

**EFFECTIVENESS OF OLD AGE ALLOWANCE PROGRAM:
A STUDY ON THE BENEFICIARIES OF SAVAR UPAZILA**

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A thesis submitted to the Department of Governance and Development in partial fulfillment of the requirements for the degree of Master of Art in Governance and Development (MAGD)

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LIST OF ACRONYMS

MOSW	Ministry of Social Welfare
DSSO	District Social Service Officers
USSO	Upazila Social Service Officers
SSN	Social Safety Net
NBR	National Board of Revenue
OAA	Old Age Allowance
ADB	Asian Development Bank
GDP	Gross Domestic Product
ICT	Information and Communication Technology
DSS	Department of Social Services
CAO	Chief Accounts Officer
VGD	Vulnerable Group Development
PSP	payment service providers

ABSTRACT

Bangladesh is going through a demographic transition hence new challenges are coming on the way. The government of Bangladesh should try and make efforts to achieve the targets of Sustainable Development Goals (SDGs) regarding ageing. The Old Age Allowance program under the Social Safety Net initiative is working to provide old age support for the poor elderly population of our country. In this paper a survey analysis has been carried out in Savar Upazila to analyze the effectiveness of OAA in the lives of the beneficiaries. For this a survey analysis and FGD discussion has been carried out in the 12 Unions of Savar upazila with 120 respondents to analyze their perceived opinion about the overall effectiveness of the allowance.

From the analysis it has been found out that though the benefit size is too small for the beneficiaries it is still having a significant impact on their lives. 52% of the total respondents has reported that they are satisfied with OAA as it has helped them to achieve better status at their family and the regular flow of money is helping them with the basic needs of their live. However, a relatively small but significant portion has reported that the allowance is not up to the satisfactory level as the benefit amount is too small to make their life standard better. If the medical services of the beneficiaries are made free then the satisfaction level may rise as a huge portion of the benefit is spent on medication.

Overall the effectiveness of the OAA can be ensured only if the benefit amount and coverage of the program is increased. Along with that transparency and proper administration in beneficiary selection needs to ensure. All the respondents has complained about the hassles regarding the benefit receiving process. For this mobile banking and incorporation of digitalization may help to make this process efficient. The matter of hope is that the government has already launched the pilot project DG Infotech to digitalize the whole selection and listing of the beneficiary process.

Key Words: Sustainable Development Goals, Social Safety Net, Perceived Satisfaction, DG Infotech.

CHAPTER 1

INTRODUCTION

1.1 Background of the Study

Aging population is a global phenomenon as the demographic structure is changing rapidly all over the world. Declining fertility rate, increasing longevity is causing the shift in the population structure across the countries. The old age population already constitute a large proportion of the population in Asia. Now their number is expected to triple from 410 million in 2007 to around 1.3 billion by the middle of this century (Asian Development Bank, 2012). So, there will be comparatively larger number of old people in the region than the number of working age people to support them. Bangladesh is no different in this paradigm shift in the demographics as it faces steady rise in the life expectancy. In Bangladesh, life expectancy at birth was 65 years in 2006, which has currently strode at 72.6 years and expected to rise in the near future.¹ Currently, over 13 million people living in Bangladesh are aged over 60. In the next 30 years, one in every five Bangladeshi citizen will be a senior citizen (Gupta, 2020).

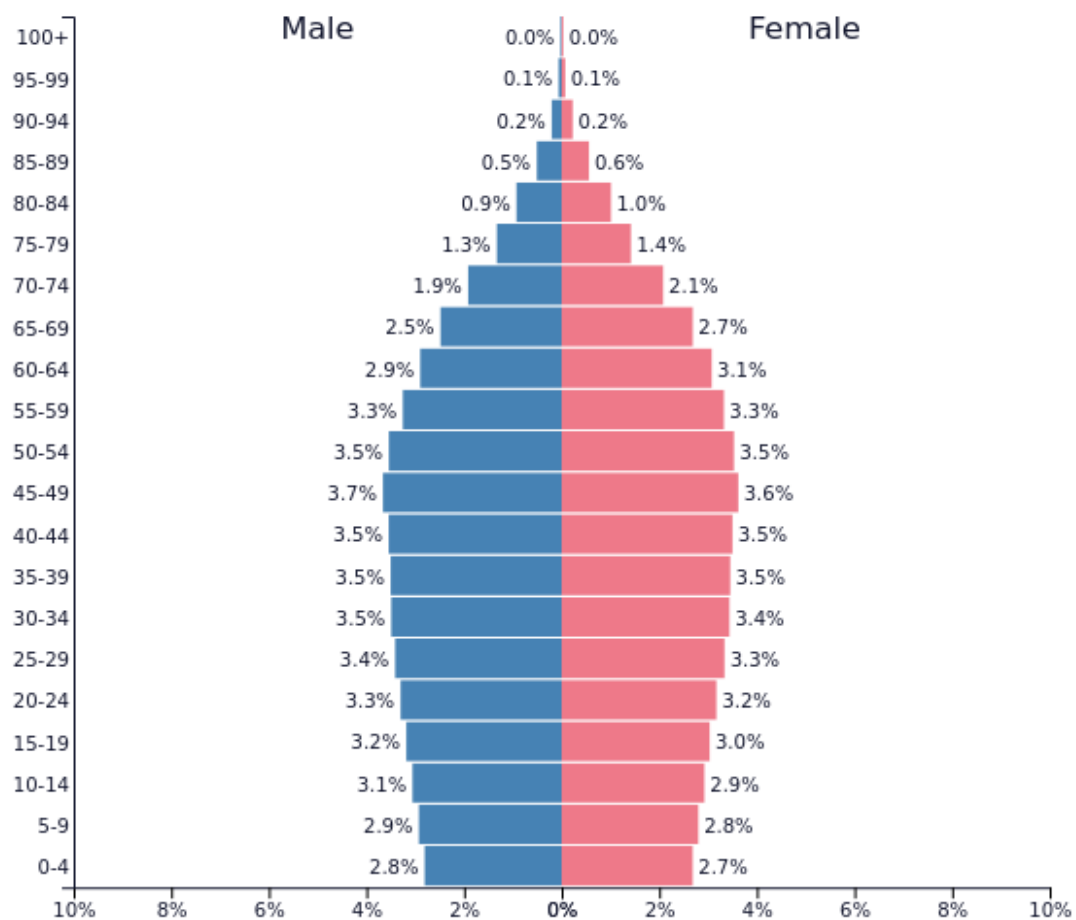


Figure 1: Projected Age-Sex structure for 2050 (Source: UNFPA Database)

¹ Data Source: The Business Standard: The old age story (September 30, 2020)

Since 1980s Bangladesh was having a broad base triangular-shaped population having a bulge portion of youth (15-24) in its population. During this period until 2050 the base of the population pyramid is supposed to narrow down because there will be a rise in the working age population and a relative spike in the older age population. Figure 1 represents the age sex structure for the population of 2050 which helps to visualize that the typical age structure will be changed to a barrel shaped age-sex structure.²

Period	% of total population	Absolute Number
1961	5.2	2647268
1974	5.7	4074246
1981	5.6	4878720
1991	5.4	5741010
2001	6.1	7590340
2000	5.0	6819000
2010	5.8	8875000
2020	7.8	12967000
2030	11.1	19851000
2050	20.0	40231000

Table 1: Share of older people (60 years or above) in total population

Table 1 represents the absolute number and the percentage of older people in respect to the total population. The current statistics and the projection shows that the share of older people is increasing and by 2050 it would be almost 20% of the total population (Asian Development Bank, 2012). This puts both opportunities and challenges for the government of Bangladesh. A number of working class people would be adding to the population which can be a good resource for the economy at the same time managing work for this much population is also a challenge. Again, a huge portion of the population is going to retire from the job and they might join the vulnerable group if the proper policies are not made at this time. Above all the Constitution of Bangladesh defines certain constitutional rights to under privileged people of the country since its adoption in 1972. Article 15(D) of the Constitution specifies that the state will be responsible for essential assistance to the people having insecurity from unemployment, old age, widowhood, loss of parents or physical and mental disabilities. With the objective to protect individuals from falling into poverty beyond a certain level through redistribution and

² Data Source: Projection data collect from UNFPA database.

correcting market failures, Social Safety Net (SSN) program has been working with the vulnerable population of Bangladesh. Bangladesh is having estimated 56 million people living in poverty, including 35 million who are living below poverty line (World Bank, 2008). With about 21.8% (as of 2019) of its population living below the national poverty line and an increasing number of population being added below the lower poverty line, safety net programs in Bangladesh provides with a shield against poverty.³

The Old-age Allowance initiative under the Social Safety Net program was introduced in 1998 to provide a monthly cash payment to older citizens of the country to help reduce their vulnerabilities and income insecurity. The program was initiated and promoted by the government and is financed from the government's revenue budget. The Ministry of Social Welfare and Directorate of social services are responsible for the implementation of OAA services. Between 1998 and 2017 the number of beneficiaries increased by more than 6.38 times, the monthly allowance rate three-fold, the budget allocation more than 18-fold, and its share of gross domestic product (GDP) increased from 0.02% to 0.13% (Dulal, 2017). Under this program the monthly allowance is currently BDT 500 (less than USD 6), with the annual budget allocation is BDT 29400.00 crore.⁴

Financial Year	No of Beneficiaries in thousands	Monthly Allowance Per Person in TK	Annual Budget in crore (TK)
2001-02	415.17	100	49.92
2002-03	500.39	125	75.06
2003-04	999.99	150	179.99
2004-05	1315.00	165	260.37
2005-06	1500.00	180	324.00
2006-07	1600.00	200	384.00
2007-08	1700.00	220	448.80
2008-09	2000.00	250	600.00
2009-10	2250.00	300	810.00
2010-11	2475.00	300	891.00
2011-12	2475.00	300	891.00
2012-13	2475.00	300	891.00

³ Data Source: Asian Development Bank. Poverty Data: Bangladesh

⁴ Data Source: Website of Department of Social Services.

