

CHAPTER 13

POVERTY ALLEVIATION

Incidence and depth of poverty in Bangladesh has been decreasing gradually because of the various efforts of the Government. As a result of effective implementation of different government and non-government activities, at present the poverty rate declined to 24.3 percent whereas it was 56.7 percent in 1991. It has been targeted to reduce poverty rate at 18.6 percent by 2020. The Government has extended the scope and allocation of social safety net programme every year with a view to achieving the desired target of poverty alleviation. In order to bring efficiency and effectiveness of social safety net programmes, Bangladesh follows the life cycle approach of social safety net. For this purpose, Bangladesh has already formulated 'National Social Security Strategy (NSSS)'. In FY2016-17 an amount of Tk.40,857 crore has been allocated against social safety net programmes. The allocation is 12.88 percent of the budget and 2.09 percent of GDP of the same fiscal year. Palli Karma Shahayok Foundation (PKSF), Social Development Foundation (SDF) and various banks and NGOs are involved in implementing different development programmes conducted by the Government to reduce poverty. Four public sector banks and two specialised banks cumulatively distributed a total of Tk.43,583.59 crore as microcredit up to June 2017. At the same time, the total recovered amount of these institutes was Tk.46,266.98 crore. Various ministries, divisions/agencies including Finance Division are also implementing various microcredit and other programmes which are aimed at combating poverty.

Poverty Situation in Bangladesh

Poverty alleviation is considered to be one of the most important indicators of the socio-economic development of a state and society. Bangladesh has achieved remarkable development in poverty alleviation during the last few decades as a result of the combined efforts of both the Government and non-government sectors. According to the 'Millennium Development Goals: End-period Stocktaking and Final Evaluations Report' the incidence of poverty has declined 1.74 percentage points on an average in Bangladesh during 2000-2010 against the MDGs target of 1.20 percentage points.

According to the recently published 'Household Income and Expenditure Survey-2016' the present poverty rate is 24.3 percent whereas it was 56.7 percent in 1991. The Government has set up a target to reduce the poverty to 18.6 percent at the end of the 7th Five Year Plan (2016-2020). Despite all these positive changes in poverty reduction, still one-fourth population of Bangladesh lives below the poverty line. It would not be possible to attain the desired level of socio-economic development without emancipating this portion of population from poverty. For this reason, the Government still considers poverty alleviation as a major agenda on the policy and development issues of the country.

Bangladesh Economic Review 2017

Bangladesh has achieved a significant progress in the Human Development Indicators. According to the UNDP Development Report- 2016 the position of Bangladesh has been ranked at 139th among 187 countries. Furthermore, the report reveals that Bangladesh's Multidimensional Poverty Index (MPI) reduced to 0.188 in 2016 from 0.237 in 2007.

Measurement of the Incidence of Poverty in Bangladesh

The measurement of the incidence of poverty in Bangladesh is taken from the report of Household Expenditure Survey (HES). At present, the survey is renamed as Household Income and Expenditure Survey (HIES). The first HES in Bangladesh was carried out in FY1973-74 and after that up to FY1991-92, few HESs were conducted maintaining the same strategies of the first one. HESs were accomplished by Food Energy Intake (FEI) and Direct Calorie Intake (DCI) method. According to this survey, a man having calorie intake of less than 2,122 kilo-calories daily to be considered as absolute poor. On the other hand, a man having an intake of below 1,805 kilo-calories is considered as hard-core poor. The Bangladesh Bureau of Statistics (BBS) has adopted 'Cost of Basic Needs (CBN)' for HES for the first time in 1995-96. The same method applied in the HIES in 2000, 2005 and 2010. This method also considered non-food consumption items for compiling poverty index. The latest HIES

has been undertaken in 2016 and recently its result has been published.

Trends of Poverty

The incidence of income poverty (measured by CBN considering the upper poverty line) declined nearly 7 percent (from 31.5 percent to 24.3 percent) over the period in 2010 - 2016. During this period, the compound poverty declined 4.23 percent annually. On the other hand, the rate of income poverty declined from 40.0 percent to 31.5 percent from 2005 to 2010. At that time, compound poverty got reduced by 4.67 percent each year. Therefore, it is evident that though poverty is decreasing gradually, the pace of reduction rate declined during the period of 2010-2016 compared to the period of 2005-2010. In urban areas poverty reduction rate is higher (4.68 %) than rural areas (1.97%). During 2010 to 2016, the reduction rate of the depth of poverty (measured by poverty gap) was 4.28 percent. It has also been observed that income poverty reduction rate in urban areas is lower than that of rural areas (1.61% and 5.12% respectively). Moreover, the reduction rate of the depth of severity of poverty (measured by squared poverty gap) was also lower in urban areas compared to rural areas. The trends of poverty are depicted in Table 13.1.

The HIES-2016 reveals that on the basis of lower poverty line poverty rate in 31 districts is above national average. On the other hand, using the upper poverty line poverty rate in 36 districts is above national average.

Table 13.1: Trend of Income Poverty

	2016	2010	Annual Change (%) (2010 to 2016)	2005	Annual Change (%) (2005 to 2010)
Head Count Index					
National	24.3	31.5	-4.23	40.0	-4.67
Urban	18.9	21.3	-4.68	28.4	-5.59
Rural	26.4	35.2	-1.97	43.8	-4.28
Poverty Gap					
National	5.0	6.5	-4.28	9.0	-6.3
Urban	3.9	4.3	-1.61	6.5	-7.93
Rural	5.4	7.4	-5.12	9.8	-5.46
Squared Poverty Gap					
National	1.5	2.0	-4.68	2.9	-8.81
Urban	1.2	1.3	-1.33	2.1	-8.64
Rural	1.7	2.2	-4.21	3.1	-8.75

Source: BBS, HIES-2016.

Household Income, Expenditure and Consumption

Household nominal income, expenditure and consumption from the surveys 1995-96 to 2016 have been presented in Table 13.2. The difference between expenditure and consumption is that ‘consumption’ excludes

lumpy expenditures like durable goods purchases and some other expenditure such as payment of tax, insurance, expenses of pilgrimage/hajj, marriage, etc but, ‘expenditure’ includes all such expenses

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

Year of Survey	Residence	Average Monthly (Taka)		
		Income	Expenditure	Consumption Expenditure
2016	National	15945	15715	15420
	Rural	13353	14156	13868
	Urban	22565	19697	19383
2010	National	11479	11200	11003
	Rural	9648	9612	9436
	Urban	16475	15531	15276
2005	National	7203	6134	5964

Year of Survey	Residence	Average Monthly (Taka)		
		Income	Expenditure	Consumption Expenditure
	Rural	6096	5319	5165
	Urban	9878	7360	7149
2000	National	5842	4886	4542
	Rural	4816	4257	3879
	Urban	9878	7360	7149
1995-96	National	4366	4096	4026
	Rural	3658	3473	3426
	Urban	7973	7274	7084

Source :BBS,HIES-2016.

