

CHAPTER THIRTEEN

POVERTY ALLEVIATION

Despite the global economic downturn triggered on by the effects of the Russia-Ukraine war and the COVID-19 Pandemic, Bangladesh's poverty rate has decreased as a result of the implementation of the government's planned policies. According to the preliminary report of the 'Household Income and Expenditure Survey (HIES) 2022', the poverty rate in the country is currently 18.7 percent and the extreme poverty rate is 5.6 percent. Notably, the rates of poverty and extreme poverty were 24.3 and 12.9 percent respectively according to the Household Income and Expenditure Survey (HIES) 2016. However, poverty has decreased at a lower rate in urban areas than that in rural areas (rural areas 5.9 percentage point, urban areas 4.2 percentage point). According to the preliminary report of the 2022 survey, income has increased marginally compared to expenditure and consumption at the national level. On the other hand, the Gini co-efficient increased to 0.499 percent in 2022 from 0.482 percent in 2016. That is, income inequality has increased slightly. Government's all-out efforts are continuing in the light of Vision 2041, 8th Five Year Plan, Sustainable Development Goals (SDG), Delta Plan-2100 and other planning documents to reduce poverty as well as income inequality. The government is working tirelessly to adopt and implement bold, strong, people-centric and inclusive policies for poverty alleviation besides adopting multifaceted development projects aimed at structural transformation of the economy. The accumulated achievement in poverty reduction through the pursuit of appropriate poverty reduction strategies, such as enhancing social safety nets for people vulnerable to poverty, financial incentives, encouraging micro-savings, effective disaster risk reduction programmes and creating resilience against the effects of climate change, etc. has conspicuously drawn global attention. Various public and private institutions, as well as autonomous bodies, are carrying out various activities, including introducing microcredit in order to expedite the government's efforts of poverty reduction. Furthermore, the government is taking steps for the welfare of the country's poor people by including old age allowance, widow allowance, and destitute women allowance in social security provisions. In the revised budget for FY 2021-22, the allocation for the social security sector was Tk. 1,11,467.00 crore, which increased by 1.89 percent to Tk 1,13,576.00 crore in FY 2022-23. This allocation is 16.75 percent of the total budget and 2.55 percent of GDP.

Poverty Situation in Bangladesh

Bangladesh has achieved significant stride in poverty alleviation through the concerted efforts of government development activities, private investment and multiple social enterprises. According to Household Income and Expenditure Survey (HIES) 2016, poverty rate declined to 24.3 percent in 2016, which was 40.0 percent in 2005. According to the preliminary report of the 'Household Income and Expenditure Survey (HIES) 2022', the current poverty rate in the country is 18.7 percent and the extreme poverty rate is 5.6 percent. Continuing this pace of poverty alleviation, a target has been set in the

8th Five Year Plan (2020-2025) to reduce the poverty rate to 15.6 percent by 2025. Despite the global economic downturn imposed on by the consequences of the Ukraine war and the Covid epidemic, poverty rate of Bangladesh has decreased as a result of the government's planned initiatives being put into action. Special emphasis has been placed on strengthening health, investment, production, employment, human resource development, poverty alleviation and social protection programmes to overcome the crisis of COVID-19 and advance the pace of development of the people. In order to transform the economy structurally, the government is undertaking multifaceted development projects,

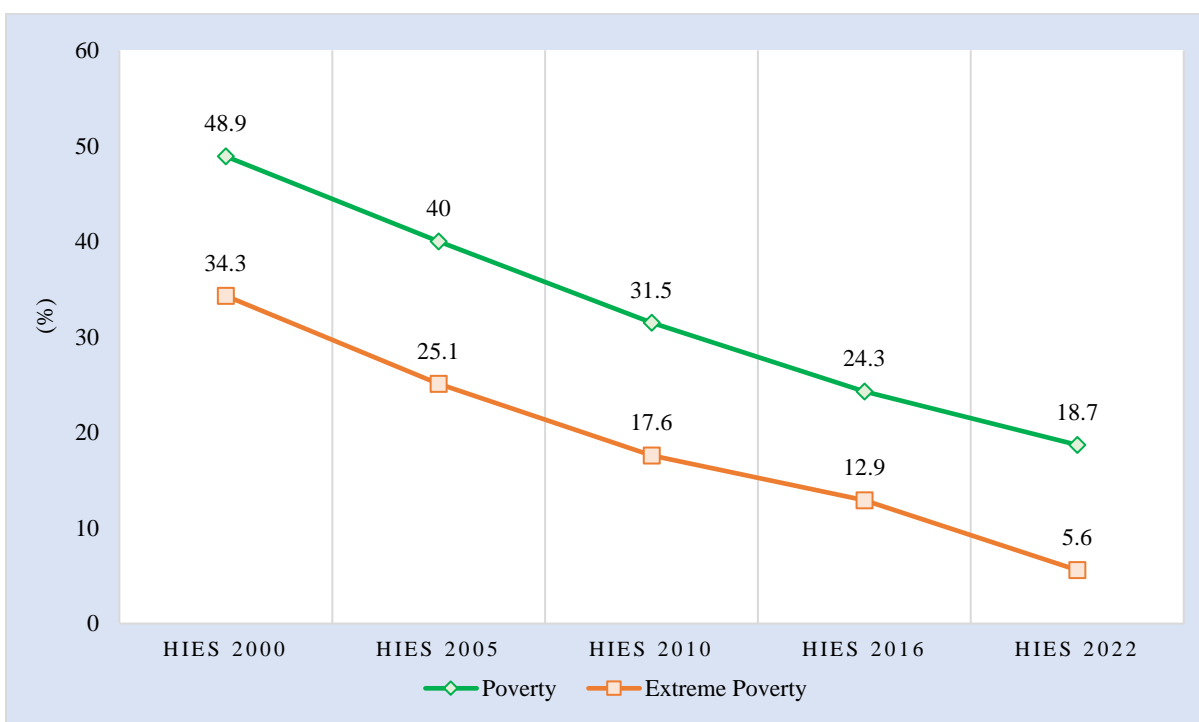
while at the same time expanding the social safety net's coverage in order to combat inequality and poverty and promote inclusive growth. In addition to the large development programmes, multi-faceted programmes are being conducted simultaneously to meet the basic needs of the backward, poor and helpless people of the society.

Trends of Poverty

According to the preliminary report of the 'Household Income and Expenditure Survey (HIES) 2022', income poverty at the national level decreased by 5.6 percentage points (from

24.3% to 18.7%) during 2016-2022 period as measured by the high poverty line. The compound rate of poverty reduction during this period averaged 4.27 percent. However, poverty has decreased at a lower rate in urban areas than in rural areas (rural areas 5.9 percentage point, urban areas 4.2 percentage point). On the other hand, income poverty at the national level decreased by 7.2 percentage points (from 31.5% to 24.3%) during the period 2010-2016. The annual compound rate of poverty reduction during the same period was 4.23 percent. The trends of poverty are depicted in Table 13.1.

Figure 13.1: Trends in poverty reduction



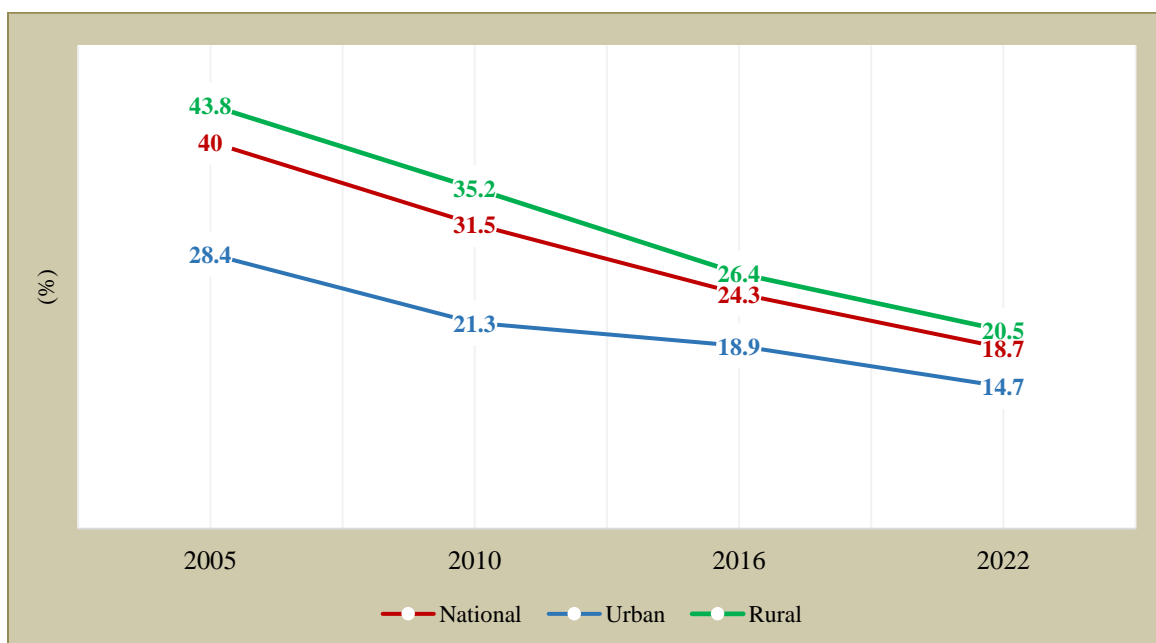
Source: BBS, HIES-2022 Key Findings.