2013-14	2722.50	300	980.10
2014-15	2722.50	400	1306.80
2015-16	3000.00	400	1400.00
2016-17	3150.00	500	1890.00
2017-18	3500.00	500	2100.00
2018-19	4000.00	500	2400.00
2019-20	4400.00	500	2640.00
2020-21	4900.00	500	2940.00

Table 2: Old Age Allowance Program in Bangladesh (2001-2021)

In the beginning at the year of 1997-98 OAA has a coverage of only 4.03 lakh people with a coverage of 12.50 crore which now stands at 2940.00 crore. The rate of allowance has also increased to 500 BDT from 100 BDT per month.

1.2 Rationale of the Study

It is evident from the above discussion is that the number of old age population will be increasing in the near future and the government needs to take initiative from now to create a sustainable impact on this population group. The SSN programs do include the old age people to the programs but there are ways to improve and improvise as new challenges are coming with the shift in the population structure. Sometimes even if the older age population are working they are facing inequalities in the work place. According to a study of HelpAge, a global network campaigning for better care for older people worldwide, in total, 64% of men and 13% of women aged 60 and over are in employment but their earnings are not at par with their younger peers. Those who are receiving the benefits from OAA are not wholly immune to the vulnerability. In the age of technological advancement, this sector seems to work in the manual process which slows the overall process and decreases the sustainability. The studies and investigations should be conducted in the root to find out the ways to improve this facility and make this process effective and sustainable for the targeted population.

1.3 Problem Statement

The OAA program is running successfully under the SSN by the Ministry of Social Welfare with a view to provide the old age population with social safety and security. In many aspects the initiative has proved its worth but there are aspects where deep investigation is needed. With the change of time the allowance amount has surely increased but it is yet to determine if the amount is effective enough for the basic needs of the beneficiaries. Again, it is to determine that if the OAA is enough to carry on the livelihood of the targeted people if they are to carry the expense of their family members. Lastly, policy recommendations are paramount concern in the light of the responses of the sample population.

1.4 Research Objectives

The specific objectives of this study are;

- To have a brief knowledge about the current OAA policy, its impact and implications on the beneficiaries.
- To identify the factors influencing the operations and performance of OAA.
- To study the ways of improving OAA and making it sustainable for the targeted population.

1.5 Research Questions

The research questions include:

- Is the current OAA amount is enough to carry on the basic needs of the beneficiaries?
- What are the ways to make the OAA effective for its targeted population?
- What can be done from the perspectives of the respondents to make the allowance effective for the beneficiaries?

CHAPTER 2

LITERATURE REVIEW

2.1 Literature on Old Age Allowance

National Social Security Strategy (NSSS), 2015 of Bangladesh addresses that currently around 7 percent of the population is over 60 years and this will increase significantly in coming decades almost 12 percent by 2030 and 23 percent by 2050. 8th Five Year Plan (July 2020- June 2025) of Bangladesh superscribed that Bangladesh is still a young country according to the age structure. But it is ageing fast and poised to enter the official stage of an ageing nation by 2030. To overcome this challenges the countries need to start preapring from now so that a huge portion of their population do not become a burden on the economy. It is the constitutional right of the aged people to get social protection and the developed countries are excersising this culture of providing social walfare to the aged and vulnarable group of people from long ago. The Asian Develpoment Bank has addressed the OAA of Bangladesh as of immense value as it has substantially expanding covarege and the impact of the allowance on the beneficiaries. ADB analyzes the prospects and different aspects of OAA in brief in comparison to other Asian countires like Vietnam, Thiland, Nepal and other central and south Asian countries. According to the findings of ADB Bangladesh has set an example by proving that even a low level of pension or financial aid can have meaningful impact in the lives of the vulnarable group of people. The main improvement has been noticed by the authores in the nutrition of the beneficiaries as almost all the repondents reported improvement to a extent in their food intake. Similarly, 9 out of 10 households used at least some of the money to meet health expenditure. The empirical evidence of Bangladesh shows how a country can start with a low benefit level and initiate supporting older people and their families today, with a view to moving to a more substantial benefit over time. It is also apparent that the OAA hepls women more than the man particulary on health and psychosocial well-being. It may also cause due to the broader dynamics such as the fact that women usually have less prospects of saving for old age, and they are inclined to live longer than men, thus having a longer old age. However, ADB suggests that Bangladesh can work on the payment methods as the system is having number of limitations comparing to the other developing countries.

Choudhary (2013) studied the impact of old age allowance among the rural people through an empirical investigation on the beneficiaries of Godagari Upazilla of Rajshahi district. For this the researcher conducted face to face interview with a structured questionnaire with an aim to analyze the change in different factors before and after getting the OAA. The aged people especially the rural insolvent people are facing various sufferings caused by poverty and health related problems. Many a times they are being treated as a burden in the family as they are

unable to earn after a certain age and their health complications (Choudhary, 2013). But after getting the allowance it seemed to have improved the position of the beneficiaries, earn respect in the society as well as to their family members. The researcher found out that though OAA helped aged persons to be placed in a better position, it needs certain improvement as OAA has limited economic impact on the aged people. The amount of the allowance is not enough to create a significant change in the economic condition of the respondents. So, the researcher recommends to increase the amount and the number of beneficiaries of this program to create a sustainable impact of this program.

Dulal (2017) describes the income security for older persons in South Asian region from the perspective of Bangladesh through a case study. The author at first analyzes if Bangladesh is ready yet to take care for its older population and applies national policy to the current scenario. This policy includes income and social security for the older persons of the country as most of the people living under or on the poverty line, do not have adequate income security. According to the statistics, Bangladesh is providing the aged people group with a cash allowance of Tk. 500 (equivalent to USD 5) per month for 3.15 million above 60 years people which is 12 % of the elderly population and 5.04% of total population in 2016 – 17 enlisted under the Old Age Allowance scheme. From the huge portion of population that is not included in this facility may have better financial condition, some may be retired from government or private job that provides pension facility. Still a huge portion of population remains exposed to the vulnerability that comes with the old age like income insecurity or social stigma. So, the author recommends to take more people under this program and addresses other private organizations to collaborate with the government to make this program more sustainable for the targeted population.

2.3 Research Gap

Although the OAA Programme has been in existence for about 12 years, no full-scale assessment has yet been done which leaves a knowledge gap about this program and its impacts on the lives of older people and their families. The discussions above clearly states the importance of the allowance as it would help to provide social security to the increasing number of older population. The international organizations like Asian Development Bank, World Bank publishes reports on the overall SSN program but specific programs are needed in this sector. The literatures above do not focus on the perspective or perceived satisfaction of the beneficiaries. This study will be addressing these issues and make an effort to work in the root level and find out the perceived satisfaction of the respondents about the OAA . Along with that this study would also attempt to analyze the impacts and implications of OAA to generate policy recommendations.

CHAPTER 3

METHODOLOGY

3.1 Study Area and Target Population

The population of this research includes the old age people who all are beneficiaries to the OAA program and resides in Savar Upazila. Savar Upazila is one of the populated Upazila and it is situated in the Dhaka Distract. This Upazila holds both demographic and economic importance. Agriculture and manufacturing are the two major economic sectors in Savar.