The Table 13.2 expresses that:

- Household nominal income, expenditure and consumption expenditure have increased repeatedly.
- In 1995-96, the monthly household nominal income was Tk.4,366; which increased to Tk.15,945 in 2016. Both rural and urban income also increased gradually.
- The average monthly household expenditure was also boosted up both at rural and urban level.

- In 2016 rural expenditure was Tk.14,156 which is higher than rural income (Tk.13,868). This incidence occurred for the first time in the history of Bangladesh.

Head Count Ratio (HCR) on the Basis of CBN Method by Divisions

The head count ratio of incidence of poverty in seven administrative divisions using CBN method is presented in Table 13.3.

Table 13.3: Division wise Incidence of Poverty (HCR) by CBN Method (in percentage)

National/Division	2016			2010		
	Using the Lower Poverty Line					
	National	Rural	Urban	National	Rural	Urban
National	12.9	14.9	7.6	17.6	21.1	7.7
Barisal	14.5	14.9	12.2	26.7	27.3	24.2
Chittagong	8.7	9.6	6.5	13.1	16.2	4.0
Dhaka	7.2	10.7	3.3	15.6	23.5	3.8
Khulna	12.4	13.1	10.0	15.4	15.2	16.4
Mymensing	17.6	18.3	13.8	-	-	-

National/Division	2016			2010		
	Rajshahi	14.2	15.2	10.7	21.6	22.7
Rangpur	30.5	31.3	26.3	27.7	29.4	17.2
Sylhet	11.5	11.8	9.5	20.7	23.5	5.5
	Using the Upper Poverty Line					
National	24.3	26.4	18.9	31.5	35.2	21.3
Barisal	26.5	25.7	30.4	39.4	39.2	39.9
Chittagong	18.4	19.4	15.9	26.2	31.0	11.8
Dhaka	16.0	19.2	12.5	30.5	38.8	18.0
Khulna	27.5	27.3	28.3	32.1	31.0	35.8
Mymensing	32.8	32.9	32.0	-	-	-
Rajshahi	28.9	30.6	22.5	29.8	30.0	29.0
Rangpur	47.2	48.2	41.5	42.3	44.5	27.9
Sylhet	16.2	15.6	19.5	28.1	30.5	15.0

Source: BBS, HIES-2016.

Table 13.4 reveals that,

- Rangpur division has the highest incidence of poverty (HCR) at 47.2 percent, followed by Mymensingh division at 32.8 percent and Rajshahi division at 28.9 percent and Khulna division at 27.5 percent. On the other hand, Dhaka division has the lowest HCR of 16.0 percent preceded by Sylhet division with HCR of 16.2 percent and Chittagong division with HCR of 18.4 percent.
- Incidence of poverty has significantly reduced in Dhaka division compared to other divisions. It has reduced to 16.0 percent in 2016 from 30.5 percent in 2010.
- The incidence of poverty at urban areas increases in Rangpur, Sylhet and

Chittagong divisions in 2016 compared to 2010. In 2016, poverty rate at urban areas of Rangpur, Sylhet and Chittagong divisions were 41.5 percent, 19.5 percent and 15.9 percent respectively which were 27.9 percent 15.0 percent and 18.0 percent in 2010 respectively. The only difference is that overall poverty in Rangpur division increased in 2016 whereas in Sylhet and Chittagong divisions both overall and rural level poverty was decreased.

Decile Distribution of Income and Gini Coefficient

- The ratio of income by deciles groups and Gini coefficient with rural and urban break-down according the surveys conducted in 2010 and 2016 are presented in Table 13.4.

Table 13.4: Percentage Distribution of Income Accruing to Households in Groups (Deciles) at National Level and Gini Coefficient

Household Income Group	2016			2010		
	National	Rural	Urban	National	Rural	Urban
	100	100	100	100	100	100
Lower 5%	0.23	0.25	0.27	0.78	0.88	0.76
Decile-1	1.01	1.06	1.16	2.00	2.23	1.98
Decile-2	2.83	3.00	2.99	3.22	3.53	3.09
Decile-3	4.04	4.33	4.18	4.10	4.49	3.95
Decile-4	5.13	5.47	4.99	5.00	5.43	5.01
Decile-5	6.23	6.63	5.91	6.01	6.43	6.31
Decile-6	7.51	7.95	7.17	7.32	7.65	7.64
Decile-7	9.12	9.44	8.35	9.06	9.31	9.30
Decile-8	11.13	11.78	10.49	11.50	11.50	11.87
Decile-9	14.84	15.49	13.31	15.94	15.54	16.08
Decile-10	38.16	34.84	41.44	35.84	33.89	34.77
Top 5%	27.89	24.25	32.12	24.61	22.93	23.39
Gini Coefficient	0.483	0.454	0.498	0.458	0.430	0.452

Source: BBS,HIES-2016

- Income accruing to the household belonging to Decile-1 to Decile-5 is recorded at 1.01 percent, 2.83 percent, 4.04 percent, 5.13 percent and 6.23 percent respectively at the national level in HIES 2016. The percentage share of the deciles 1-5 were 2.00 percent, 3.22 percent, 4.10 percent, 5.00 percent and 6.01 percent respectively in 2010. These five deciles of HIES 2016 jointly share only 19.24 percent of total income, although these comprise 50 percent of the population. These shares together were 20.33 percent of total income in 2010. This indicates that share of income by the lower five deciles comprising lower 50 percent people remain almost same in 2016 compared to 2010.
- The percentage share of income of the lowest 5 percent households decreased to 0.23 percent in HIES 2016 from 0.78 percent in 2010. The income share of top 5 percent households increased to 27.89 percent in 2016 from 24.61 percent in 2010.
- The income share of the households belonging to decile-10 has also increased in 2016 as compared to 2010. It was 35.84 percent in 2010 and increased to 38.16 percent in 2016. Deciles 7 to 9 have lost their share of income in 2016 compared to 2010. Changing pattern of decile distribution of income is also observed in both urban and rural areas between 2010 and 2016.

Projection of poverty in 7th FYP

In the 7th Five Year Plan (2016-2020) poverty rate has been projected to reduce to 18.6

percent (on the basis of upper poverty rate) and 8.9 percent on the basis of upper poverty rate).

Table 13.5: Projection of Poverty Reduction during the 7th FYP

	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20
GDP growth	6.5	7.0	7.2	7.4	7.6	8.0
Reduction of Moderate Poverty						
Poverty elasticity to GDP	-0.93	-0.93	-0.93	-0.93	-0.93	-0.93
Upper poverty line (% of population below)	24.8	23.5	22.3	21.0	19.8	18.6
Reduction of Extreme Poverty						
Poverty elasticity to GDP		-1.19	-1.19	-1.19	-1.19	-1.19
Lower poverty line (% of population below)	12.9	12.1	11.2	10.4	9.7	8.9

Source: GED estimation for 7th FYP.

Sustainable Development Goals (SDGs) and Bangladesh

After the completion of the tenure of Millennium Development Goals (MDGs), The United Nations has declared Sustainable Development Goals (SDGs). Like MDGs, SDGs are also 15 years' target based goals. The tenure of SDGs is 2016-2030. There are 17 goals and 169 targets in SDGs.