Table 13.1: Trend of Income Poverty

	2022	2016	Annual Change (%) (2016 to 2022)	2010	Annual Change (%) (2010 to 2016)	2005	Annual Change (%) (2005 to 2010)
Head Count Index							
National	18.7	24.3	-4.27	31.5	-4.23	40.0	-4.67
Urban	14.7	18.9	-4.10	21.3	-1.97	28.4	-5.59
Rural	20.5	26.4	-4.13	35.2	-4.68	43.8	-4.28
Poverty Gap							
National	3.8	5.0	-4.47	6.5	-4.28	9.0	-6.30
Urban	2.9	3.9	-4.82	4.3	-1.61	6.5	-7.93
Rural	4.2	5.4	-4.10	7.4	-5.12	9.8	-5.46
Squared Poverty Gap							
National	1.2	1.5	-3.65	2.0	-4.68	2.9	-7.16
Urban	0.9	1.2	-4.68	1.3	-1.33	2.1	-9.15
Rural	1.3	1.7	-4.37	2.2	-4.21	3.1	-6.63

Source: BBS, HIES-2022 Key Findings.

Figure 13.2: Trend of Income Poverty
(National, Urban and Rural Areas)



Household Income, Expenditure and Consumption

1995-96 to 2022 have been provided in Table 13.2.

The statistics of household nominal income, expenditure and consumption from the surveys

Table 13.2: Monthly Household Nominal Income, Expenditure and Consumption Expenditure by Residence

(Taka)

Year of Survey	Residence	Average monthly Income	Average monthly Expenditure	Average monthly Consumption Expenditure
2022	National	32422	31500	30603
	Rural	26163	26842	26207
	Urban	45757	41424	39971
2016	National	15988	15715	15420
	Rural	13398	14156	13868
	Urban	22600	19697	19383
2010	National	11479	11200	11003
	Rural	9648	9612	9436
	Urban	16475	15531	15276
2005	National	7203	6134	5964
	Rural	6095	5319	5165
	Urban	10463	8533	8315
2000	National	5842	4881	4537
	Rural	4816	4257	3879
	Urban	9878	7337	7125
1995-96	National	4366	4096	4026
	Rural	3658	3473	3426
	Urban	7973	7274	7084

Source: BBS, HIES-2022.

The Table 13.2 expresses that,

- Household nominal income, expenditure and consumption expenditure have been increased gradually.
- In 1995-96, the monthly household nominal income was Tk. 4,366; which boosted up 3.66 times and rose to Tk. 15,988 in 2016. In

the new survey of 2022, it has increased to Tk. 32,422.

- Expenditure and consumption expenditure also increased along with income. In 1995-96, the per capita monthly expenditure at the national level was Tk. 4,090, in 2016 this expenditure was Tk. 15,715. In 2022, it increased to Tk. 31,500.

- On the other hand, consumption expenditure at the national level in 1995-96 was Tk. 4,026. In HIES 2016, it increased to Tk. 15,420. In HIES 2022 survey, the average consumption expenditure per household has increased to Tk. 30,603.
- In a general analysis it is found that there has been a slight increase in income compared to expenditure and consumption at the national level from 1995-96 to 2022.

- In rural areas, spending began to outstrip income for the first time in 2016; this pattern persisted in 2022.

Deciles Distribution of Income and Gini Co-efficient

According to the surveys conducted in 2010 and 2016, the ratio of income by deciles groups and Gini co-efficient in rural and urban areas are presented in Table 13.3.

Table 13.3: Percentage Distribution of Income According to Households in Groups (Deciles) at National Level and Gini Co-efficient

Household Income Group	2016			2010		
	National	Rural	Urban	National	Rural	Urban
	100.00	100.00	100.00	100.00	100.00	100.00
Lower 5%	0.23	0.25	0.27	0.78	0.88	0.76
Decile-1	1.02	1.06	1.17	2.00	2.23	1.98
Decile-2	2.83	2.99	3.04	3.22	3.53	3.09
Decile-3	4.05	4.36	4.1	4.10	4.49	3.95
Decile-4	5.13	5.52	5.00	5.00	5.43	5.01
Decile-5	6.28	6.58	6.15	6.01	6.43	6.31
Decile-6	7.48	7.89	6.88	7.32	7.65	7.64
Decile-7	9.06	9.52	8.88	9.06	9.31	9.30
Decile-8	11.25	11.80	10.4	11.50	11.50	11.87
Decile-9	14.86	15.51	13.47	15.94	15.54	16.08
Decile-10	38.09	34.78	41.37	35.85	33.89	34.77
Top 5%	27.82	24.19	32.09	24.61	22.93	23.39
Gini Co-efficient	0.482	0.454	0.498	0.458	0.431	0.452

Source: HEIS, 2016. Note: Details for 2022 are yet to be released.

Through a common analysis of Table 13.3, it is observed that-

- Despite 50 percent of the total population belongs to decile-1 to decile-5, the income share of the households jointly shares only 19.27 percent of total income, Conversely, the share of these five deciles was together 20.33 percent of total income in 2010. This points out that share of income by the lower five deciles comprising lower 50 percent people is 1.06 percent lower in 2016 than that of 2010.

- The percentage share of income of the lowed 5 percent households slightly decreased in 2016 compare to 2010. It was 0.23 percent in HIES 2016 whereas 0.78 percent in 2010. The income shares of top 5 percent households increased 3.21 percent in 2016.
- The Gini Co-efficient was 0.458 percent in 2010, which increased to 0.482 percent in 2016. According to the preliminary report of the 'Household Income and Expenditure Survey 2022', the Gini Co-efficient increased to 0.499 percent. That is, the inequality

between the rich and the poor has increased somewhat in terms of income.

- In 2022, the Gini Co-efficient in rural areas decreased slightly (0.431% in 2010, increased to 0.454 % in 2016 and slightly decreased to 0.446 % in 2022). On the other hand, in urban areas, the Gini Co-efficient increased to 0.539 percent in 2022 from 0.498 percent in the 2016 survey. That is, in terms of income, the

inequality between the rich and the poor has decreased slightly in the rural areas, but it has increased in the urban ones.

Deciles Distribution of Consumption and Gini Co-efficient

The Table 13.4 points out deciles distribution of consumption of HEIS 2016 and 2010 by residence for the surveys.

Table 13.4: Deciles Distribution of Consumption by Residence HIES 2016 and 2010

Household Expenditure Group	2016			2010		
	National	Rural	Urban	National	Rural	Urban
Total/ Deciles	100.00	100.00	100.00	100.00	100.00	100.00
Decile-1	3.7	4.00	3.44	3.85	4.36	3.40
Decile-2	4.94	5.28	4.75	5.00	5.57	4.66
Decile-3	5.80	6.14	5.67	5.84	6.41	5.54
Decile-4	6.64	6.96	6.55	6.63	7.22	6.42
Decile-5	7.51	7.81	7.51	7.48	8.03	7.37
Decile-6	8.54	8.79	8.60	8.48	8.97	8.48
Decile-7	9.84	9.94	10.07	9.73	10.01	10.01
Decile-8	11.59	11.58	11.91	11.49	11.63	12.03
Decile-9	14.61	14.15	15.26	14.59	14.07	15.06
Decile-10	26.83	25.35	26.23	26.90	23.63	27.03
Gini Co-efficient	0.324	0.300	0.330	0.321	0.275	0.338

Source: BBS, HIES-2016. Note: Details for 2022 are yet to be released.

Table 13.4 discloses that,

- Consumptions of families belonging to deciles 1, 2, 3 and 10, reduced a little in 2016 than 2010. Conversely, consumptions of other deciles groups increased slightly.
- The Gini Co-efficient increased slightly during the same period (from 0.321% in 2010, increasing to 0.324% in 2016). The Gini Co-efficient increased to 0.334 percent in 2022.
- In 2022 the Gini Co-efficient in rural areas decreased slightly (in 2010 it was 0.275 %, in 2016 it increased to 0.300 %, in 2022 it decreased slightly to 0.291 %). In other

words, the inequality between the rich and the poor in terms of consumption has decreased slightly in rural areas.

- On the other hand, the Gini Co-efficient in urban areas decreased slightly in 2016, but in the preliminary report of the HIES 2022, it increased slightly (in 2010 it was 0.338%, in 2016 it decreased slightly to 0.330%, in 2022 it increased to 0.356%).

Poverty rates in 8 Divisions

The head count ratio of incidence of poverty in eight administrative divisions using CBN method is described in Table 13.5.

Table 13.5: Division wise Incidence of Poverty (HCR) by CBN Method (in percentage)

Divisions	2016			2010		
	Using the Upper Poverty Line					
	Total	Rural	Urban	Total	Rural	Urban
Dhaka	16.0	19.2	12.5	30.5	38.8	18.0
Sylhet	16.2	15.6	19.5	28.1	30.5	15.0
Chattogram	18.4	19.4	15.9	26.2	31.0	11.8
Barishal	26.5	25.7	30.4	39.4	39.2	39.9
Khulna	27.5	27.3	28.3	32.1	31.0	35.8
Rajshahi	28.9	30.6	22.5	29.8	30.0	29.0
Mymensing	32.8	32.9	32.0	-	-	-
Rangpur	47.2	48.2	41.5	42.3	44.5	27.9
	Using the Lower Poverty Line					
Dhaka	7.2	10.7	3.3	15.6	23.5	3.8
Chattogram	8.7	9.6	6.5	13.1	16.2	4.0
Sylhet	11.5	11.8	9.5	20.7	23.5	5.5
Khulna	12.4	13.1	10.0	15.4	15.2	16.4
Rajshahi	14.2	15.2	10.7	21.6	22.7	15.6
Barishal	14.5	14.9	12.2	26.7	27.3	24.2
Mymensing	17.6	18.3	13.8	-	-	-
Rangpur	30.5	31.3	26.3	27.7	29.4	17.2

Source: BBS, HIES-2016. Note: Details for 2022 are yet to be released.

