

CHAPTER THIRTEEN

POVERTY ALLEVIATION

Bangladesh has achieved an outstanding development in poverty alleviation during last decade because of successive nonstop endeavors of the government. The rate, incidence as well as depth of poverty have been dropping gradually. Poverty rate declined 18.2 percentage points within an era (40% in 2005 reduced to 21.8% in 2018) as a result of efficient implementation of different government and non-government development programs. According to the 7th Five Year Plan, it has been targeted to reduce poverty rate at 18.6 percent by 2020. In order to attain the desired target of poverty alleviation, the government provides special priority in social safety net programs. For this reason, the scope and allocation of social safety-net programs are being extended every year. Bangladesh follows the life cycle approach of social safety-net program with a view to bringing efficiency and effectiveness. For this purpose, Bangladesh has already formulated 'National Social Security Strategy (NSSS)'. A total of Tk.64,176.48 crore has been allocated against social safety net program in 2018-19 national budget. Currently, the government is working for acquiring poverty and hunger related targets to the Sustainable Development Goals (SDGs). The government has fixed up the target to deduce poverty rate at 9.7 percent and malnutrition rate less than 10 percent by 2030. Different government and non-government institutions, autonomous bodies carry out various activities including providing microcredit to accomplish the government's efforts of poverty reduction.

Poverty Situation in Bangladesh

Poverty alleviation is one of the major indications of the socio-economic development of a state and society. As a result of collective efforts of the government and non-government sectors, Bangladesh has achieved tremendous development in poverty alleviation during the last few years. According to 'SDGs: Bangladesh Progress Report- 2018' the poverty rate is 21.8 percent in 2018 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). Though, Bangladesh is ahead of many developing countries in poverty alleviation, still

approximately one-fifth portion of total population of the country lives below the poverty line. The preferred scale of socio-economic development may not be possible by keeping a large portion of population below the poverty line. For this reason, poverty reduction is a major concern on the policy and development issues of the country. As a result of poverty reduction, a progress is found in World Human Development Index. According to 'Human Development Index-2018' Bangladesh's position was 136 among 189 countries. In 2016, Bangladesh was 139 in the list.

Measurement of Poverty Incidence in Bangladesh

The first Household Expenditure Survey (HES) in Bangladesh was conducted in FY1973-74 and up to FY1991-92, few HES were carried out following the same strategies. HES' were accomplished by Food Energy Intake (FEI) and Direct Calorie Intake (DCI) method. According to this method, a man having calorie intake of less than 2,122 kilo-calories per day is considered as absolute poor. Conversely, a man having an intake of below 1,805 kilo-calories is measured 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 and renamed the title of the survey as Household Income and Expenditure Survey (HIES). The same method applied in the HIES' in 2000-2016. This method also considered non-food consumption items for compiling poverty index.

Trends of Poverty

The latest HIES was conducted in 2016. According to the result of this survey, poverty trends in Bangladesh describes below:

Within half an era the incidence of income poverty (measured by CBN considering the upper poverty line) declined almost 7 percentage points (from 31.5% in 2010 to 24.3% in 2016). During this period, the compound poverty reduced per year 4.23 percent. On the contrary, the rate of income poverty declined from 40.0 percent to 31.5 percent from 2005 to 2010. At that time, compound poverty annually reduced by 4.67 percent. In urban areas poverty reduction rate is higher (4.68%) than rural areas (1.97%). During 2010 to 2016, the decreasing rate of the depth of poverty (measured by poverty gap) was 4.28 percent. It has also been obvious that poverty gap reduction rate in urban areas is lower than that of rural areas (1.61% and 5.12% respectively). Furthermore, the declination 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

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	12.8	-6.3
Urban	3.9	4.3	-1.61	9.1	-7.93
Rural	5.4	7.4	-5.12	13.7	-5.46
Squared Poverty Gap					
National	1.5	2.0	-4.68	4.6	-8.81
Urban	1.2	1.3	-1.33	3.3	-8.64
Rural	1.7	2.2	-4.21	4.9	-8.75

Source: BBS, HIES-2016.