In the light with the 7th Five Year Plan, the SDGs targets of each ministry/ division have been initially identified in line with 17 goals and 169 targets of SDGs. General Economics Division (GED) has published a book in this regard. According to this publication, 43 ministries are identified as Lead Ministries/ Divisions to implement these goals and targets. Moreover, 34 ministries/divisions will be assigned to work as Co-Lead and 61 ministries/ divisions will be Associate. GED has already prepared and published 'Data Gap

Analysis for Sustainable Development Goals' with a view to collecting information for proper monitoring and evaluations of SDGs.

Social Safety-Net

The Government has been continuing the social safety net programmes in order to alleviate poverty through the improvement of socio-economic condition of the ultra-poor. The Government has adopted the life cycle approach of social safety net. In FY2016-17 an amount of Tk.40,857 crore has been allocated against social safety net programmes. The allocation is 12.88 percent of the budget and 2.09 percent of GDP of the same fiscal year.

Some very common social safety net programmes like ensuring food security, distribution of free food, food for work and test relief are being implemented by the Government. The Government has also implemented some project such as 'Akti Bari

Bangladesh Economic Review 2017

Akti Khamar (One House One Farm), *Ashrayan*, *Grihayan*, *Ghora Phera* with a view to bringing a positive change to the lives of the poor. Moreover, the Government provides allowances for widow, destitute women deserted by their husbands, old-aged people and so on. The *Palli Sanchoy* Bank (Rural Savings Bank) has already been established with a view to encouraging rural savings and its utilisation. The Government has already taken an initiative to introduce pension system to all non-government institutions by 2018. In addition to this, it has been planned to finalise a national pension scheme by 2021 to ensure social safety for all people.

The Government has formulated ‘National Social Security Strategy (NSSS)’ to reform the prevailing social security system with a view to making it more effective. According to this strategy, ministries that involved in implementing social security programmes are divided into five different clusters. A lead ministry acts as a coordinator in each cluster. Implementing ministries have the responsibility of designing the programmes. These ministries will also be responsible for the effective implementation of their own schemes. The ministry having strong relevance to a specific cluster theme coordinates the activities of the cluster and prepares cluster’s actions plans.

Finance Division has been implementing a project titled ‘Strengthening Public Financial Management for Social Protection’ to enhance implementing capacity of the social safety net programmes. British state owned

international development partner Department for International Development (DFID) provides financial assistance to this project. A special unit called ‘Social Protection for Budget Management Unit (SPBMU) will be established in Finance Division under this project.

The allocation pattern of the different categories of social safety net programmes is presented in Table 13.6

Table 13.6: Allocation Pattern of Social Safety Net Programmes and Social Empowerment

(In Crore Taka)

Programmes	Budget (2015-16) Revised	Budget 2016-17
Cash Transfer (special and various allowances) Programmes	16485.83	19425.23
Food Security Programmes: Social Protection	8034.87	10299.89
Micro Credit Programmes (social empowerment)	292.50	441.00
Various funds, social empowerment	85.78	172.17
Various funds and programmes on social protection	890.60	857.79
Ongoing Development Projects	9999.10	9474.71
New Development Projects	186.37	17.26
Total	35975	40857

Source: Finance Division.

Cash Transfer under Social Safety-net Programmes

A total of Tk.23,603.50 crore has been allocated for cash transfer (special and

Bangladesh Economic Review 2017

various allowances) programmes, social empowerment and some other activities. Some selected cash transfer programmes under the overall social safety-net programme are presented in brief below:

Old-Age Allowance Programme

The Government started this programme since FY1997-98. The Ministry of Social Welfare is responsible to implement this programme. A total of Tk.1,890 crore has been allocated under this programme in FY2016-17. In total, 31.5 lakh elderly people are receiving this allowance monthly basis at a rate of Tk.500.

Honorarium Programme for Freedom Fighters

This programme is being implemented to show due respect to the freedom fighters. An amount of Tk.2,196.06 crore was assigned for 1.85 lakh freedom fighters in FY2016-17. Presently, a freedom fighter gets Tk.10,000 per month. Moreover, the Government also increases the honorarium of the freedom fighter. At present, the Government provides Tk.30, 000 to the *Birshrestha*, Tk.25,000 to *Biruttom*, Tk.20,000 to *Birbikram* and Tk.15,000 to the *Birprotik* per month as honorarium.

Allowance and Education for the Physically Challenged Insolvent Citizens

The Ministry of Social Welfare is carrying out this social wellbeing programme with a view to providing allowances continually to the physically challenged insolvent citizens. For FY2016-17, the programme has received an allocation of Tk.540.00 crore. During this

year, a total number of 7.5 lakh people benefited from this programme. Earlier, each people with disability got Tk.500 as monthly allowance. This year it has been increased to Tk.600. Apart from this, the Government has allotted an amount of Tk.47.88 crore in FY2016-17 for stipend for the disabled students. It is estimated that in total 0.80 lakh students would be benefitted through this stipend programme. In addition, FY2016-17 an amount of Tk.12.50 crore has been allocated as grants for the schools of the disabled.

Disabled Service and Health Centre (One Stop Service)

In FY2009-10, the Government started disabled service and health centres at five districts pilot basis. Later on, the programme has been extended all over the country. The main purpose of this programme is to provide free physiotherapy and other necessary treatment to the disabled people. In this fiscal year, both the number of beneficiaries and amount of the allocation has been increased. In FY2015-16 targeted number of recipients was nearly 1 lakh. This year it has been increased to 3.07 lakh. Similarly, the allocation has also been increased almost three times. In FY2015-16 the allocated amount was Tk.18.00 crore which increased to Tk.52.43 crore in FY2016-17.

Autism

A trust called 'Neuro- Development Disabled Protection Trust' has been formed. In FY2016-17, an allocation amounting to Tk.10.50 crore has made to carry out the activities of the trust. Ten Special Schools for

Bangladesh Economic Review 2017

the Children with Autism' have been set up under 'National Disabled Foundation'. These schools are continuing their academic activities through special/distinctive method.

Orphan Rationing Allowance

The Ministry of Social Welfare has been playing the administrative role to carry out this programme. It is being implemented to help the orphans so that they can lead a secured and hunger free life. An amount of Tk.46.24 crore has been allocated for this programme in FY2016-17.

Capitation Grant for Non-Government Orphanage

The Government provides rationing allowance not only to the government orphanages but also allocates capitation grant for the non-government orphanages. In FY2016-17, an allocation of Tk.86.40 crore was allotted for capitation grant for the non-government orphanages. It is estimated nearly 82 thousand orphans will be benefitted for this programme.

Programme for Improving the Livelihood of Bede, Hizra and Disadvantage Community

In order to improve the living standards of some deprived minority groups/communities such as *Dalit*, *Harijan*, *Bede* and *Hizra* the Government has taken a special programme.

In FY2012-13, this programme was introduced in 7 districts of the country on pilot basis. Presently, this programme is being implemented in all districts of the country. An amount of Tk.29.69 crore has been

allocated for this purpose in FY2016-17. 25 thousand unprivileged people and 4 thousand *Hizra* would be benefitted from this programme.