Table 13.5 indicates that,

- Except Rangpur division poverty rate reduced in all other division in 2016 compare to 2010.
- Rangpur division has the highest incidence of poverty at 47.2 percent. On the other hand, Dhaka division has the lowest incidence of poverty at 16.0 percent.
- Incidence of poverty has appreciably declined in Dhaka division compared to other divisions. The reduction rate is almost half (16% in 2016 from 30.5% in 2010).
- In Barisal, Khulna and Sylhet division, poverty rate is higher in urban areas than rural and
- Urban poverty in Sylhet and Chattogram division increased in 2016 though the average poverty rate decreased compare to 2010.

Strategies to reduce poverty and inequality

Making Vision 2041 a Reality: Perspective Plan of Bangladesh 2021-2041

The Vision 2041 seeks to eradicate extreme poverty by 2030 and to reach upper middle-income country by 2031; and to eliminate poverty by reaching high income country. Two principal visions that underpin the PP2041 include — (i) Bangladesh will be a developed country by 2041, with per capita income of over US\$ 12,500 in today's prices, and fully in tune with the digital world, (ii) Poverty will become a thing of the past in *Sonar Bangla*. The 20-year long-term plan will pursue the following strategic objectives as essential components of economic policy:

- Eradication of Extreme Poverty by 2031; reducing Poverty to less than 3 percent by 2041;

- Towards Upper middle-income country by 2031 and High-income country by 2034;
- Structural Transformation of Industrialization with export-oriented manufacturing;
- Ensuring nutrition and food security by paradigm Shifts in Agriculture;
- Transformation of the rural agrarian economy to a primarily industrial and digital economy by providing bridge form future service sector;
- Sustainable Urban transition;
- Efficient Energy and sustainable Infrastructure;
- Building a Bangladesh resilient of climate change;
- Establishing Bangladesh as a knowledge hub and skilled-based society.

The 8th Five Year Plan (8th FYP)

The 8th Five Year Plan is being implemented by various Ministries/Departments/Organisations

for the period from July 2020 to June 2025. 8th Five Year Plan would be instrumental in attaining Sustainable Development Goals (SDGs), realising Bangladesh Delta Plan (BDP)-2100 for a smooth transition following the LDC graduation. The plan blends the COVID-19 recovery strategies in the macroeconomic framework and develops sectoral strategies. The 8th FYP focuses on two key themes – promoting prosperity and inclusive growth. In line with the development principle of ‘Leaving No One Behind’, the plan has taken targeted strategies and activities for the communities and regions lagging behind in various economic and social development indicators. The 8th Five Year Plan has set a target of bringing down the poverty rate to 15.6 percent using the high poverty line and 7.4 percent of extreme poverty using the low poverty line by 2025. Table 13.6 shows the projection of poverty alleviation under the 8th Five Year Plan.

Table 13.6: Projection of Poverty Alleviation during 8th Five Year Plan

Poverty Line	2021	2022	2023	2024	2025
Reduction of Moderate Poverty					
Poverty Elasticity to GDP	-	-	1.20	1.20	1.20
Upper poverty line (% of population)	23.0	20.0	18.5	17.0	15.6
Reduction of Extreme Poverty					
Poverty Elasticity to GDP	-	-	1.40	1.40	1.40
Upper poverty line (% of population)	12.0	10.0	9.10	8.30	7.40

Source: General Economics Division. Planning Commission.

Sustainable Development Goals (SDGs) and Bangladesh

The United Nations has announced the Sustainable Development Goals (SDGs) for the period 2016-2030. SDGs have been announced with 17 goals and 169 targets and 241 indicators to be implemented within the stipulated time. The Government of Bangladesh is firmly committed to achieve the Sustainable Development Goals (SDGs) announced by the United Nations. While

implementing the SDGs, the universality and integrated-multidimensional natures of SDGs have been taken into consideration. Innovative and knowledge-based initiatives are applied, and the highest priorities are given to the extreme-vulnerable poor communities. The government adopted a whole-of-society approach to implementing SDGs.

Reviewing the progress of SDGs indicates that Bangladesh has already achieved considerable

progress in certain areas of SDGs. According to the preliminary report of the Household Income and Expenditure Survey 2022, the poverty rate in the country is currently 18.7 percent and the extreme poverty rate is 5.6 percent. Bangladesh has made remarkable progress in reducing the number of women who die from any cause related to pregnancy or childbirth per 1,00,000 live births. Bangladesh has successfully reduced the Maternal Mortality Ratio (MMR), which dropped to 163 per 1,00,000 live births in 2020 from 447 in 1995. It has been possible to bring down the under-5 mortality rate from 125 per lakh in 1995 to 28 in 2020. Bangladesh has achieved equality in ensuring access to education across gender and geographical areas. The country has made remarkable progress over the last two decades by raising the gross enrolment ratio at the pre-primary level from 17 percent in 2000 to around 34 percent in 2016. Bangladesh has achieved Gender Parity Index (GPI) value higher than one at the primary and secondary levels. However, in technical education and disability, the value of GPI is 0.37 and 0.64, respectively. In addition to this, according to the Global Gender Gap Report 2022 by World Economic Forum, Bangladesh is placed 71 out of 146 countries. It has remained the best-performing South Asian country for eight consecutive years. According to the data available, Bangladesh is on the right track in implementing the SDGs.

On-going Social Safety-net Programmes

The government has been continuing the social safety net programmes with a view to alleviating poverty through the improvement of socio-economic condition of the ultra-poor. Notable among the social security programmes are- Old age Allowance Programme; Widow and Husband deserted Women Allowances; Disability Allowance Programme; Education Stipend for Students with Disabilities; Development of the Living standards of the Hijra community;

Development of the Living standards of the Bede community; Development Programmes for the quality of life of backward community; Disability Identification Survey Programme; Rehabilitation and alternative employment for people involved with begging; Financial support Programmes for patients with cancer, kidney and liver cirrhosis, stroke paralysis, congenital heart disease and thalassemia and Life Improvement Programme for Tea Workers. In FY 2022-23 a total of Tk. 1,13,576 crore has been allocated for social safety net programmes. The allocation is 16.75 percent of the budget and 2.55 percent of GDP of the same fiscal year.

Important Social Safety-net programmes in FY2022-23:

- Government has allocated a total of Tk. 74,64.77 crore for Old Age Allowance, allowance for the Widows and Husband Deserted Women, allowance for the Persons with Disabilities and Stipend Programme for the Students with Disabilities under the coverage of Social Safety Net programmes in FY 2022-23, which is 8.89 percent more than the previous financial year.
- The number of elderly beneficiaries of Old Age Allowance is 57.01 lakh, Widows and Husband Deserted Women is 24.75 lakh and Stipend Programme for the Students with Disabilities is 1 lakh in FY 2022-23 under Social SafetyNet programmes.
- Number of disability allowance beneficiaries increased from 20.08 lakh to 23.65 lakh in FY 2022-23 and monthly allowance increased from Tk. 750 to Tk. 850.
- At present, the total number of beneficiaries of these four programmes under the social security programme is 106.41 lakh, which is about 3.47 percent more than the total beneficiaries of the previous financial year.
- With the aim of building a digital Bangladesh, allowances are currently being given to all individuals under the digital

management system for the convenience of the beneficiaries. 106.41 lakh beneficiaries under social security programme are receiving benefits through G2P system through MFS institutions 'Nagad', 'Bkash' and agent banking.

- Necessary efforts have been taken to continue the speed of microcredit and investment fund which are deposited to *Palli Karma Sahayak* Foundation (PKSF) and Social Development Foundation (SDF).

- Efforts are being made to speed up circulation of existing revolving microcredit funds with institutions like Rural Development Board, Department of Youth Development, Department of Social Welfare, Department of Women Affairs, Department of Fisheries, Department of Livestock, BSIC etc.

The budget allocation for the FY 2021-22 and FY 2022-23 for the social security and social empowerment sector is presented in Table 13.7 with the aim of implementing the above-mentioned initiatives.

Table 13.7: Allocation Pattern of Social Safety-net Programmes and Social Empowerment

(In Crore Taka)

Programmes	2021-22 (Revised)	2022-23 Budget
Various allowances	35917.30	41821.30
Food Security and Employment Generation Programmes	15766.90	15407.71
Stipend Programmes	4306.52	4416.96
Cash/Transfer of Materials (Special Programmes)	25267.31	27105.80
Credit Support Programmes	1622.48	78.00
Assistance for Special Communities	625.10	690.43
Various Funds and Programmes	15403.28	10496.46
Ongoing Development Projects/programmes	11970.02	12801.61
New Projects/Programmes	528.00	756.24
Total	111467.00	113576.00

Source: Finance Division

Cash Transfer under Social Safety-net Programmes

The government provides cash transfer under social safety-net programme along with food assistance, food for work, OMS and so on. In FY 2022-23 an amount of Tk. 41,821.30 crore has been allocated in the revised budget for Various allowances programmes. Some selected cash transfer programmes under the overall social safety-net programmes are described in brief below:

Old Age Allowance Programme: This programme was initiated in 1997-98. At the outset 5 men and 5 women per ward were paid Tk. 100 the number of beneficiaries and allowance rate has been increased gradually. Poor and risky elderly people, in case of men

who are 65 and in case of women who are 62 will be under this programme. In FY 2022-23 an amount of Tk. 3444.54 crore has been allocated and the number of beneficiaries has been increased from 49 lakh to 57.01 lakh, who will receive Tk. 500 as monthly allowance.

Allowance Programme for Widow, Deserted and Destitute Women: In order to protect and empower the poor, risky and disadvantaged women, the government of Bangladesh introduced the 'Widow and Husband Deserted Women Allowance' programme in 1998-99. Initially, under this programme, 4.03 lakh women received Tk. 100 as monthly allowance. The number of beneficiaries has been increased to 24.75 lakh in FY 2021-22, who are receiving Tk. 500.