Household Income, Expenditure and Consumption

The statistics of household nominal income, expenditure and consumption from the surveys 1995-96 to 2016 have been provided 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 and so on. However, ‘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
	Rural	6096	5319	5165
	Urban	10463	8533	8315
2000	National	5842	4886	4542
	Rural	4816	4257	3879
	Urban	9878	7360	7149
1995-96	National	4366	4090	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 been increased gradually
- In 1995-96, the monthly household nominal income was Tk.4,366; which boosted up 2.65 times and raised to Tk.15,945 in 2016. Like income,

expenditure and consumption expenditure have also raised to a continuous speed. In 1996, household monthly expenditure was Tk.4,090 which increased to Tk.15,715 in 2016

- The average monthly household expenditure was also increased both at rural and urban level. In 2016 rural

expenditure was Tk.14,156 which is higher than rural income (Tk.13,353). This incidence occurred for the first time in the history of Bangladesh and

- In a general analysis it is found that since 1995-96 the increase rate of expenditure and consumption expenditure is higher than that of income.

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 Accruing to Households in Groups (Deciles) at National Level and Gini Co-efficient

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 Co-efficient	0.483	0.454	0.498	0.458	0.430	0.452

Source: HEIS, 2016.

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 19.24 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

1.09 percent lower in 2016 than that of 2010 and

- The percentage share of income of the lowest 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 share of top 5 percent households increased 3.28 percent in 2016. Above all, Gini co-efficient increased in 2016 than in 2010.

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	100	100	100	100	100
Decile-1	3.70	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

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.
- There is slight increase but not significant change of Gini co-efficient of consumption in 2016 with respect to 2010.
- In the rural area, Gini co-efficient increased a little (0.275 in 2010 whereas

0.300 in 2016). On the other hand, in the urban area a small reduction of Gini co-efficient occurred in 2016 compared to 2010 (0.330 in 2016 whereas 0.338 in 2010).

Head Count Ratio (HCR) on the Basis of CBN Method 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	Average	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.

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 *Barishal*, *Khulna* and *Sylhet* division, poverty rate is higher in urban areas than rural areas and
- Urban poverty in *Sylhet* and *Chattogram* division increased in 2016 though the average poverty rate decreased compare to 2010.

Picture of Poverty Situation

According to ‘SDGs: Bangladesh Progress Report-2018’ the country’s poverty rate is 21.8 percent. According to the 7th Five Year Plan, it has been projected to reduce poverty at 18.6 percent by 2020 on the basis of upper poverty rate and 8.9 percent on the basis of lower poverty rate.

The Table 13.6 depicts the projection of decreasing poverty rate during the 7th Five Year Plan:

Table 13.6: Projection of Poverty Alleviation during 7th Five Year Plan

Poverty Line	2016	2017	2018	2019	2020
Poverty Elasticity to GDP	-0.93	-0.93	-0.93	-0.93	-0.93
Reduction of Moderate Poverty					
Upper poverty line (% of population)	23.5	22.3	21.0	19.8	18.6
Poverty Elasticity to GDP	-1.19	-1.19	-1.19	-1.19	-1.19
Reduction of Extreme Poverty					
Upper poverty line (% of population)	12.1	11.2	10.4	9.7	8.9

Source: General Economics Division. Planning Commission

Sustainable Development Goals (SDGs) and Bangladesh

The United Nations declares ‘Sustainable Development Goals (SDGs) for 2016-2030 period. It is also known as ‘Agenda 2030’. A Chief Co-coordinator of SDGs Affairs has been appointed in the Prime Minister’s Office in order to effective review of this agenda. General Economics Division (GED) of Planning Commission plays the secretarial role of all types of SDGs programs.

For effective implementation of SDGs, GED has published ‘Mapping of Ministries by Targets in the Implementation of SDGs aligning with 7th Five Year Plan’. According to this publication 40 Ministries/ Divisions including PMO and Cabinet Division have been identified as lead Ministries/ Division to 169 targets of SDGs. Another book ‘Data Gap Analysis for Sustainable Development Goals’ has been published with a view to collecting information for proper monitoring and evaluations of SDGs.

