54,976,307	196,739,657	58%
Total Output 2	2,399,339,434	388,597,990	164,676,243	2,175,417,687	42%
Output -3 level Financing :					
II.EMPLOYMENT AND INCOME GENERATION					
2.1 Poultry and Livestock					
2.1.1.Salary of PO Hatchery	7,749,826	515,000	399,575	7,634,401	78%
2.1.2.Salary of PO	12,370,736	2,335,000	1,234,646	11,270,382	53%
2.1.3.Travelling & transportation	9,714,242	855,000	633,492	9,492,734	74%
2.1.5.Program Assistant salary	82,459,342	14,580,000	5,063,161	72,942,503	35%
2.1.7.Travelling & transportation	11,121,602	1,458,000	424,699	10,088,301	29%
2.1.8.Poultry Worker training	11,501,506	1,250,000	896,229	11,147,735	72%
2.1.9.Key rearer training	8,955,589	0	0	8,955,589	0%
2.1.10 Chick rearer training	3,855,680	75,000	66,446	3,847,126	89%
2.1.11 Poultry feed producer training	837,418	0	0	837,418	0%
2.1.12 Pravet training	4,038,563	0	0	4,038,563	0%
2.1.13 Cow rearer training	2,212,824	0	0	2,212,824	0%
2.1.14 Goat rearer training	1,467,646	0	0	1,467,646	0%
2.1.15 Calf rearer training	169,529	0	0	169,529	0%
2.1.16 AI worker training	2,783,789	2,000,000	1,037,995	1,821,784	52%
2.1.17 Cattle Feed Producer training	128,278	0	0	128,278	0%
2.1.18 Pullet rearer training	436,694	0	0	436,694	0%
2.1.19 Model rearer training	762,177	0	0	762,177	0%
2.1.20 Hatchery training	1,158,059	0	0	1,158,059	0%
2.1.21.Poultry Worker refresher	1,632,706	0	0	1,632,706	0%
2.1.22 Chick rearer refresher	453,418	0	0	453,418	0%
2.1.23 Pravet refresher	384,613	0	0	384,613	0%
2.1.24 Cow rearer refresher	575,748	0	0	575,748	0%
2.1.25 Goat rearer refresher	514,068	0	0	514,068	0%
2.1.26 Calf rearer refresher	40,235	0	0	40,235	0%
2.1.27 AI worker refresher	70,589	0	0	70,589	0%
2.1.28 Cattle Feed Producer refresher	1,132,555	1,125,000	709,487	717,042	63%
2.1.29.Experimental project materials	5,373,977	1,000,000	708,924	5,082,901	71%
2.1.30 Motor Cycle	1,117,508	0	0	1,117,508	0%
2.1.31 Feed Mill	21,398,419	0	0	21,398,419	0%
2.1.32 Poultry Farm	81,116,398	0	0	81,116,398	0%
2.1.33.H O Logistics and Management Support	27,629,465	2,780,750	1,064,332	25,913,047	38%
Total of 2.1	303,163,199	27,973,750	12,238,986	287,428,435	44%
2.2 Fisheries					
2.2.1.Salary of PO	11,310,030	2,280,000	1,177,468	10,207,498	52%
2.2.2.Travelling and transportation	5,650,520	684,000	367,087	5,333,607	54%
2.2.4.Program Assistant Salary	68,682,032	17,280,000	8,403,014	59,805,046	49%
2.2.6.Travelling and transportation	6,281,089	864,000	606,671	6,023,760	70%
2.2.7.Carp Polyculture training	8,743,485	600,000	158,210	8,901,695	26%
2.2.8.Sarputi culture training	1,469,211	0	0	1,469,211	0%
2.2.9.Carp Nursery training	8,015,168	2,500,000	57,495	5,572,663	2%
2.2.10.Small hatchery training	810,082	0	0	810,082	0%
2.2.11.Baor management training	182,272	9,000	6,737	(419,991)	75%
2.2.12.Materials Development & supp	1,220,683	500,000	361,516	1,082,199	72%
2.2.13 Experimental and development	3,946,109	500,000	350,034	3,796,143	70%
2.2.14 Motor cycle	2,682,129	0	0	2,682,129	0%