Allowance Programme for Widow, Husband's Deserted Destitute Women

The Government started this programme in FY1999-00 with a view to providing financial support to the poor and destitute women, mainly to the widow and destitute women. Earlier, the beneficiaries of this programme used to receive a monthly allowance of Tk.400. From the FY2016-17 this amount has been increased to Tk.500. An allocation amounting to Tk.690.00 crore has been allotted to implement this programme among 11.50 lakh recipients.

Maternity Allowance for Poor Mother

The programme has been started since FY2007-08 for providing financial assistance of the poor mother. This programme not only gives allowance facilities but also arranges different types of awareness-building trainings related to health and nutrition issues. In FY2016-17, a total of Tk.300.00 crore was allocated for 600 lakh mothers at a monthly rate of Tk.500.

Working Lactating Mother Assistance Fund

This programme started since FY2010-11 in order to provide financial assistance to the urban poor working lactating mothers. Presently, the programme is limited to the lactating mothers in Dhaka, Narayanganj, Gazipur and Chittagong garments areas and those who are working in 64 districts

Bangladesh Economic Review 2017

headquarters. Moreover, poor working lactating mothers who are working in the 264 *upazila* level municipality also get allowances under this programme. In the FY2016-17, an allocation of Tk.108.18 crore was made for this programme. A poor lactating working mother receives this allowance of Tk.500 per month for up to 24 months.

Honorarium and Medical Allowance for Injured Freedom Fighters

This programme was introduced to improve the living standards and retain the sound health of the wounded freedom fighters. In FY2016-17, an amount of Tk.245.91 crore has been allocated for this programme.

Ration for *Shaheed* Family and Injured Freedom Fighters

The Government does not confine its assistance to the freedom fighters and their families by merely providing honorarium and medical allowances. It has also arranged ration facilities for the *shaheed* family and injured freedom fighters. An amount of Tk.32.50 crore has been allocated for this programme with a view to providing a standard lifestyle for the *shaheed* families and the injured freedom fighters.

Training and Microcredit Programme for the Freedom Fighters and their Dependents' Self-employment

Ministry of Liberation War Affairs conducts this programme to improve the living standards and create the employment opportunities for the insolvent freedom fighters and their dependents. Microcredit is delivered to them with a view to creating self-

employment by utilising the training skill. In FY2016-17, Tk.15 crore has been disbursed and target of loan recovery has been fixed up to Tk.16 crore under this programme.

Programmes under Food Assistance Initiatives

Open Market Sale (OMS)

This programme is initiated to ensure the food security of the low income people. The Ministry of Disaster Management and Relief has been carrying out this programme for a long time. In FY2016-17, the ministry has received an allocation of Tk.617.76 crore for operating this programme. This allocation is expected to be distributed among 97.06 lakh poor people.

Money for Work Programmes

This programme has been conducted for rural infrastructure renovation. A total of Tk.1,435.47 crore has been allocated for this programme in the FY2016-17.

Vulnerable Group Feeding (VGF)

Ministry of Food executes this programme. In FY2016-17 a total of Tk.1,324.28 crore has been allocated for VGF programme. It is expected that 56.63 lakh poor people will be benefited all over the country under this programme.

Vulnerable Group Development (VGD) Programme

An amount of Tk.1,191.85 crore has been allocated under this programme. It is expected that around 3.15 lakh MT food grain can be distributed among the beneficiaries by utilising this amount.

Gratuitous Relief (GR) Programme

Under GR (rice) programme food assistance is delivered to the disaster vulnerable poor, distressed and helpless people affected by various natural disasters. Furthermore, under GR programme rice is given to the charitable institutions. In FY2016-17, 1.38 lakh metric tonne rice amounting to Tk.522.14 was allocated through this programme.

Rural Infrastructure Maintenance (Test Relief) Programme

The Ministry of Disaster Management and Relief is responsible to perform the TR programme. The allocation of this programme is utilised for the purpose of renovation of damaged roads, embankments, government's institutions affected by various types of natural calamities, such as floods, cyclones and high tides. Institutions related to the public welfare mainly get priority under this programme. In FY2016-17, Government allocated a total amount of Tk.1,281.32 crore to this programme.

Employment Programme for Ultra-Poor

The Government has been implementing this programme since FY2008-09. The main objectives of the programme are to-(a) increase employment and purchase power of the ultra-poor jobless rural people; (b) generate resources for the country and the people; (c) ensure infrastructure and communication development as well as proper maintenance and environmental development in rural areas on a small scale basis. It is projected that a total of 8.27 lakh people will be directly benefited through this

programme. For this purpose, an amount of Tk.1,650 crore has been allotted in FY2016-17.

Microcredit for Women Self-employment

The Government provides microcredit facility to the women especially rural destitute and vulnerable women. The purpose of this programme is to give financial empowerment of women and make them self-employed. This programme started in FY2003-04. It is a continuous programme. In FY2016-17, Tk.3.00 crore has been allocated to this programme.

Ongoing Programmes/Projects under the Social Empowerment

Many inventive projects are being implemented with a view to alleviating poverty. Different programmes and inventiveness under the various funds of Social Empowerment Programmes are conducted by the government. A total of 83 projects/ programmes were implemented in FY2016-17 under social empowerment sector. Among these 77 are running projects/ programmes, the rest six are new projects/ programmes. The most remarkable ongoing programmes are - national services, child development centres, disabled service and support centres, rehabilitation and alternative employment for people involved in begging, School Feeding Programmes, Disaster and Climate Resilient, Haor Infrastructure and Livelihood Development, Gucchagram, Skill for Employment Investment Programmes, Social Security Policy Support Programme etc. A total of Tk.9,491.97 crore is allotted

Bangladesh Economic Review 2017

in FY2016-17 to continue the implementation of these programmes/ projects. Brief descriptions of some projects/ programmes of social safety net are given below:

Ashrayan-2 (Poverty Alleviation and Rehabilitation) Project

Ashrayan project was launched in 1997 in order to rehabilitate the landless, homeless and rootless families. During the period of 1997-2002, 50 thousands families had been rehabilitated at a cost of Tk.300 crore under this project.

Later on, the Government continued this project at its own finance (phase 2) during the period of 2002-2010. More, 55 thousand families had been rehabilitated through this project. Presently, the third phase of the project titled *Ashrayan-2* is running on targeting to rehabilitate 2.5 lakh families within the timeframe July 2010-June 2019. The aim of the project is to create dynamic village and stimulating socio-economic development of the people through rehabilitation. In addition, in hill districts houses have been built with special design in harmony with the cultural heritage and tradition of the hill tracts under this project. Moreover, different types of income generating need based trainings such as handicrafts, poultry, pisciculture, gardening, agriculture, cattle rearing and so on are providing to the beneficiaries under this projects. Up to June 2017 a total number of 55,425 families have been rehabilitated through this project at a cost of Tk.1,303.27 crore.