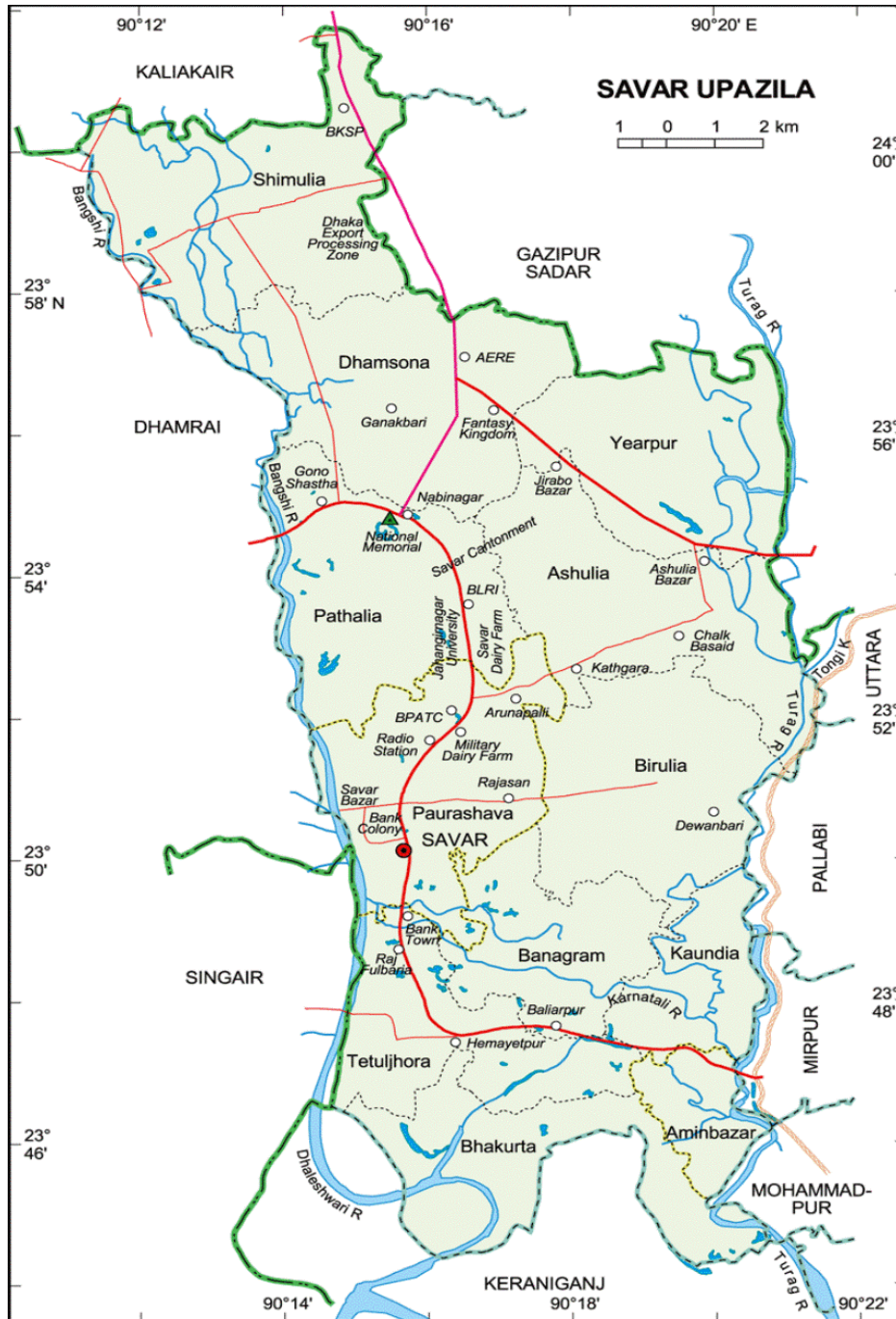


Figure 2: Map of Savar Upazila

3.2 Data Collection

In this research, Data was collected using both quantitative and qualitative method (mixed method). In this survey data has been collected from two sources which are Primary and Secondary sources. For collecting Primary data, a survey has been conducted on the sample population consisting of 120 respondents from the 12 Unions under Savar Upazila. Simple random sampling technique has been used to avoid any biasness while selecting the sample for the study. 10 respondents from each Union parishad have been selected randomly as sample for this study.

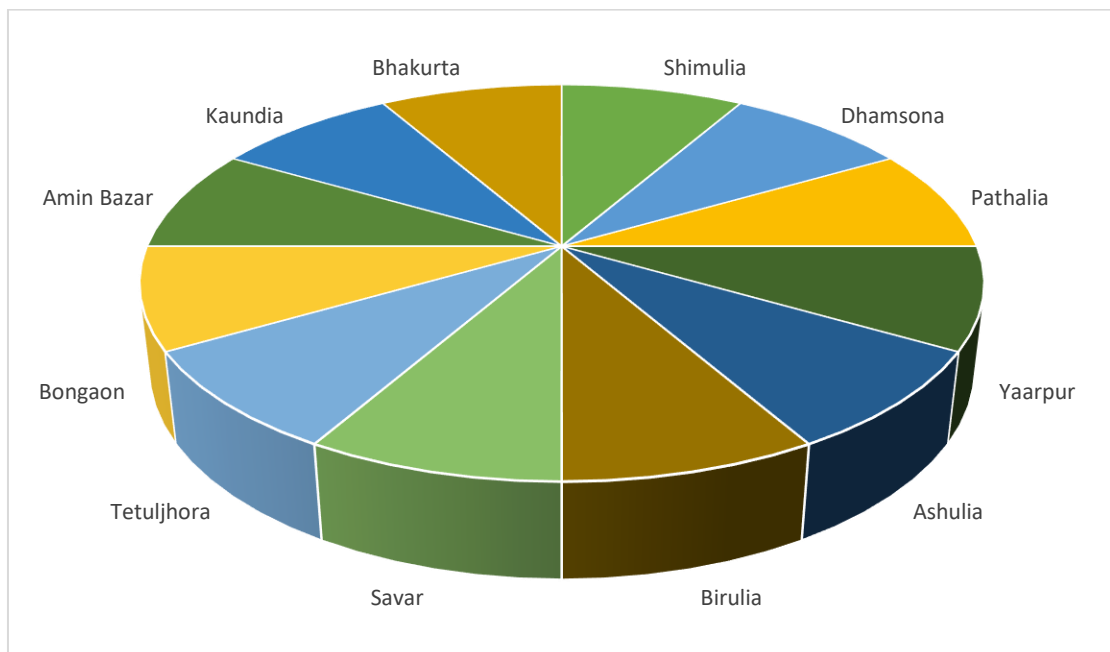


Figure 3: Sample group of the study.

The data has been collected through face to face interview by both the researcher and the volunteers of the Social service office of Savar Upazila. Focus group discussion (FGD) has also been arranged in Three Union Parishad where it was not possible to arrange face to face interview. The officers and the volunteers of social services office has helped throughout the process as they have more access to the respondents.

On the other hand Secondary data has been collected from different trusted and verified source like National Social Security Strategy (NSSS) of Bangladesh (2015), 8th Five Year Plan (July 2020- June 2025), Bangladesh Demographic and Health Survey (2017-2018), the website of the ministry of Social Services and Welfare, website of the World Bank and household survey information.

3.3 Questionnaire Design

In this study the purpose of the questionnaire was to collect data about the satisfaction level of the respondents and to find any variable that can improve their satisfaction. The questions were developed after doing extensive literature review. The literature suggested that the basic needs of a beneficiary or the number of people depending on the beneficiary can affect the satisfaction of the respondents. The questionnaire was made in Bangla and it has been tried to keep it as simple as possible as the majority of the respondents were not well-educated.

3.4 Limitations of the Study:

The limitations of this study includes:

- The number of samples is very less compared to the huge population size.
- The samples are collected through simple random sampling system. So, it may still have some selection bias.

CHAPTER 4

OLD AGE ALLOWANCE IN SAVAR UPAZILA

4.1 Current Scenario of OAA in Savar

Savar Upazila holds importance as it is geographically close to Dhaka, the capital and also Savar upazila is having a major contribution in agriculture and manufacturing sector of the country. A number of projects are running under the Social Safety Net program in this region to ensure the civic rights of the citizens. A few cash transfer (Allowance) social protection and empowerment projects running under SSN are:

- Old Age Allowance
- Allowances for the Widow, Deserted and Destitute Women
- Allowances for the Financially Insolvent Disabled
- Honorarium for Freedom Fighters
- Stipend for Disabled Students
- Grants for the Schools for the Disabled

It has already been discussed that the rate of the allowance and the number of beneficiaries is being increased with the time. Savar Upazila is doing quite in this sector. Every year the targeted number of beneficiaries is being increased by 15% then the previous year. While targeting the desired number of the beneficiaries 60% is allocated to Female and 40% to male. In last 10 years approximately 12,170 people has been getting OAA with an amount exceeding 320,843,920 in this Upazila.⁵ Recently DG Infotech is conducting a pilot project in Savar Upazila for digital OAA disbursement by Social Welfare Ministry. Under this project the main focus was to collect the data of the old age beneficiaries through finger print and provide them with a smart card with finger print based authorization and digital identification.

4.2 Eligibility Criteria

Social Welfare Ministry disburses old age allowance to selected beneficiaries as per their preselected guideline all over Bangladesh. Beneficiaries are selected based on some criteria as:

- **Nationality:** Must be a Bangladeshi and permanent resident
- **Age Limit:** Male 65 female 62
- **Yearly Income:** Average yearly income cannot exceed 10,000 (US\$ 120).

An applicant is considered ineligible if he/she receives government pension or any regular benefit/grants from the government/NGO. Generally, eligible applicants get preference

⁵ Data source: Collected from the Social Services office in Savar Upazila.

according to their age. Any person with physical weakness or landless people who is in more vulnerable position is entitled to get the allowance at first. While determining the age birth certificate, NID, SSC/HSC certificate is used by the selection committee.

Disqualification criteria:

- Government pension holder
- Destitute women with a VGD card
- Receiver of regular grant from other government sectors
- Receiver of regular grant from other non-government sectors social welfare sectors

4.3 Primary Features of the Old Age Allowance Program

Initially, the program had been introduced only for the rural areas of the country where only 10 most eligible persons from each were selected for the allowance. Gradually, the allowance is reaching in the every corner of the country and this program is still in the process of experimenting and improvement. The primary features of OAA in Savar Upazila is described below:

- **Program Coverage:** Every year the coverage of OAA in Savar Upazila is targeted to be increased by 15% of the previous year. In the allocation 60% of the assigned allowance is targeted for men and 40% for women. According to the guideline, Savar Upazila arranges widespread awareness campaigns to invite applicants for the allowance. The number of campaigns in a year is not fixed yet. Different activities like mic-ing in the community, announcements through mosques are arranged to call out the applicants.
- **Program administration:** In Union level DSS has one staff and union social worker to carry out all the programs under DSS. So it becomes hard for the administrator to arrange awareness programs with widespread outreach. In Savar, the union chairmen and ward members are also working alongside the DSS employees to ensure fair and smooth delivery of the services.
- **Grievance Procedures:** If a beneficiary feels aggrieved about the beneficiary selection or payment issues or has any other complaints, he or she can lodge a complaint to the ward committee responsible for primary selection of the candidates according to official provisions. This committee will then attempt to address the issue at local level and if it

fails to provide solution the issue and the question of appeal arises, the case will then be forwarded to the *upazila or* municipal committee for arbitration. It has been seen that the non-beneficiaries lodge more complaints as they think the selection procedure is not fair and in 88% of th cases the complaints were filed with the local Union parishad members only (Research and Evaluation Division (RED) and Bangladesh Rural Advancement, 2007).