	Budget		Actual Expenditure		Achievement on yearly budget In %
	January 1996 to Dec. 2000	As per Work Plan January 2000 to Dec. 2000	Reporting period January 2000 to June 2000	Total to date January 1996 to June 2000	
	1	2	3	4	
2.2.15 Revolving fund	10,689,090	5,000,000	4,626,221	10,315,311	93%
2.2.16 Prawn Hatchery Development	25,266,029	10,000,000	8,141,666	23,407,695	81%
2.2.17 H O Logistics and Management Support	15,669,638	4,232,300	2,458,121	13,895,459	58%
Total of 2.2	170,617,568	44,449,302	26,714,243	152,882,511	60%
2.3. Social Forestry					
2.3.1.Salary of RPO	10,721,701	3,990,000	2,729,740	9,461,441	68%
2.3.2.Travelling and transportation	3,561,794	1,197,000	199,212	2,564,006	17%
2.3.4.Program Assistant Salary	33,638,416	0	0	33,638,416	0%
2.3.5.Travelling and transportation	1,592,840	0	0	1,592,840	0%
2.3.7.Training of Nursery worker	2,052,262	240,000	209,083	2,021,345	87%
2.3.8.Training of Agroforestry Farmer	951,856	210,000	138,813	880,669	66%
2.3.9.Grafting nursery	420,448	15,000	10,403	415,851	69%
2.3.10 Salary of Plantation Worker	3,508,116	528,000	0	2,980,116	0%
2.3.11 Mother tree preservation centre	7,121,161	0	0	7,121,161	0%
2.3.12 Revolving fund	6,462,807	750,000	310,690	6,023,497	41%
2.3.13 Motor cycle	1,343,206	0	0	1,343,206	0%
2.3.14 H O Logistics and Management Support	7,224,687	750,590	408,294	6,882,391	54%
Total of 2.3	78,599,294	7,680,590	4,006,235	74,924,939	52%
2.4. Sericulture and Silk Development					
2.4.1 Salary of RPO	10,692,539	2,280,000	372,724	8,785,263	16%
2.4.2 Salary of Rearing Manager	1,721,719	600,000	283,145	1,404,864	47%
2.4.3 Salary of PO	4,810,454	864,000	364,259	4,310,713	42%
2.4.4 Salary of Grainage Asstt.	1,314,827	684,000	302,670	933,497	44%
2.4.5.Travelling and transportation	6,642,437	1,191,600	303,045	5,753,882	25%
2.4.7.Program Assistant Salary	45,685,262	9,768,000	5,452,633	41,369,895	56%
2.4.8.Travelling and transportation	5,848,147	976,800	333,753	5,205,100	34%
2.4.10.Training of Prograsive Silk Farmer	6,171,464	0	0	6,171,464	0%
2.4.11.Training of Chawki rearer	7,131,835	240,000	236,008	7,127,843	98%
2.4.12.Training of Silk worm rearer	9,358,496	1,100,000	780,079	9,038,575	71%
2.4.13.Training of Reeling worker	2,507,857	500,000	458,236	2,466,093	92%
2.4.14.Training to abroad	1,046,381	250,000	0	796,381	0%
2.4.15 Consultancy	4,648,643	3,000,000	580,018	2,228,661	19%
2.4.16 Research and development	5,826,524	0	0	5,826,524	0%
2.4.17 Sericulture Resource Centre	18,427,884	0	0	18,427,884	0%
2.4.18 Chowki Rearing Centre	3,908,291	0	0	3,908,291	0%
2.4.19 Grainage Centre	92,191,938	16,900,000	10,101,907	85,393,845	60%
2.4.20 Reeling Unit	20,285,202	6,545,300	1,637,022	15,376,924	25%
2.4.21 Support to cocoon Product	20,403,705	13,400,000	4,456,957	11,460,662	33%
2.4.22.Cocoon Dryer	516,113	450,000	25,031	91,144	6%
2.4.21 Tree maintenance	27,947,199	0	0	27,947,199	0%
2.4.22 HO Logistic & Management Support	20,633,838	6,016,930	863,279	15,480,187	14%
Total of 2.4	317,720,755	64,766,630	26,550,766	279,504,891	41%
2.5. Rural Enterprise and Craft Development:					
2.5.1.Salaries and benefits	10,220,162	2,508,000	865,943	8,578,105	35%
2.5.2.Travelling & Transportation	3,695,101	752,400	574,454	3,517,155	76%
2.5.4 Program Assistant Salary	8,173,565	1,080,000	805,481	7,899,046	75%
2.5.5.Travelling & Transportation	1,005,443	54,000	45,965	997,408	85%
2.5.7 Consultant	4,123,761	1,000,000	836,963	3,960,724	84%
2.5.8 Training to VO members	3,636,204	1,638,000	373,334	2,371,538	23%
2.5.9.Rural craft and other training	2,276,267	0	0	2,276,267	0%
2.5.10 Training Supplies	1,121,730	0	0	1,121,730	0%