Maternity Allowance for Poor Mother: This programme introduced as social safety-net programme in FY 2007-08 in order to provide financial assistance to the poor mother. It not only gives allowance facilities but also arranges different types of awareness building training related to health and nutrition. Earlier, a poor mother gets Tk. 500 each month under this programme. From the FY 2018-19, the allowance increases into Tk. 800 per month. The number of beneficiaries is 7.70 lakh in FY 2021-22.

Working Lactating Mother Assistance Fund: This programme started from FY 2010-11. This allowance is provided to working poor mothers in urban areas to support maternal health and full development of their unborn child or new born child. Dhaka, *Narayanganj* and *Gazipur* garment industrial areas and all city corporations/municipalities of the country have been included in this programme. Earlier, a mother used to get this support for 24 months by paying Tk. 500 per month. Both the amount and duration of allowance have been increased from FY 2018-19. A mother gets this support for 36 months by paying Tk. 800 per month. In FY 2021-22, an allocation of Tk. 276.65 crore has been made for this sector and the number of beneficiaries is 2.75 lakh.

Honorarium Programme for Freedom Fighters: The government has been working relentlessly for improving the lifestyle of freedom fighters, the heroes of the nation. At present, a freedom fighter gets Tk. 20,000 per month as honorarium. Two festival Allowance of each Tk. 10,000 per years also awarded. Besides, Monthly honorarium and Two festival Allowance of each Tk. 10,000 per years Allowance is given to the gallantry Freedom Fighters. At present, Tk. 35,000 for *Bir Shresthas*, Tk. 25,000 for *Bir Uttams*, Tk. 20,000 for *Bir Bikrams* and *Bir Pratiks* are given as monthly allowances. Moreover, from

FY 2018-19, every Freedom Fighter who is alive has been given Tk. 5,000 as Victory Day Allowance and for all Freedom Fighters, 2,000 Tk of the honorarium has been given as Bangla New Year allowance. In the revised budget FY 2021-22, there was an allocation of Tk. 4,603.35 crore for freedom fighter honorarium allowance. This allocation has increased to Tk. 4,653.35 crore in FY 2022-23.

Honorarium and Medical Allowance for Injured Freedom Fighters and *Shaheed* (Martyr) Families: The government is also working for the welfare of the family of martyrs and war-wounded freedom fighters. Separate programmes have been initiated for the treatment and honorarium of martyr's family and war-wounded freedom fighters. This programme was introduced with a view to improving living standards and retains the sound health of the wounded freedom fighters and member of *shaheed* families. Under this programme, Tk. 4,603.35 crore have been allocated in FY 2021-22. The allocation for 0.13 lakh beneficiaries has been increased to Tk. 472.45 crore in FY 2022-23. The programme is playing a role in improving the quality of life and maintaining good health of the freedom fighters.

Training and Microcredit Programme for the Freedom Fighters and their Dependents
Self-employment: This programme has been implemented to provide skill development training to the insolvent freedom fighters and their dependents. It improves the living standards and creates employment opportunities for them. Microcredit is delivered to them with a view to creating self-employment by utilising the training skill. From FY 2003-04 to FY 2020-21, a total of Tk. 41.25 crore allocated for this programme as revolving fund. In FY 2022-23, Tk. 2 crore allocated for this programme. Moreover, it has been estimated to distribute

Tk. 8.50 crore as loan and to recover Tk. 10.00 crore during FY 2022-23 under this programme.

Allowance for the Financially Insolvent Disabled Citizens: The Insolvent Disability Allowance Programme was introduced in FY 2005-06. Under this program, an allowance was given at the rate of Tk. 200 to 1,04,166 disabled people. The number of beneficiaries has increased from 20.08 lakh to 23.65 lakh and in FY 2022-23 monthly allowance has increased from Tk. 750 to Tk. 850, who are receiving Tk.750 as monthly allowance and Tk. 2,429.18 crores have been allocated for this programme.

Stipend for the Disabled Students: With the aim of ensuring education for the children with disabilities that they can participate in national development through higher education, the Government launches 'Education Scholarship Programme for Students with Disabilities' through the Ministry of Social Welfare in the FY 2007-08. Initially, the number of beneficiaries under this programme was 12,209 people. Under this programme in FY 2022-23, monthly stipends of Tk. 750, Tk. 800, Tk. 900 and Tk. 1,300 are being provided at the primary, secondary, higher secondary and higher levels respectively. In FY 2022-23, the number of stipend recipients is 1 lakh and the budget has allocated Tk. 95.64 crore for this programme.

Capitation Grant for Non-government Orphanage: A capitation grant is provided for up to 50 percent of orphans in institutions where minimum 10 orphans are housed in private orphanages registered by Department of Social Services. Out of a total budget allocation of Tk. 280 crore in FY 2022-23, a capitation grant of Tk. 140 crore has been provided at the rate of Tk. 2,000 per person (from July 2022 to December 2022) for the maintenance of 1,16,666 residents in 4,143 private orphanages.

Development of the Living standards of the Bede community: This programme was implemented as a pilot in 7 districts of the country namely Dhaka, Chattogram, *Dinajpur*, *Patuakhali*, *Jessore*, *Naogaon* and *Habiganj* districts in FY 2012-13. Currently, this programme is being implemented in a total of 64 districts. The amount allocated in FY 2021-22 is Tk. 9.23 lakh and the number of beneficiaries is 9,314.

Living Quality Improvement Program for Backward Communities: In FY 2019-20, this program is being run as a separate programme called '*Living standards development program for the backward people*'. In FY 2022-23, the total number of beneficiaries is 68,363, including 45,250 elderly/special beneficiaries of backward beneficiaries, 2,1903 receiving educational allowances at 4 levels, 1,210 person receiving socio-economic training. The amount allocated in FY 2022-23 is Tk. 57.87 crore.

Programme for Improving the Livelihood of Transgender (*Hizra*) People: The government works for the transgender (*Hizra*) people, the neglected community of the society. In FY2012-13, the government started this programme at seven districts as pilot basis. Now, the programme is executing whole of the country. In FY 2022-23, a total of Tk. 5.56 crore has been allocated for this programme. It is estimated that 5,745 transgender people directly benefited through this programme.

Programmes under Food Assistance

Food Friendly Programme: In 2016, the branding programme of Honorable Prime minister 'Food Friendly Programme' was launched. Under this programme, 50 lakh ultra-poor families (Widows, elderly, women led family, women led downstream poor families) living in the union level are enlisted. The families enlisted in this programme are distributed 30 kg rice per month in the workless

month/lean season at Tk. 10 kg. In the current FY 2021-2022 (up to 17 February, 2022), 4.50 lakh MT of rice have been distributed under this programme and the allocation for this sector was Tk. 2,816.72 crore and the beneficiaries were 62.50 lakh people. In FY 2022-23 Tk. 2,543.88 crores have been allocated for 62.50 lakh beneficiaries

Initiatives Open Market Sale (OMS): This programme is initiated to ensure the food security of the low-income people. As a result, people of low and limited income can purchase flour and rice. In FY 2021-22 (up to 17 February, 2022), 2.98 lakh MT of rice and 2.83 lakh MT of flour have been distributed. In the revised budget of FY 2021-22, the allocation for this sector was Tk.1,943.58 crores and in FY 2022-23 this allocation has been Tk.1,720.13 crores.

Distribution of Fortified Rice under Vulnerable Group Development: Ministry of Food started the distribution of *Pushti Chal* or fortified rice from the first half of 2014 in Five (05) upazilas of three districts. On the occasion of the golden jubilee of independence, Fortified Rice has been being distributed in 170 *upazilla*'s including 70 new *upazillas* under the VGD programme in 2021. Fortified rice is being distributed in 170 *upzillas* still now.

On the other hand, Fortified rice enriched with vitamin-A, vitamin-B-1, vitamin B-12, folic acid, iron and zinc to meet the micronutrient requirement of vulnerable people. In the FY 2016-17, the Distribution of Fortified Rice under Food Friendly Program (FFP) was started as a pilot project in *Kurigram Sadar* and *Fulbari upazilas*. On the occasion of the golden jubilee of independence, fortified Rice has been distributed in 100 *upazilla* including 50 new *upazilla* in Food Friendly Programme (FFP) in 2021. Fortified rice is being distributed in 251 *upzialla* still now.

Food For Work (Kabikha) and Taka For Work (Kabita) Programmes: Ministry of Disaster Management and Relief conducts these

programme. Under the Rural infrastructure Reform (*Kabikha-Kabita*) programme, Tk. 826.44 crore and Tk. 1,500 crore have been allocated in the revised budget for FY 2021-22 under the food for work (*kabikha*) and taka for work (*kabita*) programmes respectively. In FY 2022-23, this allocation has been increased to Tk. 876.27 crore in *Kabikha* and Tk. 1,500 crore has been kept unchanged in *Kabita*.

Vulnerable Group Feeding (VGF) Programme: This assistance is usually provided to the affected families in the post-disaster period until the livelihoods of the poor people are restored. 20-40 kg monthly per family is given this support for 2 to 5 months. Apart from this, fishermen refraining from harvesting mother hilsa and *jatka* also get VGF assistance. Poor people also get VGF assistance during various religious festivals. In FY 2021-22, the allocation for this sector was Tk. 961.96 crore and in FY 2022-23, the allocation has been Tk. 991.07 crore.

Test Relief (TR) programme: TR assistance is provided as emergency cash to poor people during calamities. In FY 2021-22, an amount of Tk. 1,450 crore has been allocated under this programme. This allocation remains unchanged in FY 2022-23. The number of beneficiaries under this program is 3.69 lakh.