4.4 Beneficiary Selection and payment process

The beneficiary selection process is conducted in four steps according to the implementation guideline of the OAA. The steps includes:

- Application:
- Initial listing
- Union (rural) and Municipal (urban) committees' approval
- Upazila Committee's (rural)/City Corporation Committee's (urban) approval

The application process starts with the interested applicantsbfrom rural level submitting application to Upazila Social Service Officers and District Social Service Offices through the designated form. From the eligible candidates the ward committee of 12 listed Thanas' of Savar makes the primary selection of the candidates and recommends the list to the Upazila/municipal committee for finalization. The list is made and upgraded annually. But there is an arrangement for waiting list for the people who could not made it in the year they applied. This list is also sent to the Upazila level to facilitate any kind of replacement in the case of death of any existing beneficiary. Again if a beneficiary does not live in the area for 3 months or more, he or she is to be dropped out from the beneficiary list of that area and the gap is filled from the waiting list. Every year, the Director General of the DSS office is entitled to submit a brief list of the deceased beneficiaries before the cabinet committee directed by the Minister for Finance. The Director General then further declares the replacement against the reported deceased beneficiaries.

After getting the approval the application goes through the enrollment and payment process. Within seven days of the approval of final beneficiary list the social service officers from Upazila and District level are supposed to issue a 'Passbook' to each beneficiary. This book contains the personal details like picture of the beneficiary, bank account number and other personal details and the book is aligned with government payment service providers like Sonali

Bank, Janata Bank, Agrani Bank, Bangladesh Krishi Unnayan and Rajshahi Krishi Unnayan Banks. Now the beneficiary payment process under OAA has two parts:

1. **Cash-in:** Fund deposited to the approved beneficiaries' bank account by government.
2. **Cash-out:** Cash withdrawal from individual bank accounts by the approved beneficiaries.

Figure 4 represents the whole payment process. At first the Ministry of Social Welfare releases the fund as per the allocation to the state owned banks. The DSS issues bills to the chief accounts officer at Sonali Bank and the Bank transfers the funds to four other state-owned banks and each of these five banks then transfer funds to their upazila or district branches. The funds are deposited in an account, jointly administered by UNO and USSO at the local branches for rural areas. For urban areas. The account is held by the Deputy Director (DD), Social Services, and DSSO based on the list of beneficiaries received from the USSO and DSSO. The local bank branch then transfers benefits to the individual beneficiary accounts and the beneficiaries' needs to collect the benefit with the pass

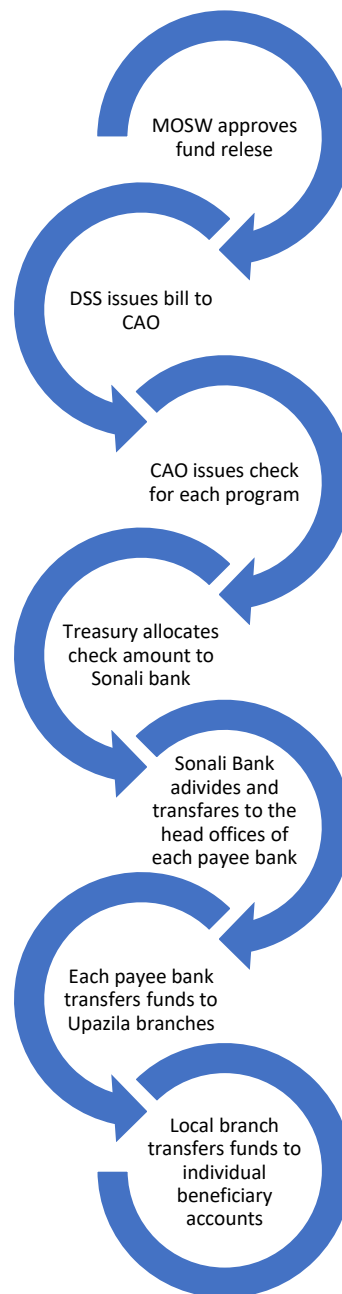


Figure 4: Payment (cash-in) process of OAA

book. In case a beneficiary is incapable to be physically present at the bank due to sickness, disability or any cultural restrictions on female beneficiaries, a nominee can collect the payment, authorized by a locally elected representative for every payment cycle.

CHAPTER 5

FINDINGS AND ANALYSIS

5.1 Data Analysis & Results

The government specified guideline states that the minimum age of getting the OAA is 62 for female and 65 for the Male. The age criteria for female was reformed to make sure that more women are getting OAA as they seem to face more vulnerability in the old age.

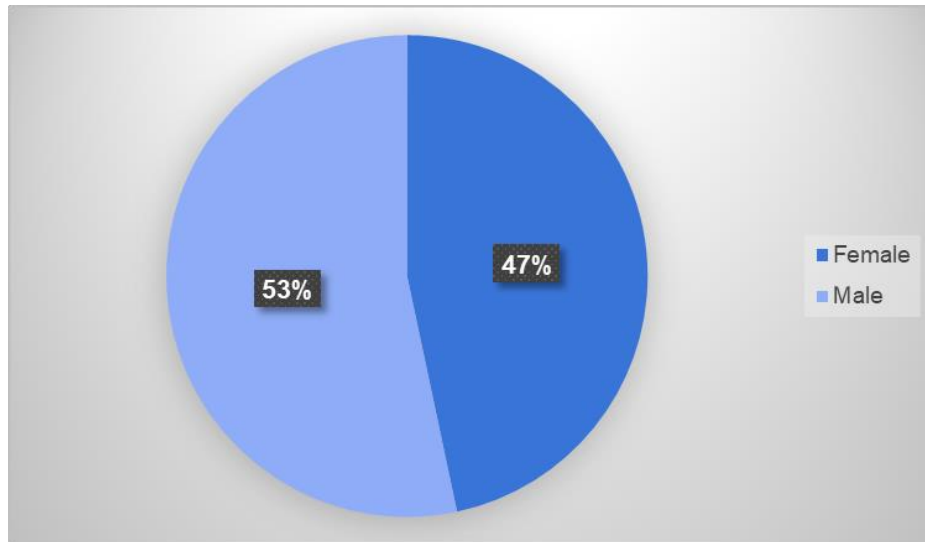


Figure 5: Sex composition of the respondents

Savar Upazila maintains a 60:40 ratio for female and male beneficiaries. In this study, 53% of the respondents were male and 47% of the respondents were female.

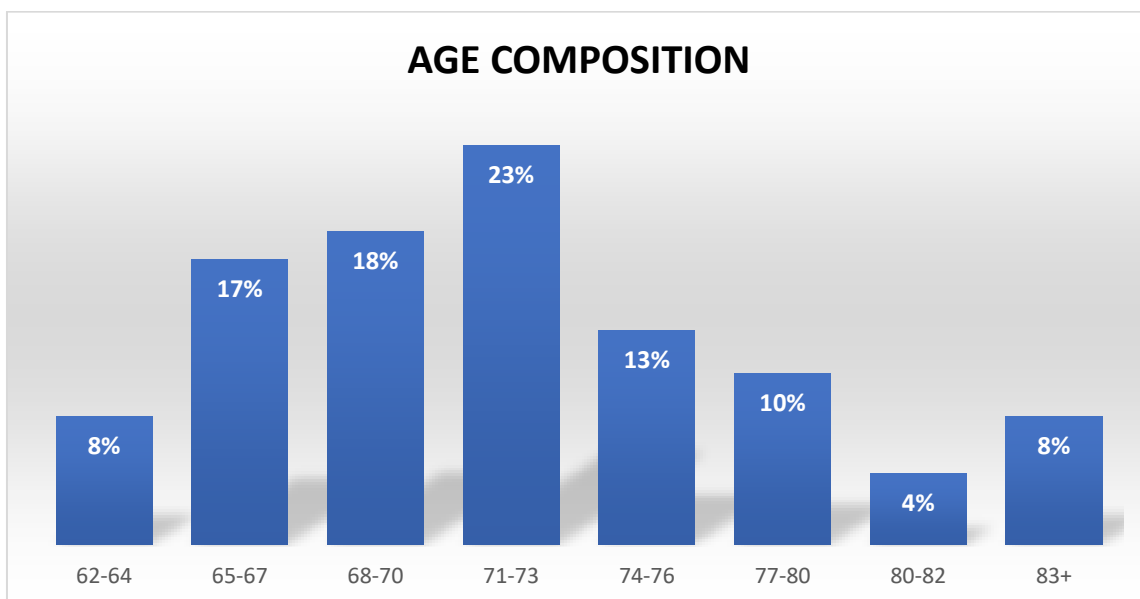


Figure 6: Age composition of the respondents

The age composition of the respondents shows that most of the respondents were in the age range of 71-73 years while conducting the survey. The graph also depicts that 66% of the

respondents are of 62 to 73 years old. The graph peaks at 71-73 as the guidelines give preference to the older people while sanctioning the allowance.