	Budget		Actual Expenditure		Achievement on yearly budget In %
	January 1996 to Dec. 2000	As per Work Plan January 2000 to Dec. 2000	Reporting period January 2000 to June 2000	Total to date January 1996 to June 2000	
	1	2	3	4	
2.5.11 Experimental Project Cost	48,508,943	6,900,000	5,330,473	46,939,416	77%
2.5.12 Work Place for Rural Craft Centre	40,549,927	0	0	40,549,927	0%
2.5.13 Motor cycle	940,596	0	0	940,596	0%
2.5.14 H O Logistics and management Support	12,584,014	1,441,600	1,051,181	12,193,595	73%
Total of 2.5	136,835,714	15,374,002	9,883,797	131,345,511	64%
2.6. Horticulture & Vegetable Program:					
2.6.1.Salaries and benefits	15,614,207	3,192,000	1,958,125	14,380,332	61%
2.6.2.Travelling & Transportation	6,583,221	957,600	602,761	6,228,382	63%
2.6.4.Salaries and benefits of PA	70,826,995	21,600,000	14,826,672	64,053,667	69%
2.6.5.Travelling & Transportation	6,875,855	1,080,000	1,078,779	6,874,634	0%
2.6.7.Farmers Training	10,740,157	360,000	346,306	10,726,463	96%
2.6.8.Training for crop diversification	1,096,460	300,000	174,117	970,577	58%
2.6.9.Training for Fodder Crop	271,920	0	0	271,920	0%
2.6.10.Training for Seed Producer	2,624,962	1,920,000	417,078	1,122,040	22%
2.6.11 Research and Development	11,592,487	0	0	11,592,487	0%
2.6.12 Motor cycle	2,628,309	0	0	2,628,309	0%
2.6.13 Seed Production Centre	35,034,588	0	0	35,034,588	0%
2.6.14 HO Logistic & Management Support	16,985,731	3,140,520	2,344,634	16,189,845	75%
Total 2.6	180,874,892	32,550,120	21,748,472	170,073,244	67%
2.7 Market development Unit					
2.7.1.Salary of Marketing Manager	1,131,424	539,000	153,180	745,604	28%
2.7.2.Salary of Designer	847,500	829,000	39,615	58,115	5%
2.7.3.Salary of Sr. Marketing Officer	5,129,590	1,300,000	763,451	4,593,041	59%
2.7.4.Salary of Marketing Officer	1,868,543	300,000	209,810	1,778,353	70%
2.7.5.Salary of Market Researcher	802,182	300,000	162,284	664,466	54%
2.7.7 Training and development	206,740	99,046	59,832	167,526	60%
2.7.8.international Consultant	1,076,087	1,000,000	18,182	94,269	2%
2.7.9.Local Consultant	1,309,118	500,000	46,500	855,618	9%
2.7.10.Foreign travel cost	1,558,262	1,000,000	102,035	660,297	10%
2.7.11 Training expenses	167,948	67,958	46,314	146,304	68%
2.7.12 Working capital	24,999,999	5,277,200	4,617,530	24,340,329	87%
2.7.13.HO logistics and management support	3,998,313	1,162,554	835,023	3,670,782	72%
2.7.14 Trading Income	(1,214,924)	(500,000)	(46,386)	(761,310)	9%
Total of 2.7	41,880,782	11,874,758	7,007,370	37,013,394	59%
Total Output 3	1,229,692,204	204,669,152	108,149,869	1,133,172,925	53%
Output -4 level Financing :					
3.1. Human Rights and Legal Education					
3.1.1.Salary of ZPO	6,240,599	432,000	159,539	5,968,138	37%
3.1.2.Salary of RPO	14,285,444	3,240,000	1,869,091	12,914,535	58%
3.1.3.Travelling & Transportation	8,127,624	1,251,600	731,927	7,607,951	58%
3.1.5 Program Assistant Salary	110,725,080	24,300,000	14,090,983	100,516,063	58%
3.1.6.Travelling & Transportation	7,975,038	1,215,000	861,058	7,621,096	71%
3.1.8 Specialised Training of PA	2,281,463	0	0	2,281,463	0%
3.1.9.Paralegal Teachers Training	15,502,231	401,750	272,192	15,372,673	68%
3.1.10.Refreshers of Paralegal Teachers	6,967,750	750,000	320,852	6,538,602	43%
3.1.11 Education Materials	4,799,898	0	0	4,799,898	0%
3.1.12 Legal awarness workshop for Com. leader	15,045,244	500,000	312,006	14,857,250	62%
3.1.13 Honorarium to Teacher	12,127,908	3,479,980	1,791,121	10,439,049	51%
3.1.14 Motor Cycle	2,747,552	0	0	2,747,552	0%
3.1.15 New Inovative Training Methodology	11,543,273	4,792,000	2,111,359	8,862,632	44%
3.1.16 HO Logistics & management support	22,505,361	4,376,193	2,626,661	20,755,829	60%
3.1.17 Paralegal entry fee	(10,859,740)	0	(885,888)	(11,745,628)	0%
Total Output 4	230,014,725	44,738,523	24,260,901	209,537,103	54%