Grihayan Tahabil

Grihayan Tahabil was introduced in FY1997-98 to eliminate the housing problem as well as to reduce poverty of homeless poor and low income people. Up to June 2017 Tk.214.01 crore has been disbursed under the housing loan programme among the rural poor. A total number of 67,882 houses have been built by utilising this loan. House loan activities of *Grihayan Tahabil* are being implemented in 514 NGOs and cover 403 upazilas of 63 districts. Bangladesh Bank coordinates the whole activities of the projects.

Grihayan Tahabil not only provides loan to the homeless people to construct home but also finances the dormitory/women hostel for the female workers. A 12 storied women hostel for the poor female workers is constructing at *Ashulia Savar* at a cost of Tk.25.76 crore. A total of 744 women workers will get the residential facility in this hostel. Moreover, *Grihayan Tahabil* has sanctioned Tk.2 crore to the *Ghore Fera Kormosuchi* implemented by Bangladesh *Krishi* Bank. In addition to this, *Grihayan Tahabil* has also accepted a plan to build houses for the Tea Garden workers who are the most deprived part of the society.

Poverty Alleviation Activities of Rural Development and Co-operatives Division

The Rural Development and Cooperatives Division (RD CD) has prepared short and medium term action plan for poverty reduction. These are formulated according to the guidelines of Poverty Reduction Strategy Papers, 6th FYP and the National Rural

Bangladesh Economic Review 2017

Development Policy, 2001. A good number of projects and programmes are being implemented by RDCD with a view to reducing poverty. Some of these are described below:

Ekti Bari Ekti Khamar

The Government has been conducting *Ekti Bari Ekti Khamar* (One House One Farm) Project in order to turn each rural household into a centre of economic activities. It has been establishing small savings model in lieu of microcredit to eradicate poverty by creating permanent capital for the poor. All the rural poor are the beneficiaries of the project. The main objective of this project is to decline poverty of the people having land holding 0 to 50 decimal through confirming their livelihood. Moreover, people who live in the hilly/char/backward localities and have maximum one acre of land are also the target group of the project. Up to 30 June 2017; almost 2.9 million families belonging to 55,786 Village Development Organisations (VDOs) have been covered with an integrated capital of Tk.35,84.1 crore. Out of that Tk.1,142 crore is beneficiaries' savings and government grant is Tk.34,698.1 crore.

The beneficiaries are doing need based activities with the cumulative fund according to the decision at the *Uthan Boithak* (courtyard meeting). It is mentioned that on an average 40-45 agro based livelihood programmes such as poultry, cattle, fisheries, vegetables, cropping and nursery are being implemented in every village.

Chars Livelihoods Programme (CLP)

-2nd Phase

The first phase of CLP was implemented in 150 unions of 28 *upozillas* of five northern districts to alleviate poverty of char dwellers. Almost 2.5 lakh extreme poor people were directly and almost 10 lakh people were indirectly benefited under this programme. The successful implementation of the first phase of the programme inspired the government to keep the continuation of it. Now, the 2nd phase of the programme is being implemented within July 2011 to December 2016. In the second phase, the area of the programme has been extended. Presently, it covers in 128 unions of 33 *upazilas* of 8 districts. It is anticipated that 3.35 lakh extreme poor people will be directly benefited under the 2nd phase of the programme. In addition, approximately 10 lakh people will get indirect benefit.

Poverty alleviation activities of few departments/ foundations under Rural Development and Co-operatives Division are discussed below:

Bangladesh Rural Development Board (BRDB)

Bangladesh Rural Development Board (BRDB) has a noticeable contribution to the development efforts i.e. poverty declination in Bangladesh. As a specialised organisation in rural development and poverty reduction sector, BRDB has successfully implemented 114 projects/ programmes. In addition to that, BRDB is still carrying out different projects/programmes throughout the country

Bangladesh Economic Review 2017

regarding poverty alleviation and rural development. Apart from poverty reduction and microcredit service, BRDB works for providing training for making skilled human resources. It has also some other services such as health, family planning, sanitation, education, HIV/AIDS prevention, information and technology, environment development.

Now, BRDB is implementing 6 projects/programmes regarding to poverty alleviation and social empowerment. These are: i. Participatory Rural Development Project-3, ii. Employment Guarantees Scheme for the Poor of Northern Region, iii. Integrated Rural Employment Support Project for the Poor Women, iv. Rural Livelihood Project. v. Irrigation Expansion Project and vi. Initiative for Development, Empowerment, Awareness and Livelihood Project. Up to June 2017 the disbursed total loan amount of BRDB is Tk.1,173.52. On the other hand, total recovery amount is Tk.11,805.51 at the same period.

Bangladesh Academy for Rural Development (BARD)

Bangladesh Academy for Rural Development (BARD) is the pioneer in the field of rural development in Bangladesh. The renowned 'Comilla Model' for rural development was an important output of the Academy. The Model has achieved identity in home and abroad for remarkable changes in the field of agricultural, rural infrastructure and socio-economic development of the country.

BARD is conducting training continuously on research and action research projects to the

people's representative, Government officials and private and development workers. These training have been playing significant role in expediting the overall development process. BARD has conducted multi-dimensional action research on agricultural processing of rice and maize cultivation.

BARD has undertaken 31 researches, out of which 11 has been completed in FY2016-17. It has also initiated 'Research and Higher Study Fellowship' to promote social researches on the recent problems of the country. Moreover, BARD has implemented 6 action research projects during the FY2016-17. At the same period, the Academy conducted 137 national and international training courses and workshops.

Rural Development Academy (RDA), Bogra

Rural Development Academy (RDA) has been organising training courses, conducting researches, implementing action research projects for poverty alleviation and socio-economic development for the rural people. It also provides advisory services. For socio-economic development of the rural poor, RDA is implementing different action research projects for evolving rural development models. Till June 2017 the academy has been completed 407 research projects. Presently, 19 research projects are going on. Through implementation of these projects around 47,400 families have access to safe drinking water. Furthermore, almost 40 thousand acres of land have come under the coverage of buried piped irrigation system.

Bangladesh Economic Review 2017

With the financial assistance of Swiss Development Corporation, RDA has been implementing the Market for Char (M4C) Project. As a result, the marketing and communication system of 10 districts of char region has developed. Moreover, 60 thousand families are directly benefitted through this project.

The Academy has established 112 community based biogas plants through utilising renewable energy

Centre for Irrigation and Water Management (CIWM) of RDA has developed Rural Piped Water Supply model along with microfinance term as RDA-credit for supplying pure drinking water to the rural people. RDA-credit is running in 274 sub-project area under this programme.

An amount of Tk.106.9 crore has been distributed among the beneficiaries and Tk.97.73 crore has been recovered by June 2017.

Bangabandhu Academy for Poverty Alleviation and Rural Development (BAPARD)

Bangabandhu Poverty Alleviation Training Complex under BRDB started its journey at *Kotalipara upazila* of *Gopalganj* District in 1997. The main purpose of the establishment of the Complex is to remove poverty and develop the socio-economic condition of the people of south-western region of the country. Later on, it was upgraded to 'Bangabandhu Academy for Poverty Alleviation and Rural Development (BAPARD)' in 2012.