Employment Programme for Ultra-Poor: This programme was first started in FY 2008-09 as 100 days job creation. Later, from FY 2009-10, this programme was started all over the country by giving priority to the extremely poor and working unemployed people in the rural areas. The objective of the programme is to: (a) Increase employment and purchasing power for the poorest unemployed people in Bangladesh; (b) Create wealth for the population and the country in general; and (c) Improve infrastructure and communication development, proper maintenance and development of environment. In FY 2022-23, the allocation for this sector is Tk. 1,830.00 crore and the number of beneficiaries is 5.18 lakh.

Ongoing Programmes/Projects under the Social Safety-net

Ashrayan-2 (Poverty Alleviation and Rehabilitation) Project

Ashrayan project was commenced in 1997 for rehabilitating the landless, homeless and rootless families. About 1,68,048 families have been rehabilitated by *Ashrayan* project through construction of barrack houses of 2,172 project villages across the country and 1,53,853 families through constructing houses on their own land, and 600 families through specially designed homes (*Tong Ghar* in three hill districts and *Barguna*). Cyclone *Amphan* and river erosion affected 1,100 families have been settled by constructing houses funded by Bangladesh Bank's housing fund (*Grihayon Tahobil*). On the occasion of *Mujibborsho*, 2 percent *Khas* land settlement has been allocated for housing construction of 2,37,831 families through the construction of two-room semi-*pucca* single houses.

On July 23, 2020 the Hon'ble Prime Minister Sheikh Hasina, as a gift of *Mujibborsho*, provided 640 flats to 640 climate refugee families in 20 multi-storied buildings constructed in the first phase of the *Khurushkul* Special *Ashrayan* Project. Rehabilitation activities of 3,769 families are in progress in the second phase of the *Khurushkul* Special *Ashrayan* Project. According to future plan of the Hon'ble Prime Minister Sheikh Hasina, the rest of the homeless and landless families will be rehabilitated phase by phase.

Grihayon Tahabil

Grihayon Tahabil was launched in FY 1997-98 considering the housing problem along with reducing poverty of homeless poor and low-income rural people. The Housing Loan Implementing Agency borrows only 1.5 percent simple interest from this fund and disburses

housing loan to the beneficiaries for a maximum period of 7 years at 5.50 percent simple interest. At present, housing loan activities are being carried out through 669 institutions across the country with a ceiling of Tk. 1,30,000 per household. The construction work of 99,172 houses has been completed through disbursement of loans of Tk. 536.60 crore up to February 2023.

As a part of the measures taken by the government to deal with the situation caused by Covid and to recover the economy, the installments of loans payable to the organizations implementing the home loan program and the beneficiary borrowers from 01/04/2020 to 31/12/2020 have been suspended and the interest on the installments for the period has been waived by 50 percent. On the occasion of *Mujibborsho*, a special loan allocation of Tk 130.00 crore has been provided in favor of 61 organizations for the construction of 10,000 houses, from which 5,440 houses have been completed through February 2023 through Tk. 70.72 crore loan concession.

Apart from housing construction activities, a 12-storey women's hostel has been constructed under The Dept. of Women Affairs to accommodate 744 women workers at *Ashulia* in *Savar* under Dhaka district at a cost of Tk. 24.61 crore with the funding of *Grihayon Tahobil* for housing of poor women garment workers. Besides, construction of hostel at a cost of Tk. 26.27 crore has been completed for the accommodation of women workers working in industrial establishments at *Mongla* EPZ under BEPZA. The hostel has accommodated 1,008 female workers. Besides, 191 houses have been constructed by Bangladesh *Krishi* Bank named a project '*Ghore Phera*'. Apart from the implementation of loan activities, a grant of Tk. 29.92 crore has been distributed among the families affected by various natural calamities. In addition to the implementation of the loan

programme, Tk. 29.92 crore have been distributed among the families affected by various natural disasters.

Poverty Alleviation Activities of Rural Development and Co-operative Division

A number of projects and Programmes are being implemented by various Departments and Organisations of Rural Development and Co-operative Division (RDCD) to reduce poverty and to make rural people self-dependent through micro-credit activities for increasing economic growth, employment and enhancing human resource development. The poverty alleviation and social security projects of RDCD and the activities of some organisations and foundations affiliated to the department are summarised below:

Comprehensive Village Development Programme (CVDP) 3rd Phase

The project 'Comprehensive Village Development Programme (CVDP)-3rd phase' is being implemented to reduce the level of poverty and to improve the quality of life of the people in the poverty-stricken area of rural Bangladesh. During the project period (January, 2018 to December, 2023), a total of 6,68,230 members of the cooperatives (both men and women) will be trained for different duration. Targeted output/physical targets of the project are: number of Society formation 10,035 and number of member enrolment 14,50,000. Till February, 2023 about 9,256 Societies have been formed and 9,28,108 members have been enrolled. Through the project some 4,25,610 members have been trained with different types of training like special training, income generating activity training and monthly joint-meeting and E-Learning.

Department of Co-operatives

Cooperatives have been playing an important role in increasing agricultural production, ensuring fair value of the products produced by

farmers, creating stability of commodity prices, creating employment opportunities through providing training and services, improving the quality of life of the backward and backward populations, and especially human development. Co-operative societies spread across the country are conducting various economic activities and have a special role in the economic development of themselves and the entire country. In Bangladesh, cooperative societies are organized at four levels, primary, central, national and nationwide. At present (Up to September, 2022), the total number of registered cooperatives in the country is 1,92,050. Among them, the number of primary co-operative societies are 1,90,585, the central co-operation number are 1,211, the national association are 22 and nationwide societies are 232. The total number of members of the cooperative societies are 1,21,47,838 people, the share capital is about Tk. 2696.01 crore, the savings deposit amount is Tk. 14253.56 crore and the working capital is Tk. 22640.14 crore. With a view to making co-operative activities fruitful and dynamic in the country the Department of Co-operative implement different projects/programmes time to time. At this moment two projects titled 'Establishment of Bangabandhu Model Village in the Light of Bangabandhu's People-Oriented Cooperative Thought' and 'Expansion of Cooperative Activities in *Jessore* and *Meherpur* Districts to Create Rural Employment through Dairy and Meat Production' and 'Extension of Dairy Cooperative Activities in Milk Shortage *Upazilas*' are implementing by the department.

Bangladesh Rural Development Board (BRDB)

Bangladesh Rural Development Board (BRDB) is playing a vital role in rural development and poverty alleviation sectors. BRDB is mainstreaming small, medium and marginal farmers, assetless male and female of rural areas

in developing activities through locally organizing, intensive training and motivation, formation of own capital, asset and technology transfer, micro and SME credit disbursement and product-based village development. BRDB has successfully completed 118 projects/programmes all over the country. At present, BRDB is operating 7 ADP listed projects/ programmes regarding to poverty alleviation and social empowerment. These are: (a) Employment Guarantees Scheme for Poor of the Northern Region (UDKONIK)-2nd Phase; (b) Participatory Rural Development Project-3 (PRDP-3); (c) *Gaibandha* Integrated Rural Poverty Alleviation Project; (d) Poverty Reduction through High Valued Nutritious Minor Crops Production and Marketing Programme; (e) Rural livelihood Programme (RLP)-3rd Phase; f) Integrated Rural Employment Support Programme for the Poor Women (IRESPPW)-2nd Phase and g) Comprehensive Village Development Programme (CVDP) (BRDB's Part). Besides, 6 programmes including poverty alleviation, women's empowerment, credit programmes are ongoing under BRDB's own management. Up to February 2023, BRDB cumulatively disburses Tk. 21,810.45 crore. On the contrary, a total of Tk. 19,731.18 crore has been recovered at the same period.

Bangladesh Academy for Rural Development (BARD)

BARD has been conducting training to government and non-government officials, local representatives involved in rural development and beneficiaries of different projects of BARD with the aim of developing the livelihood of rural people. Since its inception up to February 2023, BARD has conducted 8,904 training courses where 3,04,560 participants attended. Since its inception up to December 2022, BARD has conducted 718 researches. At present the Academy has been conducting 32

action researches. At present, BARD has been conducting research on various diversified fields of rural development like post Training utilization study on Training Courses of Comprehensive Village Development Programme (CVDP), The 4th Industrial Revolution (4 IR) and the Changing Patterns of Employment: Readiness of Rural Youth in Bangladesh, Occupational Participation of Women: Trends in Last Three Decades, No-till Agricultural Mechanisation and Collective Farm Management: A Study in the Light of Empirical Research by BARD, Divorce in rural Bangladesh: Remedy and development etc.

Rural Development Academy (RDA), *Bogura*

Rural Development Academy (RDA), *Bogura* arranges training courses on modern technology transfer, skilled development and human resource development. This academy has organised 174 training courses during the March 2022 to December 2022 where 31,314 participants were attended and total 6,50,231 participants attended from the beginning (June 1974). From March 2022 to December 2022, a total 9 number of research studies have been completed by RDA and a total of 537 research and 47 action research projects have been completed since its inception. At present, 4 ongoing action research projects are implementing by RDA in various locations of Bangladesh. RDA, *Bogura* and Bangabandhu Sheikh Mujibur Rahman Agricultural University, Gazipur have jointly launched 'Post Graduate Diploma-in Rural Development' course for the first time in Bangladesh; by 2022, a total of 113 graduates have obtained this degree. From March 2022 to February 2021, a total 15 number of research studies have been completed by RDA and a total of 528 research and 44 action research projects have been completed since its inception. At present, 6 ongoing action research projects are implementing by RDA in various locations of Bangladesh. RDA-credit has disbursed Tk.

164.73 crore as soft loan under various projects from FY 2000-01 to December 2022, loan recovery amount is Tk. 158.23 crore and loan recovery rate is 91.74 percent.