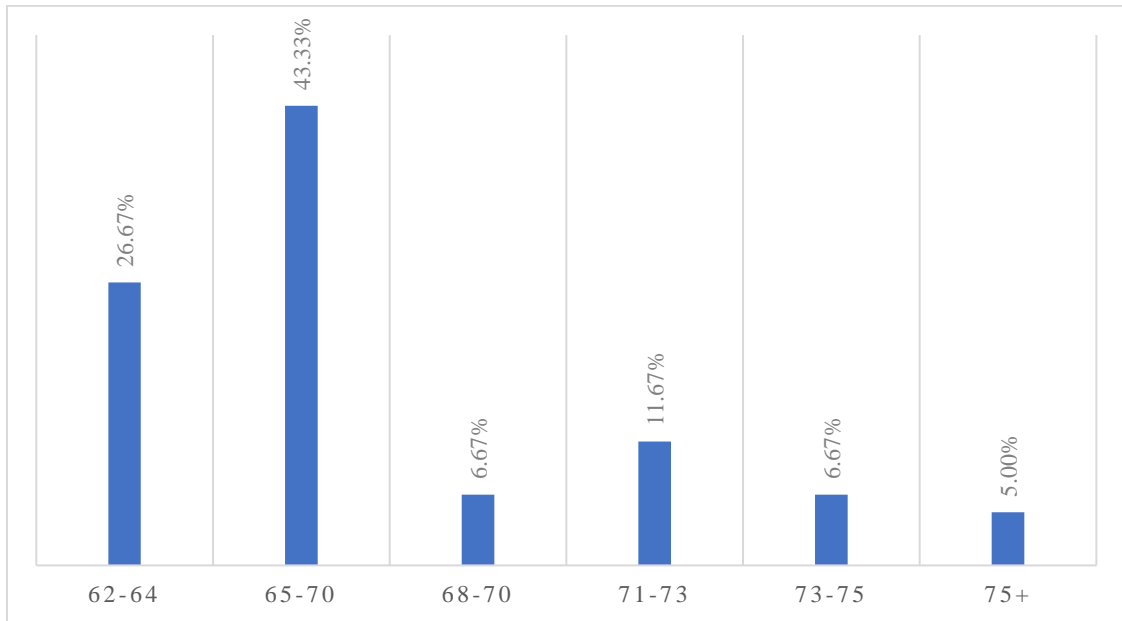


Figure 7: Starting age of getting OAA

Figure 7 also depicts the same picture. When the respondents were asked about the age they started to get the allowance, almost 43% stated that they got their OAA at the age of 65-70. As the new guidelines recently lowered the age limit for the women and increased their percentage, it can be seen that 26% people start getting OAA at the age of 62-64 years.

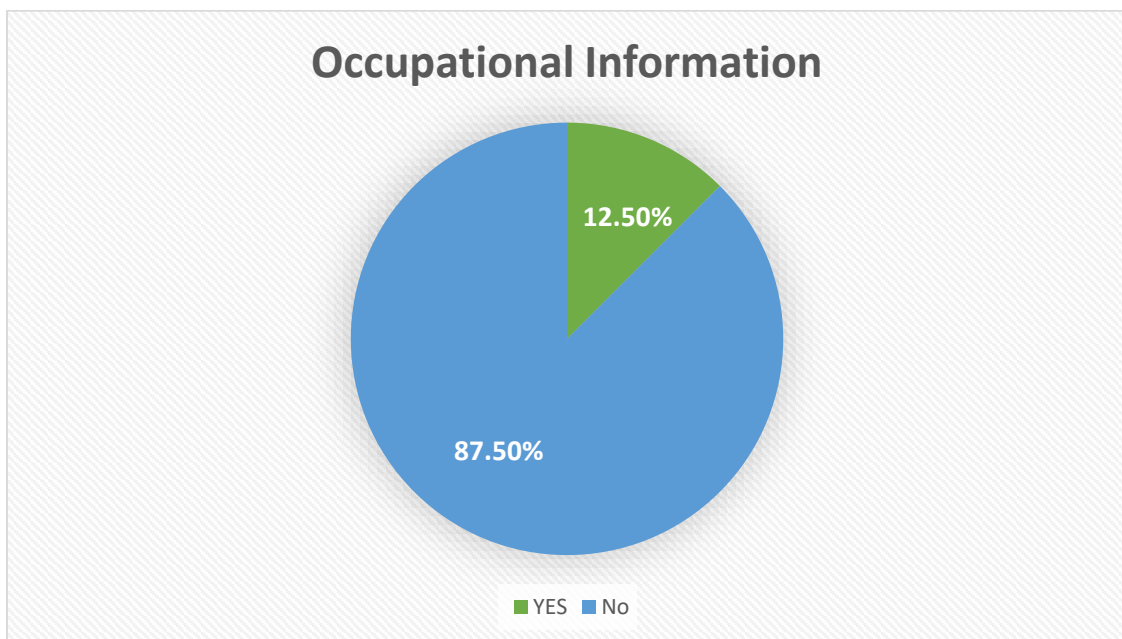


Figure 8: Involvement in any occupation

Figure 8 represents that 87.50% of the respondents was not involved in any occupation while conducting the survey. So, they do not had any other income source to support themselves or their family members. Among the 12.50% people who had an occupation, most of them were shopkeeper, rickshaw puller or service holder in a private organization.

From the responses it can be seen that 55% of the respondents are having 2-4 members in their family, 38.3% are having 4 to 8, 5.8% are having more than 8 persons and only 0.8% of the respondents do not live with their family (Annex). Now, among the family members some or everyone may depend on the beneficiary. In that case the living cost of that beneficiary would be higher than the others with no one being dependent on him or her.

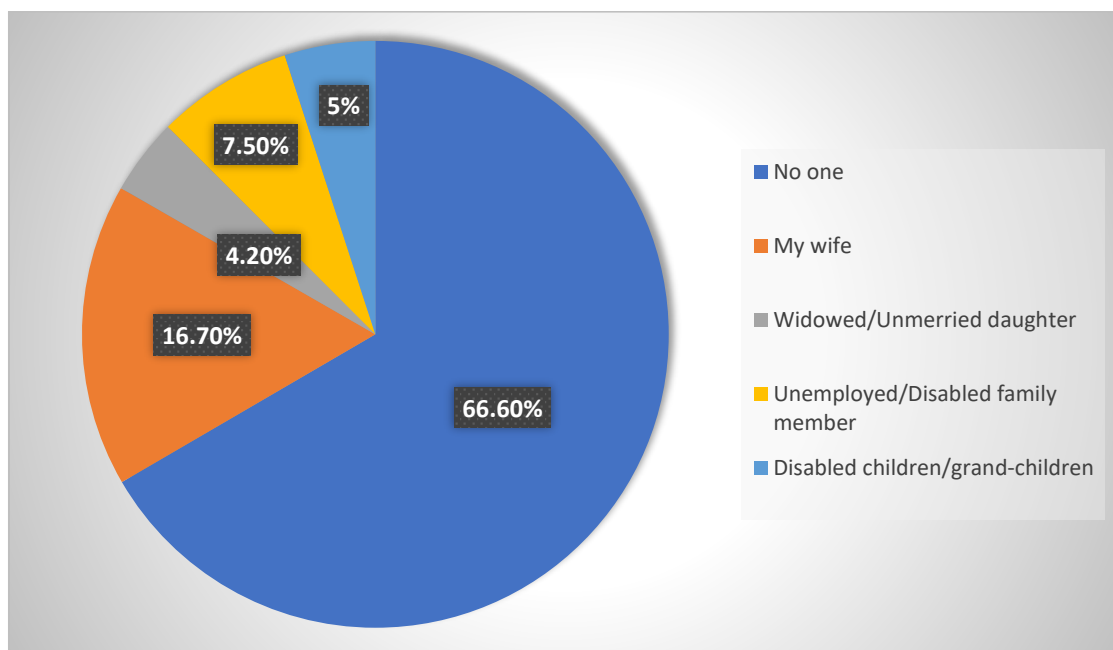


Figure 9: Percentage of family members depending on the beneficiary

Figure 9 shows that 66.60% of the respondents did not have anyone financially depending on him/her. Those who had depending family members, mostly had their wife depending on him financially. Also a good portion of the respondents had widowed or disabled children/grandchildren being dependent on the only earning person of the family. In this study 90% of the respondents are not having any other income source other than the OAA. So, if they are to contribute to the family they have to do it form their only income source OAA. Figure 10 clearly depicts that 73.30% of the respondents do not have to contribute to the household expenses as they might have any other earning member on the family. But a small but significant portion has to bear their own household expenses as well as the expenses of the

other dependent family members. In this case the OAA amount may not be enough for the certain beneficiary as he/she is having more expenses then the others.

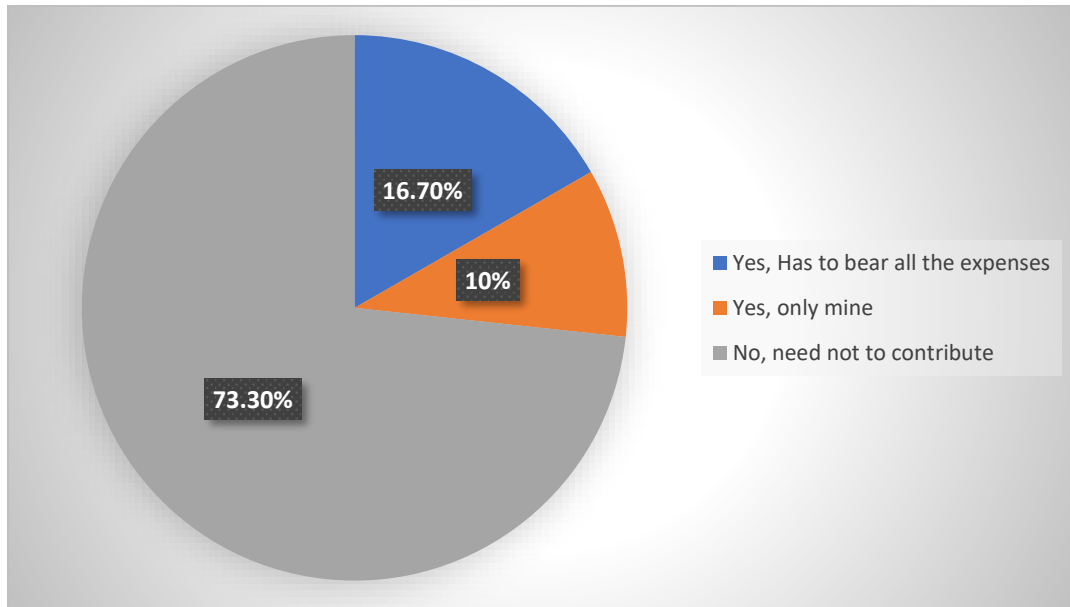


Figure 10: Family expense of the respondents

Though the government is having a number of project running under SSN, A person is entitled to only one service at a time. Like the persons getting OAA cannot get insolvent disability allowance. No respondent in the sample population has been getting any other allowance under SSN while receiving the OAA. So, a person who does not have any other income source has to rely fully on the OAA.