Now, BAPARD is the third rural development academy in Bangladesh. The activities of the academy include arranging training programmes of government and non-government officials, conducting conferences and seminars regarding to rural development and poverty alleviation.

Palli Daridro Bimochon Foundation (PDBF)

Palli Daridro Bimochon Foundation (PDBF) was formed in 1999. It has been implementing its programmes in the 403 offices of 359 *upazilas* under the 52 **districts**. These areas covered two third of Bangladesh which is recognised as the most vulnerable areas of the country. Among the beneficiaries 95 percent are female. Since June 2017, PDBF has distributed a total of Tk.10,827 crore microcredit and small enterprise loan.

Small Farmers Development Foundation (SFDF)

The Foundation launched its function in 2007. The main objective of the foundation is to develop socio-economic conditions as well as poverty reduction for small farmers and landless families of rural areas. Presently, the foundation is implementing its activities at 173 *upazilas* of 46 districts. Up to June 2017, an amount of Tk.578.81 crore has been disbursed as collateral free microcredit among the members of the foundation. This amount has been used to carry out agriculture production, self-employment and income generating activities. At the same time, Tk.471.27 crore has been recovered. Through

Bangladesh Economic Review 2017

small weekly savings the members of the foundation have accumulated Tk.42.85 crore as their own capital till June 2017.

Department of Co-operatives

Cooperative has a significant role in the employment, poverty alleviation and economic development of all classes of people in Bangladesh. For this reason, cooperative has spread over village to town, agriculture to industry and almost all sectors of economy. At present, there are 1,78,834 registered cooperative societies in Bangladesh with 1,00,96,251 individual members. Among them 22 are national, 1,196 are central and 1,77,617 are primary co-operative society. The capital of these cooperatives is Tk.13,552.85 crore. Different projects are being implemented to accelerate and succeed the co-operation activities.

***Karmasangsthan* Bank**

The *Karmasangsthan* Bank established in 1998 for the purpose of creating self-employment opportunities for unemployed youths. Main objective of the Bank is to provide credit facilities to the unemployed youths, especially, to the educated and trained ones. This opportunity helps the youths to engage themselves in the productive and income generating activities to make them self-reliant.

At present, the bank operates its services through 237 branches across the country. Up to June 2017 a total of Tk.3,450.76 crore has been disbursed cumulatively among the beneficiaries. On the contrary, at the same

time, Tk.3,178.18 crore has been recovered during this period.

Microcredit Programme for Voluntary Retired/ Job Loser Labours/Employees of Industries

This programme is being implemented as a joint venture of the Ministry of Labour and Employment and *Karmasangsthan* Bank. Under this programme, a total of Tk.106.03 crore has been distributed among 19,138 voluntary retired/ job loser labours and employees. At the same time, the recovered amount was Tk.94.01 crore.

Credit Programme for Agro-based Industries

Karmasangsthan Bank has been carrying out this programme with the financial assistance of the Ministry of Finance. An amount of Tk.66.36 crore has been disbursed among 2,318 entrepreneurs till June 2017.

Fisheries and Livestock Loan Assistance Programme of Bangladesh Bank

From the FY2015-16, *Karmasangsthan* Bank has started this programme with the loan assistance of Bangladesh Bank. Up to June 2017 Tk.108.39 crores has been distributed and 34,938 young people get employment.

Milk Production and Artificial Insemination Refinance Scheme of Bangladesh Bank

Karmasangsthan Bank also conducts this programme. The Bangladesh Bank provides the loan assistance of this programme. An amount of Tk.15.00 crore has been distributed

till June 2017 and 45,323 young people have been employed under this programme.

Table 13.7: Disbursement of Loan by Karmasangsthan Bank

(In Crore Taka)

Name of the Programmes	Disbursement	Recoverable	Recovered Amount	Recovery rate (%)	Beneficiary	Employment created
Own programme	3450.76	3376.76	3178.18	94	431841	1558946
Agro based programme	66.36	76.71	73.37	96	2318	8368
Voluntary retired persons programme	106.03	103.65	94.01	91	19138	69088
Fisheries and Livestock Loan Assistance Programme	108.39	69.69	67.95	98	9678	34938
Milk Production and Artificial Insemination Refinance Scheme	15.00	3.52	3.51	100	1253	4523
Total	3746.54	3630.32	3417.32	94	464228	1675863

Source: Karmasangsthan Bank (up to June 2017).

Palli Karma Sahayak Foundation (PKSF)

Palli Karma-Sahayak Foundation (PKSF) has a great contribution to poverty alleviation. PKSF delivers microfinance services to the poor through its Partner Organisations (POs). PKSF has introduced some new projects, such as Community Climate Change Programme (CCCP) under Bangladesh Climate Change Resilience Fund (BCCRF) and Developing Inclusive Insurance Sector Project (DIISP). Moreover, PKSF has created Special Fund and Programme Support Fund with its own fund to enhance the capacity of the poor. In addition to this, PKSF has established ‘Fisheries and Livestock Unit’. The purpose of the unit is to confirm sufficient financial services and distribute appropriate technology to the borrowers. It also works for building up capacity of

borrowers and establish value chain and marketing system for the fisheries and livestock products and by-products. It has also formed ‘Agricultural Unit’ to extend sustainable agricultural technologies and services to the door-steps of marginal and small farmers.

PKSF is working as a implementing partner of ‘Skills for Employment Investment Programme (SEIP)’ which aim is to develop skilled workforce and generate employment in home and abroad. With the financial assistance of SEIP, PKSF provides need-based farm and off-farm skill development trainings to the unskilled poor people. Furthermore, PKSF has established a Disaster Management Fund (DMF) to provide quick financial response to the poor families. This type of assistance helps the poor to cope with

Bangladesh Economic Review 2017

and recover from both man-made and natural calamities. PKSF also introduces scholarship to the meritorious children from ultra-poor families.

Microcredit Programme Monitoring through Microcredit Regulatory Authority (MRA)

The Microcredit Regulatory Authority (MRA) was established in 2006 to ensure transparency and accountability of the microfinance institutions. Its another prime duty is to regulate the microfinance institutions operating in the country.

Microcredit Regulatory Authority (MRA) provides certificate to different microfinance institutions. It also helps to develop efficiency in microfinance. Up to June 2017 MRA gave certificate to 783 institutions to carry out microfinance activities. On the other hand, the authority has cancelled the certificate of 84 institutions as they fail to carry on satisfactory function. In addition MRA has provided provisional certificates to 167 institutions which are interested to work with backward society.

Microcredit Activities of Major NGOs

BRAC

BRAC, the largest NGO of the world has great contribution to the socio-economic development of Bangladesh. It implements various kinds of programmes through microcredit. The activities which are being implemented by BRAC relates to economic and social development, health, education, human rights and legal services, and disaster management. In addition, BRAC arranges

training for under privileged and marginalised groups such as poor women, extreme poor inhabitants of char areas, retired and retrenched state owned enterprise workers and so on. Up to February 2017 BRAC disbursed an amount of Tk.1,40,402 crore. During this period in total 59,57,951 people have been benefited out of which 87 percent are female.