Palli Daridro Bimochon Foundation (PDBF)

Palli Daridro Bimochon Foundation (PDBF) is working with a view to promote the economic and social advancement of the poorest segment of the rural poor in Bangladesh. The organisation focuses on elimination of poverty through creation of solidary groups, mobilisation of micro savings, provision of micro credit and training for income generation and creation of new wealth. The cumulative loan of Tk. 21,494.45 crores has been extended to the beneficiary members. An amount of Tk. 313.52 crores has been disbursed to 15,571 beneficiaries under the financial incentive package announced by the government. This rural credit programme was launched targeting cottage, small and medium industries. The programme also aimed at improving the quality of life of marginalised people in rural areas in the face of COVID-19. As a result, about 85 lakh people have been benefited from the services of PDBF directly and indirectly and employment opportunities have also been created for them.

Small Farmers Development Foundation (SFDF)

The main objective of the Small Farmers Development Foundation (SFDF) is to improve the socio-economic conditions of small farmers and marginal farmer families living in the rural areas of the country and alleviate poverty. At present its activities are being conducted in 200 *upazilas* of 36 districts. Under the Foundation, 2,46,699 men/women have been enrolled till December, 2022 through the establishment of 9,586 centres at the village level. Among the Foundation's beneficiary's 94 percent are women. Among the members, an amount of Tk. 1,752.12 crore has been disbursed

cumulatively as collateral-free credit support and against that an amount of Tk. 1,498.97 crore has been recovered through weekly and monthly installment basis during the period. The recovery rate of credit stands to 97.51 percent.

Bangabandhu Academy for Poverty Alleviation and Rural Development (BAPARD)

Bangabandhu Poverty Alleviation Training Complex established at *Kotalipara upazila* of *Gopalganj* district in 1997. The mission of the complex is to improve livelihood by getting rid of poverty of rural people especially living in the south-western part of the country. Later on, it was renamed as 'Bangabandhu Academy for Poverty Alleviation and Rural Development (BAPARD)' in 2012. BAPARD mainly conducts training and research and arranges training programmes for government and non-government officials. It organises workshops, conferences and seminars related to rural development and poverty alleviation as well. Moreover, BAPARD executes training on various income generating activities on farming and off-farming sector for self-employment of small and marginal farmers and landless unemployed people. From January 2010 to January 2023, a total of 35,558 people has been trained in various categories regarding income enhancement of the beneficiaries and skill development of office/organisational staff. 2,945 trainees were provided free sewing machines. A total of 25 research projects have been completed on various subjects to develop approaches to poverty alleviation.

Employment Programmes of Karmasangsthan Bank

The government established *Karmasangsthan* Bank in 1998 to create self-employment opportunities for unemployed youths especially, educated unemployed youths. The bank provides loan to involve the youth in

productive, service oriented and income generating activities through its 275 branches across the country. So far, a total of 33,00,738 people has been directly and indirectly employed through 9,14,332 projects.

Bangabandhu Youth Credit programme

'Bangabandhu Youth Credit' programme has been adopted to generate employment opportunities and to poverty alleviation on the occasion of the birth centenary of the father of the nation the great Bangabandhu Sheikh Mujibur Rahman. Hon'ble Prime Minister Sheikh Hasina has termed the 'Bangabandhu Youth Credit' programme as a startup programme. Under this programme, a detailed action plan has been adopted and is being implemented to provide loans to 2.00 lakh trained unemployed youth. Under this programme, an amount of Tk. 2,590.19 crore has been disbursed in favor of 1,46,675 entrepreneurs till February, 2023.

Own Loan Programme of the Karmasangsthan Bank:

Under Own Credit Programme of bank, a total of Tk. 7,339.12 crore has been disbursed among total number of 6,58,529 entrepreneurs till February, 2023. At the same period an amount of Tk. 7,133.19 crore has been recovered.

- **Microcredit Programme for Self-retired/Retrench Worker/Employees of Mills/Industries and Establishment**

Karmasangsthan bank is implementing the programme according to signed memorandum of understanding with the Ministry of Labour and Employment. Under this programme for re-self-employment of self-retired/retrenched workers and employees of Industries/Factories a loan amount of Tk. 112.14 crore has been disbursed among total number of 20,191 workers/employees till February, 2023. At

the same period an amount of Tk. 105.25 crore has been recovered.

- **Credit Programme for Agro-based Industries**

With the financial support of the Ministry of Finance *Karmasangsthan* Bank has been conducting this programme. An amount of Tk. 69.27 crore has been disbursed among beneficiaries till February, 2023. As a result, 2,399 entrepreneurs who are involved in agro-based industry directly benefited.

- **Covid-19 Credit Assistance Programme for Poverty Alleviation and Employment Generation**

The Ministry of Finance aims to bring dynamism in the economy to resolve the impact of COVID-19 by creating employment in various sectors as well as maintaining production and supply. For this purpose, Tk. 500.00 crore was provided as capital deficit in favour of *Karmasangsthan* Bank in FY 2020-2021. Under the programme, Tk. 634.80 crore has been disbursed in favour of 36,426 entrepreneurs till February 2023.

- **Loan Assistance Program Under Newly Announced Incentive Package No. 4 in Favour of Low-Income People Affected by Restrictions Due to Ongoing Infection of COVID-19**

In order to provide loan assistance to low-income people affected by COVID-19 and for employment generation activities in rural areas Tk. 500.00 crore was sanctioned and released in favor of filling the capital deficit of *Karmasangsthan* Bank Under the newly announced 4th Incentive Package. Under the program, loans amounting to Tk. 503.33 crore have been disbursed in favor of 22,992 entrepreneurs February 2023.

Bangladesh Bank Loan Programme

With the loan assistance of Bangladesh Bank, *Karmasangsthan* Bank started 4 loan programmes in Fisheries and Livestock sector from FY 2015-16. Moreover, refinancing scheme programme in the dairy production and artificial insemination sector has been launched from FY 2016-17 to increase milk production by developing breeds through artificial insemination and In FY 2020-21, loan programme has been launched under the

'Bangabandhu Youth Credit' programme with the aim of creating employment for the trained youth of the country and involving them in poverty alleviation and national economic development activities. Under these programmes conducted with the assistance of Bangladesh Bank loans amounting of Tk. 1,832.03 crore have been disbursed among total of 1,05,826 entrepreneurs, till February 2023. Information regarding to loan distribution and recovery of *Karmasangsthan* Bank is presented in Table 13.8

Table 13.8: Disbursement of Loan by *Karmasangsthan* Bank

(In Crore Taka)

	Name of the programmes	Disbursement	Recoverable	Recovered	Rate of Recovery (%)	Beneficiary	Employment Generation
1	Bangabandhu Youth Credit programme	890.84	532.60	490.19	92	51503	185926
2	Covid-19 Credit Assistance Programme for poverty Alleviation and Employment Generation	634.80	597.07	557.68	93	36426	131498
3	Loan Assistance Program Under Newly Announced Incentive Package No. 4 in Favor of Low-Income People Affected by Restrictions Due to Ongoing Infection of Covid-19	503.33	219.05	201.19	92	22992	83001
4	Own Loan Programme	7339.12	7445.14	7133.19	96	658529	2377289
5	Loan Program for widow/husband abandoned unemployed young women	1.75	0.38	0.34	89	97	331
6	Loan Program for the development of special needs (disable) unemployed youth	1.92	0.29	0.26	90	116	442
7	Supporting Post-Covid-19 Small Scale Employment Creation Project (SPCSSECP)	1.40	--	--	--	56	203
8	Special Programme :						
	a) Micro Credit Programme for self retired/retrenched workers and employees of Industries/Factories for self employment Loan Programme	112.14	110.66	105.25	95	20191	72889
	b) Credit Programme to assist the entrepreneurs for the Development of Agro-based Industries	69.27	81.13	79.73	98	2399	8660
	c) Bangladesh Bank Loan Programme	978.92	1016.67	982.23	97	58990	212954
	d) Bangladesh Bank refinance scheme for milk production and artificial insemination sector	15.00	16.55	16.24	98	1250	4516
	E) 'Bangabandhu Youth Credit' programme under the funds received from Bangladesh Bank	838.11	554.95	501.43	90	45586	164565
9	others	539.93	364.80	363.58	100	16197	58471

Source: Karmasangsthan Bank.

Palli Karma Sahayak Foundation (PKSF)

Palli Karma-Sahayak Foundation (PKSF) is conducting various inclusive programmes to improve the quality of life of the backward communities of the country with the aim of poverty alleviation through employment

generation. Considering the multidimensional nature of poverty, PKSF is providing financial services as well as various non-financial services for the socio-economic development of the ultra-poor, medium-poor, small and marginal farmers and micro-entrepreneurs. PKSF's activities are

based on inclusive finance, integrated development, women's empowerment, enterprise development, social security, skill development, etc. As of December 2022, PKSf has 283 Partner Organisations (POs) across the country. The number of members of POs is 1.85 crore, of which about 91 percent are women. During the mentioned period the number of members receiving financial services at the field level is 1.41 crore, of which 92 percent are women. In the first six months of FY 2022-23, PKSf disbursed Tk. 3,258.51 crore to its POs and the POs disbursed Tk. 51,548.07 crore to the borrowers. From inception to December 2022, the amount of accumulated financial assistance from PKSf to POs is Tk. 52,353.45 crore and POs to borrowers is Tk. 5,91,941.42 crore.