A book titled ‘SDG Financing Strategy: Bangladesh Perspective’ has been published to estimate the resources needed for implementing SDGs. In addition to that, ‘National Monitoring and Evaluation

Framework of SDGs: Bangladesh Perspective’ has been formulated for monitoring and evaluating the implementation of SDGs. Moreover, ‘National Action Plan of Ministries/ Divisions by Targets for the Implementation of SDGs’ has been published by GED. The plan will act as a guideline for the Ministries/ Divisions to determine the types of projects/ programs which will be needed to achieve the targets of SDGs during the 7th FYP and until 2030. The latest publication about SDGs is Sustainable Development Goals: Bangladesh Progress Report-2018’. This book is the first formal report on implementation progress of SDGs in Bangladesh. In this report the goal wise progress has been described. On the contrary, the challenges on implementing the targets have been identified with way forward.

Ongoing Social Safety-net Programs

The government has been continuing the social safety net programs with a view to alleviating poverty through improvement of socio-economic condition of the ultra-poor.

The government has adopted the life cycle approach of social safety net. In FY2018-19 a total of Tk.64,176.48 crore has been

allocated for social safety net programs. The allocation is 13.81 percent of the budget and 2.53 percent of GDP of the same fiscal year.

The government has been implementing some general safety net programs such as ensuring food security, distribution of free food, food for work and test relief and so on. Apart from, the government has also implementing some special projects for instance ‘*Aktee Bari Aktee Khamar*’ (One House One Farm), ‘*Ashrayan*’, ‘*Grihayan*,’ ‘*Ghore Phera*’ in order to make a hunger and poverty free country. In addition, the government offers allowances for widows, destitute women, 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 formulated ‘National Social Security Strategy (NSSS)’ to reform the prevailing social security system and ensure efficiency and effectiveness of safety - net programs. According to this strategy, the ongoing social security programs of Bangladesh have been classified into five schemes on the basis of life cycle approach. These are: (a) schemes for children; (b) schemes for the labour force; (c) pension for old aged people; (d) programs for disable people and (e) small and special programs.

Ministries engaged in implementation of social safety-net programs have been grouped into five clusters, each with a lead co-ordinating ministry. The thematic program clusters are: (1) social allowance, (2) food security and disaster assistance, (3) social insurance, (4) labour/livelihood interventions

and (5) human development and social empowerment. Implementing ministries have the responsibility of designing and effective implementation of programs. The implementing ministries will have to coordinate with other ministries in their own cluster.

It has been projected that after the end of 7th Five Year Plan, total allocation of social safety net programme will raise at 3 percent of GDP.

Important Social Safety-net programs in FY2018-19

a. Scope and allocation of cash transfer allowance such as old aged allowance, widow and destitute women allowance, freedom fighters’ honorarium, allowance for orphans and disabled and food safety program has been increased.

b. Allocation of Tk.2,400.00 crore, Tk.840.00 crore and Tk.3,305.00 crore have been made for old aged allowance, widow and destitute women allowance and honorarium for freedom fighters respectively.

c. 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).

A total of Tk.717.00 crore has been allotted for this sector. Out of this amount Tk.232.00 crore will be used for PKSF financial assistance program, Tk.425.00 crore for SDF microcredit program and Tk.5.00 crore for women self-employment microcredit program. The budget allocations of FY2017-18 and 2018-19 depict in the Table 13.7:

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

(In Crore Taka)

Programs	Budget (2017-18) Revised	Budget 2018-19
Cash Transfer (Special and various allowances) Programs	18649.98	32783.01
Food Security Programs: Social Protection	9470.10	10457.16
Micro Credit Programs : Social Empowerment	557.00	717.00
Miscellaneous funds: Social Empowerment	554.65	788.30
Miscellaneous funds: Social Protection	990.87	1431.75
Ongoing Development Projects	17319.90	15678.57
New Development Projects	981.33	2320.90
Total	48523.83	64176.48

Source: Finance Division.