ASA

ASA started its microcredit programme since 1992 though it was established in 1978. ASA emerged as a well-known microfinance institution of the world because of its cost-effective, self-financed and sustainable microfinance model. In FY2016-17 ASA distributed Tk.26,958.63 among the 73.39 lakh beneficiaries. Up to June 2017 ASA cumulatively disbursed Tk.1,37,343.03 crore to its client.

Caritas

Caritas works for the socio-economic development of the pro-poor people. It implements projects regarding to integrated development, disaster management and human resource development. At present Caritas is conducting its activities in 62 *upozilas* of 26 districts. Up to June 2017, the cumulative disbursement and recovery of the institution was Tk.3,275.99 crore and Tk.3,037.06 crore respectively.

Shakti Foundation

This organisation is engaged in providing credit facilities for the disadvantaged women living in the slums of Dhaka, Chittagong, *Khulna, Comilla, Bogra, Rajshahi* and other

Bangladesh Economic Review 2017

major cities and towns. Microfinance is the core programme of *Shakti* Foundation. In addition, it provides service for health-care, business entrepreneurship and social development of poor woman. Up to June 2017, the cumulative amount of disbursement and recovery of loan rose to Tk.6,333.84 crore and Tk.5,720.00 crore respectively.

BURO, Bangladesh

BURO is implementing its activities through 432 *upozilas* of the country. It mainly works for those who belong to lower income group having human poverty by extending credit programmes to them. Up to June 2017; on a cumulative basis, the total disbursement of

credit and its recovery stood at Tk.17,513,17 crore and Tk.14,987.09 crore respectively.

Society for Social Services (SSS)

Society for Social Service (SSS) works for improving the socio-economic condition of the destitute and underprivileged people and establish justice and peace of the society. Presently, SSS works in the 182 *upozilas* of 31 districts of the country. Up to June 2017, a total of Tk.12,803 crore has been disbursed and at the same time Tk.11,297 crore has been recovered.

The status of micro-credit programmes of the major NGOs is presented in the table 13.8.

Table 13.8: Status of Micro-Credit Programmes

(In Crore Taka)

	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	Cumulative (Up to June 2017)
*BRAC							
Disbursement	10422.2	12114.89	15190.49	19298.28	11873.33	24302.78	140402.04
Recovery	9689.74	10966.12	13281.72	17134.81	10307.30	21563.66	126445.89
Beneficiaries	5835861	5640684	5510905	5377951	5478037	5957954	5957954
Female	5380265	5074181	4876445	4671004	4741310	5188206	5188206
Male	455596	566503	634460	706947	736727	769745	769745
ASA							
Disbursement	9568.71	10739.15	11605.60	17683.26	11859.82	26958.63	137343.03
Recovery	9221.59	9678.92	10426.91	12590.87	8616.73	23515.37	121871.91
Beneficiaries	4735545	4859588	5322351	6902024	7428597	7843960	7843960
Female	4569356	4698716	4905175	6319502	6808233	7174947	7174947
Male	166189	160872	417176	582522	620364	669013	669013
Caritas							
Disbursement	265.93	286.4	297.35	317.26	380.45	223.64	3275.99
Recovery	252.28	273.76	291.62	310.07	346.55	197.37	3037.06
Beneficiaries	19251	10928	37897	29217	6619	732	257143
Female	11431	5648	22818	18421	7832	778	220994
Male	7820	5280	15079	10796	(1213)	(46)	36149
SHAKTI Foundation							
Disbursement	531.5	506.9	541	618.65	745.79	1001.45	6333.84
Recovery	617.1	580.8	519	570.35	669.96	826.49	4893.51
Beneficiaries	12,147	15,373	458,816	496049	-	521449	521449
Female	445,261	418,384	16,388	479680			506997

Bangladesh Economic Review 2017

Male	457,408	433,757	442,428	16360	-	14452	14452
BURO Bangladesh							
Disbursement	711.65	2211.09	2362.85	2630.02	3951.54	543.93	17513.17
Recovery	661.33	1599.57	2290.36	2355.88	3154.48	460.48	14987.09
Beneficiaries	1082789	1,732,120	896475	1269411	1356572	1449085	
Female							
Male							
SSS							
Disbursement	1098.93	1249.06	1316.32	1686.26	1149.67	2762.50	12803.47
Recovery	937.50	1237.58	1229.33	1507.17	923.24	2317.68	11297.13
Beneficiaries	474000	461119	473116	507295	546126	588377	588377
Female	459464	448658	462567	498518	537041	574051	574051
Male	14554	12461	10549	8777	9085	14326	14326
Total							
Disbursement	22598.92	27107.49	31313.61	42233.73	29775.67	55792.93	329359.59
Recovery	21379.54	24336.75	28038.94	34469.15	23843.29	48581.05	283305.08

Source: Concerned NGOs. * Up to February 2017.

Grameen Bank

Grameen Bank provides different kinds of services to address the diverse needs of the poor. Up to June 2017, the bank cumulatively

disbursed Tk..1,53,124.48 crore. On the other hand, an amount of Tk.1,39,666.60 was recovered during this period. The status of micro-credit programme of Grameen Bank is shown in Table 13.9.

Table 13.9: Microcredit Programmes of Grameen Bank

Item	(In Crore Taka)						
	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	Cumulative up to June 2017
Disbursement	11577.16	12081.63	12941.45	13890.24	16933.15	132335.37	153124.48
Recovery	10762.08	11671.84	12562.45	13534.36	15123.13	121396.47	139666.60
Recovery Rate (%)	96.89	97.23	97.53	98.33	98.82	99.05	99.05
No. of Beneficiary	8379452	8425146	8624948	8681302	8853961	8915491	8915491
Female	8054249	8103952	8301557	8345610	8548060	8609893	8609893
Male	325203	321194	323391	335692	305901	305598	305598

Source: Grameen bank

Microcredit Activities of Schedule Banks

The picture of credit disbursement of four State Owned Commercial Banks (SOCBs) and 2 public sector specialised banks is shown in Table 13.9. Till June 2017, these

six banks cumulatively disbursed an amount of Tk.43,583.59 crore. At the same time, the cumulative recovered amount is Tk.46,266.98 crore.