Besides, PKSf is providing various financial and non-financial services to its members to mitigate the negative impact of the COVID-19 epidemic, as well as adopting strategies to maintain normal cash flow at the field level to revive various financial activities of the borrowers. Apart from regular funding, PKSf has already disbursed a total of Tk. 1,100.0 crore as Livelihood Restoration Loan (LRL) in favour of POs including Tk. 1,000.0 crore received from Hon'ble Prime Minister's stimulus package and Tk. 100.0 crore from PKSf's own funds. Using the said money, the PO has financed around Tk. 1,806.25 crore to 5.27 lakh poor people affected by COVID-19 at the field level. Additional financial and non-financial services are being provided to small entrepreneurs affected by COVID-19 with an additional US\$ 68.0 million through two projects from development partners- Asian Development Bank (ADB) and International Fund for Agricultural Development (IFAD).

Micro Credit Fund for Women's Self-Employment

Micro Credit Fund for Women's Self-Employment Programme is being run by The

Department of Women's Affairs and the National Women's Organisation to improve their socio-economic status by providing loans to rural distressed and helpless women by creating opportunities for poverty alleviation and self-employment. Loans ranging from Tk. 5,000-15,000 per person are being distributed through 488 *upazilas* of 64 districts on a rolling basis by the allocation received. Under the programme till February 2023, a total of Tk. 876.79 loans has been disbursed among 2,27,037 borrowers.

Microcredit Programme Monitoring through Microcredit Regulatory Authority (MRA)

The Microcredit Regulatory Authority (MRA) was established through the Microcredit Regulatory Authority Act, 2006 to ensure transparency and accountability in the microfinance sector. Since its inception, MRA has been regulating the microfinance sector in Bangladesh through the formulation of rules and regulations, issuance of circulars, and conduct on-site and offsite supervision. Like banking sector, MRA is currently working on the final stage of MF-CIB (Microfinance Credit Information Bureau) establishment. As of December 2022, MRA has issued licenses to 881 institutions for conducting microfinance operations and cancelled licenses of 143 institutions due to non-compliance issues. Currently, 738 MFIs licensed by the MRA are working relentlessly to improve the living standard of more than 4 crore members in Bangladesh through their micro credit and social services.

Microcredit Activities of Major NGOs

The Non-government organisations (NGOs) execute microcredit programmes along with the government organisations. The NGOs mainly work for poverty alleviation, education, health, human resource development and so on. The overall microcredit activities of 7 major NGOs are described below:

BRAC

BRAC is the largest non-government microfinance institution in Bangladesh. BRAC's microfinance activities work through a credit plus approach as provided poverty alleviation, protection, water and sewerage services, health, prevention of violence against women and children through various development programs, elimination of poverty, education, legal assistance, financial services, pre-immigration services, services during immigration, resettlement services for migrant workers, social welfare and social development. Particularly the people of socially disadvantaged and small ethnic groups such as the poor, who live on hoar, char areas are provided with various types of microfinance facilities and training to upgrade their living standards. As of December 2022, the total loan disbursement and collection of the organization amounted to Tk. 3,87,569.81 crore and Tk. 3,51,910.14 crore respectively and the number of hard and fast beneficiaries was 87,31,954 out of which the number of female beneficiaries was 89 percent.

ASA

ASA started its microcredit programme in 1991 as a specialised microcredit organisation. It's cost-effective and sustainable microfinance programme has been recognised as a special model of poverty alleviation. Up to February, 2023, ASA distributed Tk. 3,20,388.58 crore cumulatively. A total of 7,312,550 members have benefited from loans from the organisation during the mentioned period, of whom nearly 90 percent are women.

BURO Bangladesh

The BURO, which was established in 1990, works to alleviate poverty in 495 *upazilas* throughout 64 districts in Bangladesh. BURO

disbursed micro loans to 18,14,564 beneficiaries during FY 2022-23 (July-February). About 80 percent of the beneficiaries are women.

Caritas

Caritas is implementing various programmes to alleviate poverty in the country. With the aim of improving the livelihood of marginalised people through self-employment with loan assistance, *Caritas'* micro-credit programme is currently running in 5,945 villages of 625 unions in 63 *upazilas* of 26 districts of the country. Caritas disbursed a total of Tk. 6,385.92 crores of micro loans and collected Tk. 5,918.68 crores of loans among 2,71,521 beneficiaries till December, 2022. Among the beneficiaries about 87 percent are women.

Shakti Foundation

This organisation is engaged in providing microcredit facilities for the deprived women living in the slums of Dhaka, *Chattogram*, *Khulna*, *Cumilla*, *Bogura*, *Rajshahi* and other major cities and towns. Microfinance is the core programme of *Shakti Foundation*. Moreover, it provides service for healthcare, business entrepreneurship and social development of poor woman. The foundation has cumulatively disbursed loans of Tk. 17,025.36 crore till February 2023. At the same time, a debt of Tk. 14,742.13 crore has been recovered.

TMSS

TMSS has been implementing microcredit programme in order to make the poor people self-employed by improving their socio-economic conditions. It also works for expansion of business and increase the growth of production. TMSS implements credit programme in 384 *upazilas* of 59 districts. Up to June 2021, Tk. 36,482.03 crore has been as microcredit among 83,58,565 beneficiaries.

Proshika

Proshika started its journey in 1976 from *Manikgonj* with a view to removing poverty from society. Currently, it runs activities in 55

districts. Until December, 2022, *Proshika* distributes Tk. 9,999.61 crore as loan and 32,71,430 poor people get benefited from this NGO. The status of micro-credit programmes of the major NGOs is presented in the Table 13.9.

Table 13.9: Status of Microcredit programmes of Major NGO

(Tk. in Crore)

NGOs	2015	2016	2017	2018	2019	2020	2021	2022	Cumulative (Up to December 2022)
BRAC									
Disbursement	19298.28	24302.78	29317.1	35562.7	43171.5	38,426.29	42363.9	58326.08	387569.81
Recovery	171134.81	21563.66	26486.8	31551.4	38956.5	33,312.71	43458.8	51693.68	351910.14
Beneficiaries	5957954	5957954	6483486	7114726	7496383	8,127,942	8378031	8731954	8731954
Female	5188206	5188206	5633121	6165119	6163392	6,827,96	7007551	7811965	7811965
Male	769745	769745	850365	949607	1332991	1300446	1370480	919989	919989
ASA*									
Disbursement	20905.68	26958.63	29681.4	29681.4	28368.3	25,215.57	28567.6	39396.34	320388.58
Recovery	17650.08	23515.37	28953.3	28953.3	29,104.3	24,262.06	29539.2	33267.82	292785.42
Beneficiaries	7686255	7839119	7577355	7577355	6,828,69	6,766,906	6987609	7302809	7312550
Female	7033521	7171271	6930474	6930474	6,235,92	6,143,657	6326705	6559403	6546124
Male	652734	667848	646881	646881	592,772	623,249	660904	743406	766426
BURO Bangladesh									
Disbursement	2630.	3951.54	5439.38	10460.5	9148.5	8220.4	7608.4	-	-
Recovery	2355.	3154.81	4604.82	8978.80	7095.3	717408	8041.0	-	-
Beneficiaries	12694	1356572	1449085	1649923	1,662,68	1,963,060	1862461	-	-
Female	11689	1241687	1329719	1501564	-	-	-	-	-
Male	10046	114885	119366	148359	-	-	-	-	-
Caritas									
Disbursement	317.1	380.45	448.52	483.20	542.16	458.49	594.37	-	6385.92
Recovery	310.0	346.55	412.05	462.21	509.85	4,22.11	543.27	-	5918.68
Beneficiaries	29217	6619	2526	4070	2303	522	13829	-	271521
Female	18421	7832	2429	2154	2619	153	12334	-	235597
Male	10796	1213	97	1916	-	369	1495	-	35924
SHAKTI Foundation*									
Disbursement	745.7	1001.45	1175.03	1322.37	1765.68	1,214.19	1899.72	3252.68	17025.36
Recovery	669.9	826.49	1017.02	1232.81	1507.48	1,226.60	1458.91	2529.29	14742.13
Beneficiaries	-	-	521751	-	-	-	-	-	421615
Female	-	-	507628	-	-	-	-	-	409811
Male	-	-	14123	-	-	-	-	-	11804
TMSS									
Disbursement	2963.	2623.98	3305.85	4245.03	4817.71	4391.31	4895.99	-	-
Recovery	2540.	2460.35	2918.28	3838.84	4480.41	4096.44	4620.00	-	-
Beneficiaries	51911	459558	503942	576683	108360	861349	950760	-	-
Female	49991	441176	492722	568207	60972	784659	868709	-	-
Male	19208	18382	11220	8476	47388	76690	82051	-	-
Proshika									
Disbursement	219.5	178.02	255.75	351.18	539.52	550.25	983.28	1735.88	9999.61
Recovery	215.2	162.78	231.68	297.85	473.52	502.32	855.94	1498.26	9302.73
Beneficiaries	92535	79119	110483	140471	240335	314654	391670	463933	3271430
Female	74215	53801	78443	103949	186266	229984	293136	357861	2124390
Male	18320	25318	32040	36522	54069	84670	98534	106072	1147040

Source: Concerned NGOs. * Asa, SHAKTI Foundation (Cumulative, up to February 23)

Grameen Bank

Grameen Bank was established as a specialised institution in 1983. Microcredit programme implemented by the bank for poverty reduction. It works for poverty declination by creating self-employment of rural poor women through providing microcredit to them. Up to December,

2021, 93.13 lakh poor people of 81,678 villages of 479 *upzilas* under 64 districts are involved in the microcredit programme of *Grameen Bank*. The bank disbursed Tk. 279964.19 crore until February, 2023 and recovered Tk. 264498.97 during the same period. The Table 13.10 describes the microcredit activities of the *Grameen Bank*.