Cash Transfer under Social Safety-net Programs

The government provides cash transfer under social safety-net program along with food assistance, food for work, OMS and so on. In FY2018-19 an amount of Tk.32,783.01 crore has been allocated for cash transfer (special and various allowances) programs, social empowerment and some other activities. Some selected cash transfer programs under the overall social safety-net program are described in brief below:

Old Age Allowance Program

This program has been implementing since FY1997-98 under the Ministry of Social Welfare. In FY2018-19, the total number of recipients of old age allowances rising from 35 lakh to 40 lakh. In addition, amount of this allowance has been increased Tk.300.00 crore compared to the previous fiscal year. In total, Tk.2,400.00 crore distributed among the 40 lakh elderly people monthly basis at a rate of Tk.500 per person.

Allowance Program for Widow, Deserted and Destitute Women

This program has been executing since FY1999-00 for providing financial support to the poor and destitute women, mainly to the widow and destitute women. In FY2018-19, a total of 14 lakh beneficiaries get this allowance which was 12.65 lakh in the previous fiscal year. In the current fiscal year an allocation amounting to Tk.840.00 crore has been allocated to implement the program. This amount is Tk.81.00 crore higher than the previous year. Every beneficiary gets Tk.500 for each month.

Maternity Allowance for Poor Mother

This program introduced as social safety-net program in FY2007-08 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 program. From the current fiscal year (2018-19), the allowance increases into Tk.800 per month. In addition, the term of the allowance extends to 36 months from

Bangladesh Economic Review 2019

24 months. The number of beneficiaries increases to 7 lakh in FY2018-19 from 6 lakh in FY2017-18. An amount of Tk.693.00 crore has been allocated for this program in FY2018-19.

Working Lactating Mother Assistance Fund

This program started since FY2010-11 with a view to providing financial assistance to the urban poor working lactating mothers. Earlier, a poor lactating working mother receives amount of Tk.500 per month up to 24 months. From FY2018-19, amount and duration has been increased. Now, a lactating mother gets Tk.800 per month for 36 months. Currently, the program is restricted to the lactating mothers in Dhaka, Narayanganj, and Gazipur garments areas and all city corporations/ municipalities of the country. In FY2018-19, an allocation of Tk.248.50 crore has been allocated for 2.5 lakh poor lactating mothers under this program.

Honorarium Program 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.10,000.00 per month as honorarium. Moreover, the government also increases the honorarium of the title holder freedom fighter. Currently, the government provides Tk.35,000.00 to the *Birshrestha*, Tk.25,000.00 to *Biruttom*, Tk.20,000.00 to *Birbikram* and Tk.15,000.00 to the *Birprotik* per month as honorarium.

Furthermore, from FY2017-18, the government allocated two festival allowances of Tk.10,000.00 each for the valiant freedom fighters along with

their monthly allowance. Moreover, the government has introduced to Bengali New Year allowance of Tk.2,000 from the current fiscal year. In addition, a special victory day allowance of Tk.5,000 provides to each living freedom fighter. In FY2018-19, a total of Tk.3,305.00 crore has been allocated for this program.

Honorarium and Medical Allowance for Injured Freedom Fighters and *Shaheed* (Martyr) Families

The government does not confine its assistance to the freedom fighters and their families merely providing honorarium and medical allowances. It has also arranged honorarium and medical allowance for the *shaheed* (martyr) family and injured freedom fighters. This program was introduced with a view to improving living standards and retains the sound health of the wounded freedom fighters and member of *shaheed* families. In FY2018-19, an amount of Tk.295.07 crore has been allocated for this program.

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

This program 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. Ministry of Liberation War Affairs is conducting the program. Microcredit is delivered to them with a view to creating self-employment by utilising the training skill. From FY2003-04 to FY2017-18, a total of Tk.37.75 crore allocated for this program as revolving fund. In FY2018-19, Tk.50.00 lakh earmarked for this program. Moreover, it has

been estimated to distribute Tk.10.00 crore as loan and to recover Tk.14.00 crore during the current fiscal year under this program.

Allowance for the Financially Insolvent Disabled Citizens

The Ministry of Social Welfare is carrying out this social wellbeing program in order to provide financial assistance to the financially insolvent citizens. In FY2018-19, the number of beneficiaries increases to 10 lakh from 8.25 lakh in FY2017-18. Every beneficiary gets Tk.700 per month under this program. In FY2018-19, an amount of Tk.840.00 crore has been allocated for this program.