	Budget		Actual Expenditure		Achievement on yearly budget In %
	January 1996 to Dec. 2000	As per Work Plan January 2000 to Dec. 2000	Reporting period January 2000 to June 2000	Total to date January 1996 to June 2000	
	1	2	3	4	5

Output -5 level Financing :

3.2. Essential Health Care:

3.2.1. Salary of RPO	15,924,753	5,616,000	3,532,295	13,841,048	63%
3.2.2. Salary of PO	35,414,585	1,170,000	675,196	34,919,781	58%
3.2.3. Travelling & Transportation	15,797,525	2,035,800	1,884,823	15,646,548	93%
3.2.5 Program Assistant Salary	160,845,158	35,100,000	25,546,227	151,291,385	73%
3.2.6. Travelling & Transportation	10,097,869	1,755,000	936,047	9,278,916	53%
3.2.8. Health awareness training to SS	15,446,993	453,600	218,858	15,212,251	48%
3.2.9. Refresher of SS	7,189,874	1,296,000	724,659	6,618,533	56%
3.2.10 Health Education Materials	9,182,855	0	0	9,182,855	0%
3.2.11 Revolving fund for Drug	20,256,061	0	0	20,256,061	0%
3.2.12 Motor Cycle	6,581,882	0	0	6,581,882	0%
3.2.13 HO Logistics & management support	30,495,219	5,152,070	3,719,732	29,062,881	72%
Total Output 5	327,232,774	52,578,470	37,237,837	311,892,141	71%

Output -6 level financing :

4.1. Vulnerable Group Development Program

4.1.1. Salary of Sr. AM	3,287,124	0	0	3,287,124	0%
4.1.2. Salary of Thana PO	35,578,971	0	0	35,578,971	0%
4.1.3. Salary of trainer	108,628,843	12,150,000	6,317,167	102,796,010	52%
4.1.4. Salary of Cook	2,238,208	0	0	2,238,208	0%
4.1.5. Travelling and Transportation	15,365,962	1,215,000	808,043	14,959,005	67%
4.1.7. Training supplies to VGD card holders	19,866,140	3,813,000	2,203,070	18,256,210	58%
4.1.8. Stationeries & supplies	2,221,262	0	0	2,221,262	0%
4.1.9. Rent & Utilities	6,216,520	0	0	6,216,520	0%
4.1.10. General Exp. & Maintenance	2,640,571	0	0	2,640,571	0%
4.1.11. Capital Expenditure		0			
4.1.11.1 Furniture & fixtures	367,121	0	0	367,121	0%
4.1.11.2 Motorcycle	2,179,860	0	0	2,179,860	0%
4.1.12 H.O. Logistics & Management support	19,998,993	1,839,300	1,130,085	19,289,778	61%
Total Output 6	218,589,575	19,017,300	10,458,365	210,030,640	55%