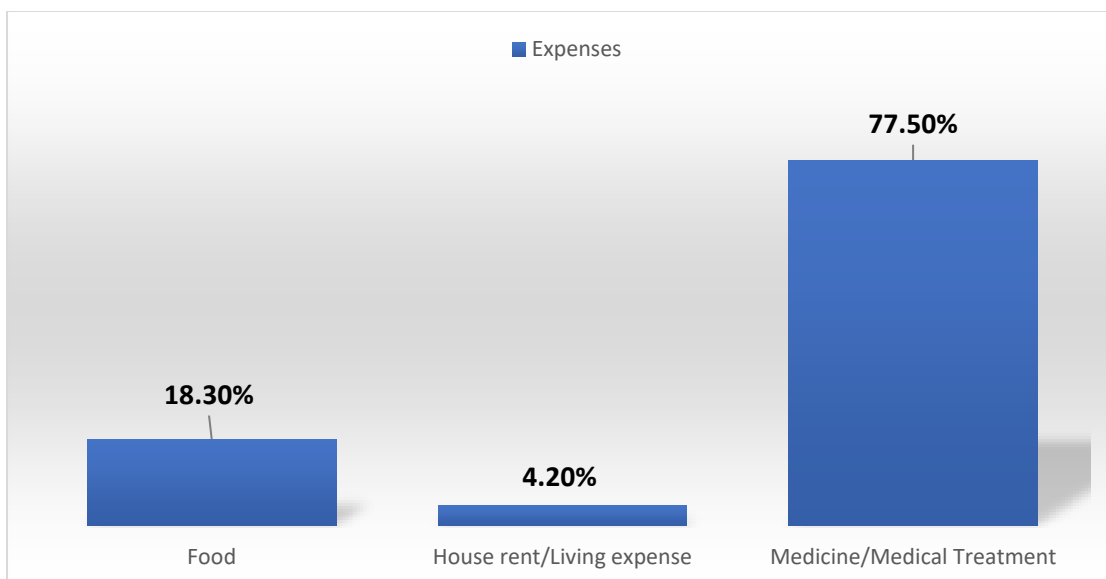


Figure 11: Highest expenditure sector from the allowance

From figure 11 it can be seen that the respondents has to spend mostly on their medicine or medical treatment from their monthly allowance. This is quite normal as the respondents are of higher age and they do not have any insurance coverage for their medical treatment.18.30% of the respondents reported that they have to spend mostly on their food. Only 4.20% of the people has to bear or share the household expense.

6.2 Summary of Key Findings

6.2.1 Age of getting allowance

The average life expectancy of people has been increased to 72.6 years from 65.45 years in the year of 2019 (New Age, 2020). Currently, the retirement age for public servants is retained at 59 years. This is the average age when a person is getting retirement. Other than the public job holders many small or medium private job holders or laborers usually get little or no support at all from their la. The analysis shows that most of the beneficiaries start getting their OAA after the age of 65-67 (Figure 7). So, they need to be unemployed and vulnerable for quite a long period of time after their retirement.

6.2.2 Effectiveness of the OAA in terms of basic needs

Generally the OAA is granted to the older people who lives on or under the poverty line. Most of these people are deprived of basic prerequisites of life such as food, shelter, healthcare and other facilities. Protein consumption rate and overall calorie intake among men and women per capita is low due to inflation. So, most of the people suffer from malnutrition from early childhood and it also leaves an adverse impact when they are of age.

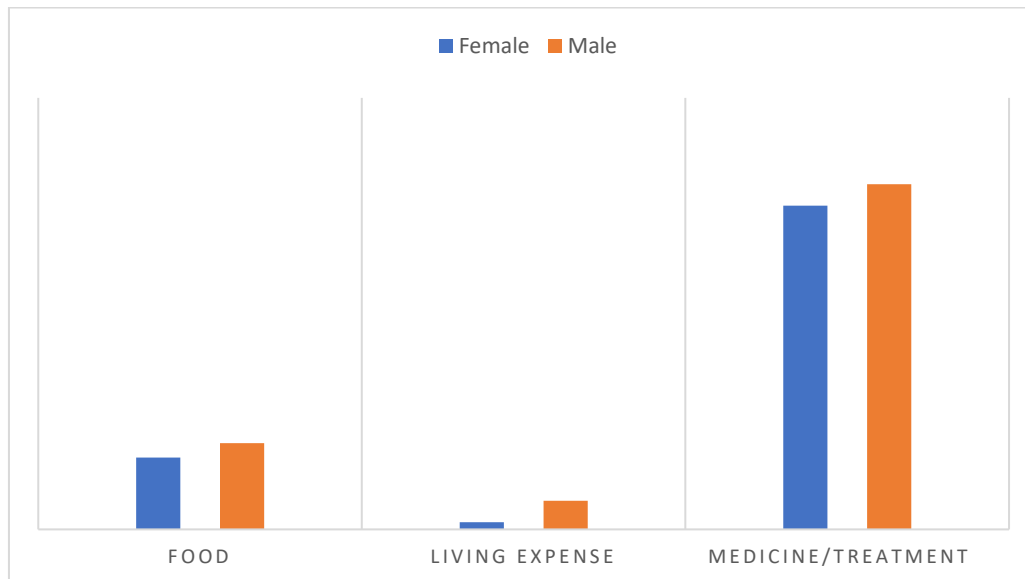


Figure 12: Effectiveness of OAA in terms of basic needs

The graph shows us that both the men and women respondents spend a significant amount in their medication and food. Most of the allowance amount is reportedly spent on medication or healthcare and food consumption. In Bangladesh, it is unpopular among the lower income people to have medical insurance to cover up the medical expenses and also there is no such

arrangement from the government’s side. So, the individual medical expenses in our country is higher than other south Asian countries (Asian Development Bank, 2012).

6.2.3 Change in social status

From the literatures and FGD it is evident that the regular flow of income from this allowance had a positive value in the physical well-being of the older population. It helps the aged people to support themselves financially and reduces the dependency on others. Those who are not the beneficiaries of this program faces much more negligence from the family as they are treated as burden.

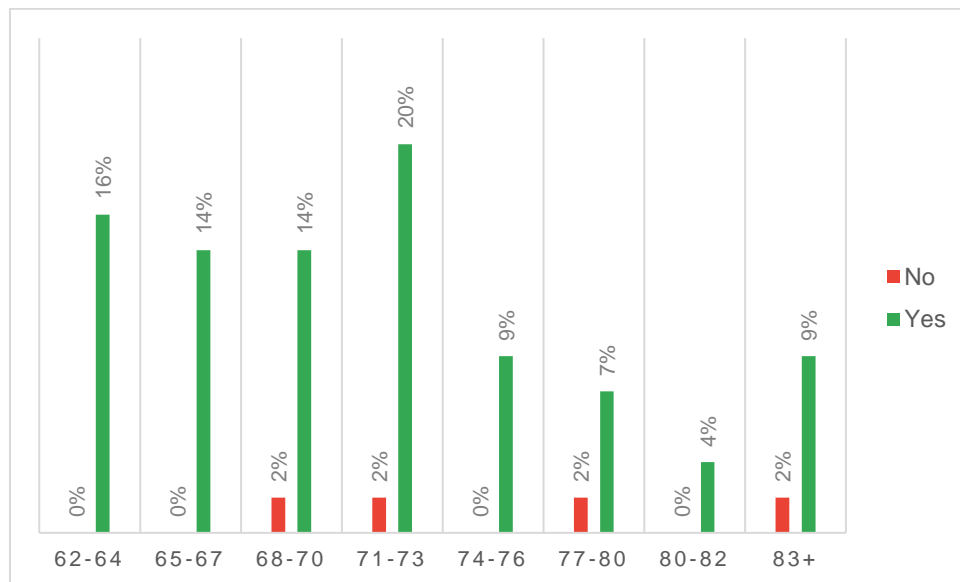


Figure 13: Change in social status by age group

The graph also represents the same scenario. Beneficiaries from all age groups has reported positive change in their social status. Those who have reported no change in their status has noted that the amount of OAA is insignificant to bring any change in their social status.

6.2.4 Perceived opinion on the overall process

The whole OAA process starting from beneficiary selection to benefit delivery is quite a long process as it goes by several steps. Also lack of adequate staffs and volunteers, corruption in the system, lack of proper chain of command hampers the efficiency of the overall process. As example, each rural union of Savar Upazila is supposed to have at least one social worker in field. But in some cases it has been seen that one social worker has to be responsible from more than one union as there is a huge lack of human resources in each level. Again, the whole process is now being automated and a number of officers or staffs are not trained to be efficient

in this process. However, the beneficiaries seems to be more satisfied with the upgraded system now as they are getting benefits faster now.