Table 13.10: Status of Microcredit Disbursement of SOCBs and Public Specialised Banks

(In Crore Taka)

Name of the Bank	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	Cumulative Progress (up to June 2017)
Sonali Bank									
Disbursement	755.57	676.23	723.95	668.99	1063.15	1041	1127	1187.30	15654.30
Recovery	678.28	812	851.24	865.72	1166.91	1244	1178	1316.08	17400.08
Recovery (%)	89.77	120.08	117.58	129.41	109.76	45	46	46	91
No. of beneficiaries	251856	164906	1,59,045	245344	262149	229773	208432	291429	7446507
Agrani Bank									
Disbursement	487.92	33.61	847.41	798.16	602	2120.50	1782.02	898	15365
Recovery	400.37	66.6	878.54	830.35	528	3051.85	3007.86	996	17080
Recovery (%)	82.06	198.16	103.67	104.03	87.71	67	67	88	67
No. of beneficiaries	158978	5954	118666	117236	132317	63360	92636	150139	7305217
Janata Bank									
Disbursement	631.63	722.36	726.52	736.48	737.3	715.57	744.80	751.34	9925.22
Recovery	400.24	512.23	553.27	525.54	641.35	698.91	691.23	769.70	9686.60
Recovery (%)	63.37	70.91	76.15	71.36	58.00	59.00	58.00	61	96
No. of beneficiaries	130921	93030	88254	100756	102350	104563	551179	555318	2585131
RajshahiKrishiUnnayan Bank									
Disbursement	18.61	27.68	29.22	39.04	38.23	24.89	23.41	25.67	495.75
Recovery	17.4	19.23	19.95	37.03	40.78	29.07	19.09	12.19	393.22
Recovery (%)	93.5	69.47	68.28	94.85	106.67	101	82	48	79.31
No. of beneficiaries	13779	12251	11333	12602	10480	3832	6695	6253	109269
Rupali Bank Ltd.									
Disbursement	22.69	21.78	15.67	16.63	12.17	11.44	19.99	105.5	295.53
Recovery	18.89	23.79	17.63	16.68	17.38	15.71	20.33	59.69	112.16
Recovery (%)	83.25	109.23	112.51	100.3	142.81	137.32	169.00	57	38
No. of beneficiaries	5627	7520	9134	13554	15849	15255	15820	30697	31904
Bangladesh Krishi Bank									
Disbursement	98.49	53.42	55.22	73.70	100.49	96.56	57.61	58.28	1847.79
Recovery	76.02	51.25	53.69	51.38	109.37	106.77	52.04	36.81	1594.92
Rate of Recovery	77.19	96	97.23	69.72	109	111	53.17	63.16	86.31

Bangladesh Economic Review 2017

Name of the Bank	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	Cumulative Progress (up to June 2017)
No. of beneficiaries	35044	31489	28535	28284	14919	16529	16044	11633	1977087
Total									
Disbursement	2014.91	1535.08	2397.99	2333	2553.34	3913.1	3697.22	3026.09	43583.59
Recovery	1591.2	1485.1	2374.32	2326.7	2503.79	5039.54	4916.51	3190.47	46266.98
Recovery (%)	198.21	78.97	96.74	99.01	99.73	98.06	81.86	105.43	106.15

Source: Concerned Banks.

Microcredit Programmes of other Commercial and Specialised Bank

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 statistics of five commercial banks regarding the microcredit programmes is presented in Table 13.11.

Table 13.11: Microcredit Programmes of other Commercial and Specialised Banks (in crore taka)

Commercial and Specialised Banks	Number of Beneficiaries			Disbursement up to June 2017	Rate of Recovery (%)
	Female	Male	Total		
National Bank Limited	2853	51415	54268	19347.43	95.25
Islami Bank Bangladesh	872142	191446	1063588	18251.91	99.34
BASIC Bank Limited	427881	106971	534852	770.59	98.24
Uttara Bank Ltd.	838	11847	12685	2334.77	68.64
Ansar-VDP Unnayan Bank	552403	480705	1033108	2122.62	95.15
Total	1856117	842384	2698501	42827.32	90.72

Source: Concerned Bank.

Microcredit Programmes of Administrative Ministries/ Divisions

Through different ministries/divisions/department the government is implementing microcredit programmes along with various social safety net programmes to alleviate poverty from the society. In order to sustain

the microcredit programmes for poverty reduction the Government emphasises on developing small entrepreneurs. Microcredit programmes of different ministries/divisions/department are described in the table 13.12.

Table 13.12: Status of Microcredit of different Ministry/Division/Department

(In Crore Taka)

Ministry /Division	Department/ Division	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	Cumulative progress (up to June 2017)
Banking and Financial Institutions Division	RAKUB								
	Disbursement	27.68	29.22	39.04	38.23	24.29	23.81	25.67	495.75
	Recovery	19.23	19.95	37.03	40.78	29.07	19.09	12.19	393.22
	Rate (%)	69.47	68.28	94.85	106.67		81.00	48	79.31
Rural Development & Cooperative Division	BRDB								
	Disbursement	737.77	871.91	815.03	884.54	985.88	1066.73	1173.52	1173.12
	Recovery	670.85	780.09	789.64	816.8	910.42	999.46	1106.12	1282.33
	Rate (%)	91	90	94	92	92	92	94	97
Ministry of Women and Children Affairs	Jatiyo Mohila Sangstha								
	Disbursement	0.036	2.56	2.00	9.17	3.01	1.29	1.56	54.55
	Recovery		4.919	2.1	7.45	1.66	4.72	5.26	61.59
	Rate (%)	0.00	191.85	105.00	81.24	55.14	365.50	337.13	112.9
Ministry of Industries	SERWTCI								
	Disbursement	10.46	11.07	11.94	10.40	9.35	8.65	7.82	132.28
	Recovery	9.97	10.66	11.18	10.46	9.33	105.6	7.81	122.03
	Rate (%)	95.32	96.3	93.63	100.58	85	99.78	100	87
Ministry of Agriculture	Cotton Development Board								
	Disbursement	0.64	0.77	1.17	1.26	1.71	1.22	1.28	13.47
	Recovery	0.67	0.78	1.02	1.26	1.3	0.87	1.10	13.89
	Rate (%)	104.12	101.85	87.44	100.00	79.00	96.00		103.13
Ministry of Land	Disbursement	4.72	5.69	7.32	3.02	7.50	6.70	6.79	138.03
	Recovery	2.45	2.86	3.77	1.63	5.67	6.09	6.39	104.71
	Rate (%)	51.91	50.26	51.5	53.97	75.58	90.90	94.11	75.86
Ministry of Youth and Sports	Dept. of Youth								
	Disbursement	70.03	84.26	90.68	88.96	97.34	102.65	121.97	1581.11
	Recovery	61.59	70.05	75.64	53.95	89.73	99.29	109.94	1370.88
	Rate (%)	87.95	83.14	83.41	60.64	92.18	96.74	90.14	86.70
Ministry of Textile and Jute	Bangladesh Handloom Board (BHB)								
	Disbursement	1.36	2.12	1.84	2.66	4.03	3.42	2.31	68.08
	Recovery	1.97	2.20	2.66	2.39	3.16	3.43	2.12	46.26
	Rate (%)	144.85	103.77	144.56	89.84	78.41	100.00	91.77	67.94
Ministry of Liberation war Affairs	Disbursement	3.94	10.23	3.40	5.56	7.30	7.98	8.61	73.95
	Recovery	5.25	9.89	9.00	3.25	4.52	8.03	8.79	47.23
	Rate (%)	56	60	59	63	62	95	102.2	80
Total	Disbursement	856.36	1017.83	972.42	1041.49	1140.41	1222.45	1349.53	3730.04
	Recovery	771.98	901.39	932.04	937.97	1054.86	1246.58	1259.72	3478.14
	Rate (%)	90.14	88.55	95.84	82.24	92.49	101.97	93.34	93.24

Source: Concerned Divisions/ Departments.