Output -7 level financing :

1. Research and Evaluation	40,000,000	6,729,749	3,955,845	37,226,096	59%
2. Staff Training and Development					
2.1. Branch and Regional Office	45,803,046	6,019,041	5,122,648	44,906,653	85%
2.2. Branch and Regional office	4,560,305	581,905	512,265	4,490,665	88%
2.3. Poultry and livestock	4,060,706	1,156,500	573,775	3,477,981	50%
2.4. Poultry and livestock	5,891,248	1,458,000	694,986	5,128,234	48%
2.5. Fisheries	3,303,372	1,206,000	331,304	2,428,676	27%
2.6. Fisheries	3,332,896	900,000	341,944	2,774,840	38%
2.7 Social forestry	1,791,647	575,900	240,959	1,456,706	42%
2.8 Social forestry	1,448,916	0	0	1,448,916	0%
2.9 Sericulture and silk development	3,293,633	442,800	164,550	3,015,383	37%
2.10 Sericulture and silk development	2,625,502	976,800	126,517	1,775,219	13%
2.11 .Rural enterprise and craft development	1,196,435	225,600	203,193	1,174,028	90%
2.12 .Rural enterprise and craft development	392,011	258,000	29,641	163,652	11%
2.13 Horticulture and vegetable	3,548,942	1,275,600	443,269	2,716,611	35%
2.14 Horticulture and vegetable	2,427,764	720,000	363,845	2,071,609	51%
2.15 Market development	1,015,853	413,332	211,503	814,024	51%
2.16 Human rights and legal education	7,479,070	2,001,000	1,379,378	6,857,448	69%
2.17 Human rights and legal education	5,956,713	1,398,600	647,838	5,205,951	46%
2.18 Essential health care	6,033,344	2,000,000	661,694	4,695,038	33%
2.19 Essential health care	5,759,664	2,094,300	177,697	3,843,061	8%
2.20 VGDP	8,320,701	1,215,000	765,934	7,871,635	63%
Total Output 7	158,241,768	31,648,127	16,948,785	143,542,426	54%

	Budget		Actual Expenditure		Achievement on yearly budget In %
	January 1996 to Dec. 2000	As per Work Plan January 2000 to Dec. 2000	Reporting period January 2000 to June 2000	Total to date January 1996 to June 2000	
	1	2	3	4	5

Output -8 level financing :

4.2. Assistance to Small NGO

4.2.1 Assistance to Small NGOs

39,999,931	12,578,700	7,750,777	35,172,008	62%	
Total Output 8	39,999,931	12,578,700	7,750,777	35,172,008	62%

9 Environment Development Program

3.3. Environment Development Program :

3.3.1 Rural Sanitation Centre

28,419,774	9,000,000	3,030,761	22,450,535	34%
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3.3.2 Environment Awareness Training

468,934	0	0	468,934	0%
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3.3.3 Experimental cost of solar energy

3,808,882	496,000	55,505	3,368,387	11%
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Total 9

32,697,590	9,496,000	3,086,266	26,287,856	33%
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10 Capital investment

VI Capital Investment

6.1. Branch Office

6.1.1. Land and Building

265,375,947	0	0	265,375,947	0%
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6.1.3. Motor Cycle

26,617,039	0	0	26,617,039	0%
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6.1.4. Furniture and equipments

20,667,452	0	0	20,667,452	0%
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6.1.5 Computer

0	0	0	0	0%
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Total of 6.1

312,660,438	0	0	312,660,438	0%
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6.2. Regional Office

6.2.1. Vehicle

14,129,000	0	0	14,129,000	0%
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6.2.2. Furniture and Fixture

2,398,479	0	0	2,398,479	0%
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6.2.3 Computer

0	0	0	0	0%
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Total of 6.2

16,527,479	0	0	16,527,479	0%
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6.3 Head Office

6.3.1. Vehicle

23,258,746	0	0	23,258,746	0%
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6.3.2. Computer and Equipment

50,906,041	37,709,369	25,300,074	38,496,746	67%
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Total of 6.3

74,164,787	37,709,369	25,300,074	61,755,492	67%
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Total of 10

403,352,704	37,709,369	25,300,074	390,943,409	67%
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Total Project Cost

5,762,240,739	859,355,786	436,281,675	5,339,166,631	51%
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