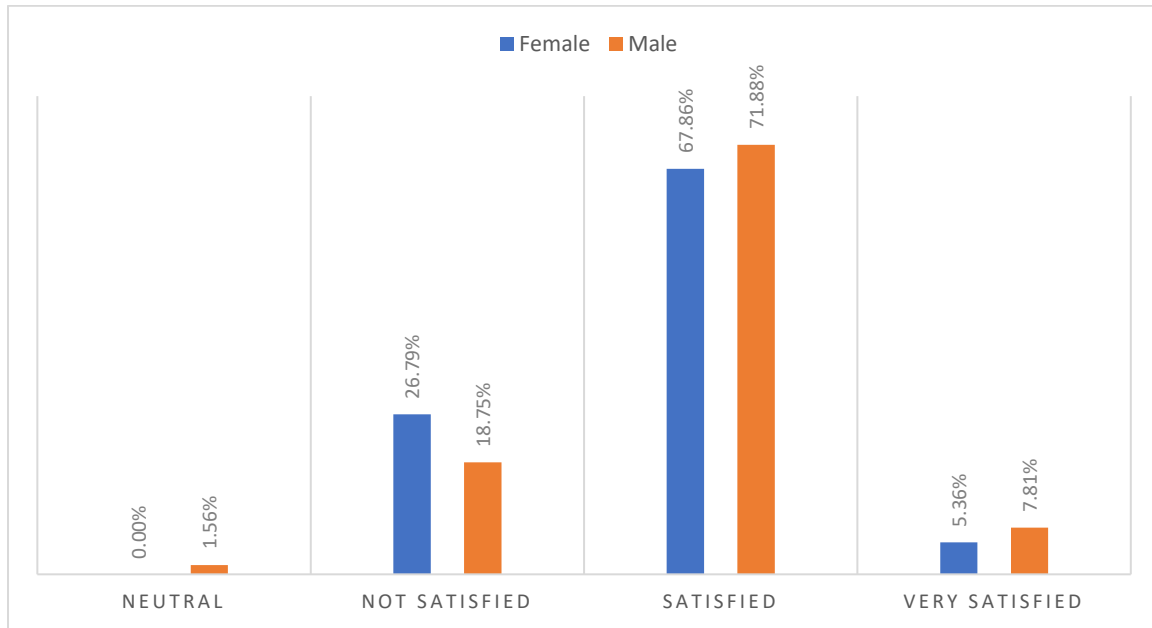


Figure 14: Perceived opinion on the overall work process on the basis of gender

From the graph it can be seen that both the male and female respondents are satisfied with the overall process of OAA. Though the number of respondents who are not satisfied is comparatively lower, it cannot be ignored as the numbers are significant. Comparatively females are more dissatisfied with the OAA process than men as they faced gender based biasness. In the comment section of the questionnaire and in the FGD discussions, the respondents have expressed dissatisfaction about the benefit delivery process as they need to stand in the long line for withdrawal of money and other works related to bank. In most cases the payment access points are far from the locality. The respondents have also complained about the behavior of the bank employees being rude and unsupportive.

6.2.5 Overall satisfaction of the respondents

Although majority of the beneficiaries are satisfied, a significant portion is not satisfied, which is an indicator for the shortcomings of the process. The overall satisfaction takes all of the variables such as the OAA amount, benefit receiving process, effectiveness of the allowance into account. The above discussions have shown that the respondents have complained about several variables like insufficient amount of allowance, administrative challenges, benefit delivery time and process and so on. But the overall satisfaction rate rises because of the perceived benefit they are receiving from this allowance. Most of the respondents do not have

any other income source hence they are totally depended on this allowance. So, they cannot help but become satisfied with what they are getting. Therefore, only this satisfaction rate is not enough to determine the efficiency of OAA.

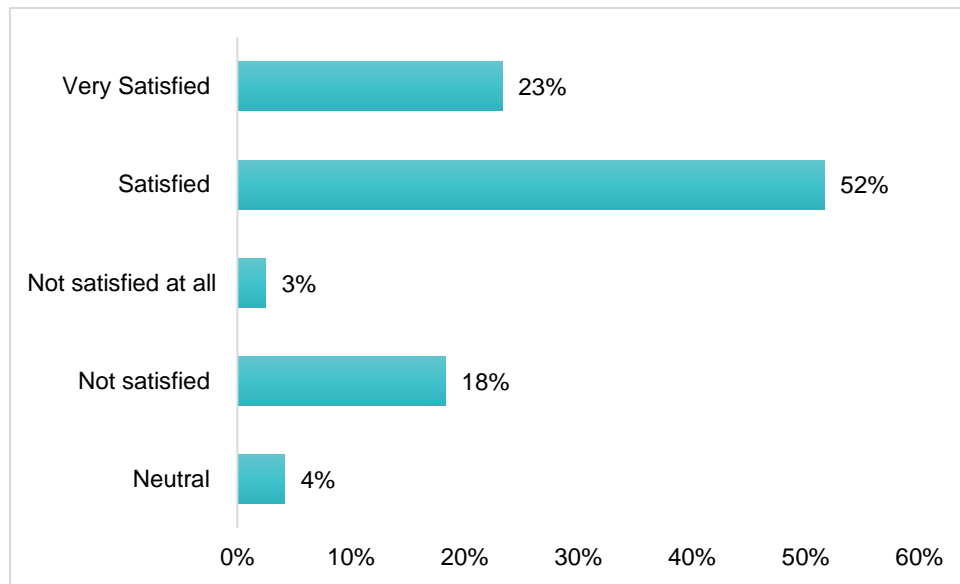


Figure 15: Overall satisfaction of the beneficiaries

It can be seen that 52% of the respondents are satisfied with the overall OAA process and other 23% are highly satisfied. 4% of the respondents has refrained themselves from commenting on the overall satisfaction of OAA.

6.2.6 Satisfaction level if the medical services are made free

Almost all of the respondents has agreed that if the medical costs are made free then the satisfaction on the current OAA process will be increased and it would make a sustainable and positive impact on their lives. In general these people who are eligible for OAA allowance lives under the poverty line. In most cases they do have a fixed income hence cannot save up for future or can afford an insurance or retirement plan. For the demographics of Bangladesh it is quite natural that after the age of 60, people starts to have different chronic diseases as the body resistances decreases. Figure 12 shows that the beneficiaries mostly use their OAA amount on medication and treatments. If the beneficiaries can cut on this cost, they might be able to spend more on their daily food intake or other basic needs and it might help them to elevate their living standard which is the goal of this allowance program. Most of the developed countries is having Universal healthcare system. Even Asian countries like India, Bhutan, Thailand is also approaching towards Universal healthcare system for their citizens (Asian Development Bank, 2012).

CHAPTER 7

RECOMMENDATIONS AND CONCLUSION

7.1 Recommendations

All the programs under the social safety net has achieved appreciation from all the stakeholders as it has brought about a significant positive change in the lives of the distressed and vulnerable group of people. Like any other projects, OAA is also facing challenges and it has a long way to go before it starts making sustainable impact on the beneficiaries. From the literatures reviewed and the survey analysis, few recommendations are made below which might be helpful to overcome the challenges of OAA.

- The amount of OAA should be increased as almost all of the respondents has marked the allowance amount insufficient for basic needs. Again, the literature reviews and current inflation rate also suggests on a rise in the allowance amount.
- The total number of beneficiaries needs to be increased as the current ratio of total deserving population is not aligned with number of people actually getting the allowance. According to the population projection the number of old age population is going to increase more in coming year. So, the total budget of OAA should be revised every year and increased in accordance with the inflation rate and total number of old eligible old aged population.
- Under the prevailing system of OAA selection and benefit delivery, major reform is necessary in the ongoing process to make the program more effective. The process of candidate should be made easier and shorter. Luckily, the government is already working on digitalizing the process. Nut here educating both the applicants and the administrative authorities' maybe a challenge. For this FGDs, seminars, awareness campaigns can be arranged from government and non-government or volunteer organizations.
- Improving benefit delivery has become one of the major concerns of the respondents as almost every respondents has complained about long queue and uncooperative bank employees. Now a days Bangladesh is inclining towards mobile banking because of the flexibility and popularity among all class of people. The security system has also reached in a satisfactory level in mobile banking system. So, if the allowance is distributed through mobile banking system it would be better accessible for the beneficiaries.
- The overall benefit administration needs to be strengthened by making it more centralized, automated which would possible ensure accountability and transparency in

the process. Alongside the monetary delivery system other essential services like query solving, providing reassurance to potential complainants and timely resolution of the complaints lodged.

- With the rising number of aged people it might be hard for the government to provide subsidies to everyone. In this case, working with the private sector for pension payments, providing security for old ages employees or mandatory health insurance plan can make the process easier.
- Another shortcoming of the OAA is there is no way to exit the allowance system when someone is graduating from vulnerable group. This may happen that after getting allowance for a certain time one might improve their financial status and they do not need the allowance any longer. In that case opting out that beneficiary and replacing other with more need can be feasible and fair way.
- Apart from financial needs, to ensure good mental and physical health of elderly people, home-based and institute-based health care centers might be introduced where they can receive proper nursing and care.