Table 13.10: Microcredit Programmes of *Grameen Bank*

Item	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	Cumulative Up to February 2023
Disbursement	20789.11	24321.50	17044.92	20501.70	19547.99	255112.3	279964.19
Recovery	18270.13	22559.75	16694.02	20490.03	21150.30	241345.7	264498.97
Recovery Rate (%)	99.22	99.13	99.03	99.29	95.25	97.19	97.06
No. of Beneficiary	8915491	8986050	9132966	9313513	9387505	9612767	10320855
Female	860989	8689004	8834706	9013762	9084765	9305432	9993500
Male	305598	297046	298260	299751	302740	307335	327355

Source: Grameen bank

Microcredit Activities of Schedule Banks

The statistics of credit disbursement and recovery of 4 State Owned Commercial Banks (SOCBs)

and 2 public sector specialised banks is presented in Table 13.11.

Table 13.11: Status of Microcredit Disbursement of SOCBs and Public Specialised Bank

(in crore Taka)

Name of the Bank	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23*
Sonali Bank										
Disbursement	1063.15	1041.00	1127.00	1187.30	1170.21	1258.51	771.51	995.66	19663.36	20839.37
Recovery	1166.91	1244.00	1178.00	1316.08	1267.90	1378.78	818.63	21631.79	905.51	22752.98
% of recovery	109.76	45.00	46.00	46.00	42.52	48.47	38.47	39.29	84.17	79.92
No of Beneficiaries	262149	229773	208432	291429	311058	157518	166229	285548	8451397	8596235
Agrani Bank										
Disbursement	602.00	2120.50	1782.02	898	2748.77	3340.94	4159.00	6833.76	4316.40	36159.43
Recovery	528.00	3051.85	3007.86	996	1767.85	1429.30	3530.10	5599.89	4129.75	30363.60
% of recovery	87.71	74.00	67.00	88.00	64.31	62.00	72.11	72.78	81.95	72.53
No of Beneficiaries	132317	128850	92636	150139	30698	18780	23053	28631	26023	126452
Janata Bank										
Disbursement	737.30	751.57	744.80	495.57	751.36	597.77	733.13	345.43	476.18	505.50
Recovery	641.35	698.91	691.23	490.23	678.57	570.85	722.42	276.44	435.90	449.90
% of recovery	86.99	93.00	58.00	99.00	48.00	51.48	61.07	36.64	34.29	40.22
No of Beneficiaries	548134	104563	551179	552392	753785	554545	547366	-	554945	582046
Rupali Bank										
Disbursement	12.17	11.44	19.95	105.50	612.31	44.11	1240.46	1593.35	1855.38	301.85
Recovery	17.38	15.71	31.30	59.69	293.19	367.78	1299.28	1815.2	2089.83	226.50
% of recovery	142.81	137.32	166.00	57.00	293.00	368.00	105.74	114.00	113.00	57.00
No of Beneficiaries	15849	15255	14886	30697	34731	35021	38323	47227	50876	-
Bangladesh Krishi Bank										
Disbursement	100.49	96.56	57.61	31.15	72.11	44.80	37.82	36.55	28.61	104.15
Recovery	109.37	106.77	52.04	21.13	66.49	27.50	31.35	31.60	28.61	100.78
% of recovery	109.84	111.00	53.17	67.83	92.20	61.38	82.89	86.46	131.35	99.76
No of Beneficiaries	14919	16529	16044	7254	12080	7808	3240	2322	1964	774
Rajshai Krishi Unnayan Bank										
Disbursement	38.23	24.88	12.73	25.67	22.94	22.94	2051.67	2762.96	3183.04	2487.68
Recovery	40.78	29.07	19.09	12.19	8.91	8.91	2142.40	2178.93	3289.98	2475.67
% of recovery	106.67	101.00	82.00	48.00	39.00	39.00	93	109.00	127.00	70.00
No of Beneficiaries	202531	202242	203375	212100	203258	203647	165102	185324	198301	157920
Total										
Disbursement	4000.1	5623.5	5444.71	4647.68	7607.94	8474.07	8993.59	12567.71	28391.52	60397.98
Recovery	4198.25	7018.83	6997.47	5039.58	6445.38	6818.29	8544.14	32073.85	9728.19	56374.43
% of recovery	104.95	124.81	128.52	108.43	84.72	80.46	95.00	255.21	34.26	93.34

Source: Concerned Banks . * (Up to February 2023)

Microcredit Programmes of other Commercial and Specialised Banks

Except the state-owned banks other commercial and specialised banks are also carrying out

microcredit programmes to reduce poverty and create self-employment opportunities. The information of six commercial banks' microcredit programmes is described in Table 13.12.

Table 13.12: Microcredit Programmes of other Commercial and Specialised Banks

(in crore taka)

Commercial and Specialised Banks	Number of Beneficiaries			Disbursement (Cumulative progress up to February, 2023)	Rate of Recovery (%)
	Female	Male	Total		
Ansar-VDP Unnayan Bank	585694	545554	1131284	2619.63	95.28
*National Bank Limited	247	6048	6295	4655.13	62.93
*Social Islami Bank Limited	8981	18565	27546	318.31	86.00
Uttara Bank Limited	5	37	42	22.88	-
Basic Bank Limited	530682	134402	665084	1435.00	95.00
Islami Bank Bangladesh Limited	-	-	-	13553.10	-

Source: Concerned Banks *Basic Bank Limited (Up to December,2022).

Microcredit Programmes of Administrative Ministries/Divisions

The government has been implementing microcredit programmes by different ministries, divisions and agencies along with various social

safety net programmes to remove poverty from the society. In order to sustaining the microcredit programmes for poverty reduction the government emphasises on developing small entrepreneurs microcredit programmes of different ministriess/divisions/departments are presented in the Table 13.13.

Table 13.13: State of Microcredit of different Ministry/Division/Department

(in crore taka)

Ministry /Division	Department/ Division	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23*
Rural Development & Cooperative Division	BRDB										
	Disbursement	884.54	985.88	1065.73	1173.52	1252.26	1282.41	1055.31	1244.39	1363.63	1056.91
	Recovery	816.80	910.42	999.48	1106.12	1138.80	1241.32	1000.74	1250.46	1299.71	1050.40
	Rate (%)	92.00	92.00	73.00	94.00	75.00	75.00	67.00	710.00	72.00	68.00
	PDBF										
	Disbursement	716.82	915.26	956.93	1156.28	1266.50	1309.73	1015.80	1933.00	2210.00	1342.00
	Recovery	724.69	946.45	946.09	1178.35	1359.49	1379.86	1104.58	2064.00	2174.00	1628.00
	Rate (%)	99.00	99.00	98.00	98.00	97.00	96.00	96.00	96.00	98.00	97.00
Ministry of Women and Children Affairs	Department of Women Affairs										
	Disbursement	1145.17	507.13	645.70	793.75	864.66	1273.68	377.08	1117.11	8.8154	6.4660
	Recovery	8.9445	5.0025	6.7896	7.8939	7.1265	9.1514	7.3403	7.3235	7.8950	5.4527
	Rate (%)	78.10	98.64	105.15	99.45	82.41	71.85	194.66	65.55	89.56	84.32
	Jatiyo Mohila Songstha										
	Disbursement	916.95	315.71	265.32	498.67	359.62	376.54	338.35	349.50	358.70	-
	Recovery	908.98	257.68	255.61	568.75	438.66	578.03	399.29	357.70	552.99	400.09
	Rate (%)	99.00	82.00	96.00	114.00	122.00	154.00	118.00	103.00	213.00	118.00
Ministry of Liberation war Affairs	Disbursement	5.56	7.00	7.98	8.61	9.33	9.00	9.00	7.00	7.00	8.50
	Recovery	3.25	4.52	8.03	8.79	8.83	10.00	10.00	10.00	10.00	10.00
	Rate (%)	58.48	64.57	100.62	102.09	59.00	50.00	50.00	51.00	48.00	58.00
Ministry of Industries	SERWTCI										
	Disbursement	10.40	9.35	8.65	7.82	6.42	3.43	2.97	255.14	266.00	190.51
	Recovery	10.46	9.33	105.6	7.81	6.53	3.70	3.10	254.06	132.21	145.50
	Rate (%)	100.00	99.00	99.00	100.00	101.00	-	-	56.00	50.00	76.00
Ministry of Land	Disbursement	3.02	7.50	6.70	6.79	0.93	1.29	0.73	0.35	0.39	0.31
	Recovery	1.63	5.67	6.09	6.39	0.10	0.52	0.99	0.22	0.20	0.20
	Rate (%)	53.97	75.58	90.90	94.11	45	67	70	39	36.00	40.00
Ministry of Textile and Jute**	Bangladesh Handloom Board										
	Disbursement	2.65	4.03	3.42	4.10	3.60	3.51	0.57	-	-	79.52
	Recovery	2.39	3.16	3.43	4.23	3.25	3.56	2.11	2.28	2.67	64.77
	Rate (%)	62.76	65.65	67.89	70.25	70.70	71.86	72.6	81.44	102.82	81.45
Ministry of Youth and Sports	Dept. of Youth										
	Disbursement	-	97.34	102.65	121.97	138.81	142.94	114.94	88.58	-	-
	Recovery	-	89.73	99.29	109.94	117.16	132.91	105.08	72.04	-	-
	Rate (%)	-	92.18	96.74	90.12	84.40	92.98	84.75	95	-	-
Ministry of Agriculture	Cotton Development Board										
	Disbursement	1.25	1.71	1.23	1.27	1.34	1.56	1.66	1.15	1.23	1.87
	Recovery	1.31	1.3	1.28	1.34	1.41	1.61	1.73	1.20	1.28	-
	Rate (%)	104.77	103.96	104.46	104.92	104.59	103.07	104.35	104.33	104.40	-

Source: Concerned Division/Department. *(up to February 2023)** Ministry of Textile and Jute (Cumulative progress up to February 2023)

Note: In many cases the recovery rate is over 100% as the recovery includes the previous year's uncollected accounts