7.2 Conclusions

The Old Age Allowance Program has received wide attention from policy makers for being a commendable initiative of the government of Bangladesh. Though the program has limitations regarding coverage or allowance amount this has been working as an example of how a little subsidy can have a positive impact on the lives of vulnerable group of people. The program holds massive significance to the poor older people by supporting them in meeting their basic needs, upholding their status at home, and improving their psychological well-being by providing a reliable fixed source of income. Both the literatures and the filed survey has shown that the OAA appears to benefit women more than men as the women have less opportunity at work and education hence they get very less chance to save up for their old age. Considering this fact the government of Bangladesh has lowered the age for women to avail the OAA. The OAA has also some spillover effects to the household members as well as macro impacts.

Under the prevailing system of OAA selection and benefit delivery, major reform is necessary in the ongoing process to make the program more effective and aligned with its purpose. First of all the coverage of this program must be widen along with the benefit size. The selection process needs to be made more transparent and fair as sometimes the most vulnerable people opts out from the benefit and relatively less deserving people get the allowance. For this the grievance mechanism must be improved. For the obstacles related to the payment delivery system, modernization and incorporation of mobile banking can be a solution. Like other developing countries Bangladesh can also initiate Universal medical system to provide free medical support to the elder generation. This would help the beneficiaries to utilize their allowances in other source like better nutrition intake or improving their life standard.

Lastly, the old age allowance program is having huge potential in improving the lives of the vulnerable old age people. Only financial help from government may not be enough to serve the purpose of this allowance properly. For this government must work with the non-government organizations and also the non-profit or volunteer organizations to provide the beneficiaries with non-monetary dividends like healthcare, old age education programs, mental and physical health awareness programs or any other support that may help them to have a better life living opportunity.

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APPENDIX

1. Data Sheet

Row Labels	Count of Satisfaction about the work process of the allowance	Count of Satisfaction about the work process of the allowance2
Neutral	1	0.83%
Not satisfied	27	22.50%
Satisfied	84	70.00%
Very Satisfied	8	6.67%
Grand Total	120	100.00%

Row Labels	Count of Starting age for Allowance
62-64	26.67%
65-70	43.33%
68-70	6.67%
71-73	11.67%
73-75	6.67%
75+	5.00%
Grand Total	100.00%

Row Labels	Count of Overall allowance
Neutral	4%
Not satisfied	18%
Not satisfied at all	3%

Satisfied	52%
Very Satisfied	23%
Grand Total	100.00%

	Column Labels			
	Female		Male	
Row Labels	Count of Satisfaction about the work process of the allowance	Count of Satisfaction about the work process of the allowance	Count of Satisfaction about the work process of the allowance	Count of Satisfaction about the work process of the allowance
Neutral		0.00%	1	1.56%
Not satisfied	15	26.79%	12	18.75%
Satisfied	38	67.86%	46	71.88%
Very Satisfied	3	5.36%	5	7.81%
Grand Total	56	100.00%	64	100.00%

Count of Satisfaction about the work process of the	Column Labels					

allowance						
Row Labels	Disabled dependent children or Grand children	My wife	No one	Unemployed Family Member	Unmarried/Widowed daughter	Grand Total
Neutral			5			5
Not satisfied	3	2	11	5	1	22
Not satisfied at all		2		1		3
Satisfied	3	10	46	1	2	62
Very Satisfied		6	18	2	2	28
Grand Total	6	20	80	9	5	120

Row Labels	Count of Expense	Count of Expense
Food	22	18.33%
Living expense	5	4.17%
Medicine/Treatment	93	77.50%
Grand Total	120	100.00%

Count of Expense	Column Labels		
Row Labels	Female	Male	Grand Total
Food	10	12	22

Living expense	1	4	5
Medicine/Treatment	45	48	93
Grand Total	56	64	120

QUESTIONNAIRE

সাভার উপজেলার অসচ্ছল প্রতিবন্ধি ভাতা কার্যক্রমের কার্যকরিতা নিরূপণ জরিপ

জনাব/জনাবা, এই জরিপ সকারের সোশ্যাল সেফটি নেট কার্যক্রম এর আওতায় চালিত অসচ্ছল প্রতিবন্ধি ভাতার কার্যকরিতা নিরূপন এবং সার্বিক উন্নতির জন্য ব্যবহার করা হবে। এই সম্পূর্ণ জরিপ শুধুমাত্র প্রতিষ্ঠানিক গবেষণার জন্য ব্যবহার করা হবে এবং উত্তরদাতাদের নাম/পরিচয় প্রকাশ করা হবে না।

সাধারন তথ্য

উত্তরদাতার নামঃ	
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১। বয়স

৬২-৬৪	৬৫-৬৭	৬৮-৭০	৭১-৭৩	৭৪-৭৬	৭৭-৮০	৮০-৮২	৮৩+
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২। লিঙ্গ

মহিলা	পুরুষ
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৩। উনিয়ন/ওয়ার্ড

ক.	শিমুলিয়া	খ.	ধামসোনা	গ.	পাথালিয়া	ঘ.	ইয়ারপুর
ঙ.	আশুলিয়া	চ.	বিরুলিয়া	ছ.	সাভার	জ.	তেঁতুলঝোড়া
ঝ.	বনগাঁও	ঞ.	ভাকুর্তা	ট.	কাউন্দিয়া	ঠ.	আমিন বাজার

৪। আপনি কি বর্তমানে কোনো পেশায় নিয়োজিত আছেন?

হ্যাঁ	না
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৫। আপনার উত্তর যদি হ্যাঁ হয় তবে আপনার পেশা?

ব্যক্তিগত তথ্য

৬। কত বছর বয়স থেকে আপনি এই ভাতা সুবিধা গ্রহন করছেন?

৭। জেলা সমাজসেবা কার্যালয়ে আবেদন থেকে প্রতিবন্ধি নিবন্ধন সার্টিফিকেট উত্তোলন পর্যন্ত কতো সময় প্রয়োজন হয়েছে?

৮। অসচ্ছল প্রতিবন্ধি ভাতার জন্য আবেদনের কতদিন/মাস পরে আপনি ভাতার টাকা উত্তোলন এর অনুমোদন পেয়েছেন?

৯। আপনি বর্তমানে সোশ্যাল সেফটি নেট কার্যক্রম এর আওতায় অসচ্ছল প্রতিবন্ধী ভাতা ছাড়া আর কি কোনো সুবিধা পাচ্ছেন?

- প্রতিবন্ধী শিক্ষা উপবৃত্তি
- আর কোনো সুবিধা পাচ্ছি না
- অন্যান্য _____

১০। অসচ্ছল প্রতিবন্ধী ভাতা ছাড়া আপনার আর কি কোনো রোজগার এর উৎস রয়েছে?

- হ্যাঁ
- না

১১। মাসিক এই ভাতা থেকে কোন খাতে আপনার সবচেয়ে বেশী খরচ হয়?

- খাবার
- বাড়ি ভাড়া/বাসস্থান
- ওষুধ/ চিকিৎসা
- অন্যান্য

১২। আপনাকে কি আপনার/আপনার পরিবারের বাসস্থানের খরচ বহন করতে হয়?

- হ্যাঁ, সম্পূর্ণ পরিবারের খরচ দিতে হয়
- হ্যাঁ, শুধু আমার থাকার খরচ দিতে হয়
- না, কোনো খরচ দিতে হয় না

সার্বিক পর্যবেক্ষণ

১৩। বর্তমান অসচ্ছল প্রতিবন্ধী ভাতার পরিমাণ কি আপনার সাধারণ চাহিদা যেমন খাদ্য, বস্ত্র, চিকিৎসা অথবা বাসস্থান এর জন্য পর্যাপ্ত?

- পর্যাপ্ত
- অপর্যাপ্ত

১৪। অসচ্ছল প্রতিবন্ধী পাওয়ার পর কি পরিবারে আপনার পারিবারিক/সামাজিক অবস্থার কোন পরিবর্তন হয়েছে?

- হ্যাঁ
- না

১৫। সর্বোপরি সরকারের এই অসচ্ছল প্রতিবন্ধী ভাতা কার্যক্রমে আপনি কি পরিমাণ সন্তুষ্ট অথবা অসন্তুষ্ট?

- খুবই সন্তুষ্ট
- সন্তুষ্ট
- অসন্তুষ্ট
- একদমই সন্তোষজনক নয়
- নিরপেক্ষ

১৬। অসচ্ছল প্রতিবন্ধী ভাতার বর্তমান হার অপরিবর্তিত রেখে, সরকার থেকে আপনাকে যদি বিনামূল্যে চিকিৎসা সেবা প্রদান করা হয় - তবে কি আপনার জন্য বর্তমান বয়স্ক ভাতা কার্যক্রম সন্তোষজনক হবে বা সন্তুষ্টি বৃদ্ধি পাবে?

- খুবই সন্তুষ্টি
- সন্তুষ্টি
- অসন্তুষ্টি
- একদমই সন্তোষজনক নয়
- নিরপেক্ষ

১৭। সুবিধাভোগী নির্বাচন প্রক্রিয়া থেকে শুরু করে তালিকাভুক্তিকরণ এবং টাকা উত্তোলনের পুরো প্রক্রিয়ায় আপনি কি পরিমান সন্তুষ্টি বা অসন্তুষ্টি?

- খুবই সন্তুষ্টি
- সন্তুষ্টি
- অসন্তুষ্টি
- একদমই সন্তোষজনক নয়
- নিরপেক্ষ

১৮। আপনার মতে অসচ্ছল প্রতিবন্ধী ভাতা কার্যক্রমের কোন দিকটি সবচেয়ে দুর্বল এবং সর্বাধিক উন্নয়ন প্রয়োজন?