Stipend for the Disabled Students

The government has been operating the program since FY2007-08. In FY2018-19, 90,000 disabled students enjoy this facility. In FY2017-18, the number of beneficiaries was 80,000. In addition, the government has increased monthly stipends amount from the current fiscal year. Now, a disable student gets stipend Tk.700 at primary level, Tk.750 at secondary level and Tk.850 for higher secondary level per month. An amount of Tk.80.37 crore has been allocated for this program in FY2018-19. Furthermore, Tk.23.00 crore has been allocated for the disabled schools as grants.

Disabled Service and Health Centre (One Stop Service)

The government started this program in FY2009-10 to provide free physiotherapy and other necessary treatments to the disabled people. In FY2018-19, a total of Tk.65.00 crore has been allocated for delivering treatment of 3.76 lakh disabled people.

Autism

Neuro Development Disabled Protection Trust was formed under 'Neuro Development Disabled Protection Trust Act, 2013'. The trust offers different types of services to the autistic children. In FY2018-19, an allocation amounting to Tk.27.50 crore has made to carry out the activities of the trust.

Orphan Rationing Allowance

Under the Ministry of Social Welfare this program has been implementing for assisting the orphans so that they can lead a secured and hunger free life. In FY2018-19, an amount of Tk.54.66 crore has been allocated for this program.

Capitation Grant for Non-government Orphanage

The government allocates capitation grant for the non-government orphanages. In FY2018-19, an allocation of Tk.103.68 crore earmarked as capitation grant for the non-government orphanages. It is projected that about 98,000 orphans will be benefited under this program.

Program for Improving the Livelihood of Deprived and Backward Community

With a view to improving the living standards of some deprived minority groups/communities such as *Dalit*, *Harijan* and *Bede* the government has taken a special program. In FY2012-13, this program was introduced to seven districts of the country on pilot basis. Later on, from FY2015-16, this program has been executed all over the country. In addition, the government provides stipends to the students of these communities. At present, each primary, secondary, higher secondary

Bangladesh Economic Review 2019

and higher level student gets Tk.700, Tk.800, Tk.1,000 and Tk.1,200 respectively as monthly stipend.

Program 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 program at seven districts as pilot basis. Now, the program is executing whole of the country. In FY2018-19, a total of Tk.11.40 crore has been allocated for this program. It is estimated that 7,000 transgender people directly benefited through this program in the current fiscal year.

Programs under Food Assistance Initiatives Open Market Sale (OMS)

This program is initiated to ensure the food security of the low income people. The Ministry of Disaster Management and Relief has been implementing this program for a long time. In FY2018-19, the ministry has received an allocation of Tk.832 crore for executing this programme. This allocation is expected to be distributed among 1.21 crore poor people.

Work for Money Programs

This program has been operating for rural infrastructure renovation. A total of Tk.720.00 crore has been allocated for this programme in the FY2018-19.

Vulnerable Group Development (VGD) Program

An amount of Tk.1,685.07 crore has been allocated under this program. It is expected

that around 3.74 lakh metric tonnes food grain will be distributed among the beneficiaries by utilising this amount.

Vulnerable Group Feeding (VGF) Program

Ministry of Disaster Management and Relief conducts this program. In general, assistance provides to the affected people after any natural calamity as long as they cannot be reinstated their livelihood under this program. In addition, poor people get assistance on the eve of religious festival. In FY2018-19 a total of Tk.1,730.81 crore has allocated against 4 lakh tons food grains for his program.

Gratuitous Relief (GR) Program

Under GR (rice) program food assistance provides to the disaster vulnerable poor, distressed and helpless people affected by various natural calamities. Moreover, under this program rice is given to the charitable institutions. In FY2018-19, 1.25 lakh metric tonnes rice amounting to Tk.540.88 crore has been allocated for this programme.

Employment Program for Ultra-Poor

The government has been executing this program since FY2009-10. The main objective of the program is to reduce poverty of the ultra-poor during the jobless period. Another purpose of the program is to increase ability of the people so that they can mitigate disaster after any natural calamity. Under this program, employment creates for the ultra-poor during two unemployment periods. The duration of employment is 40 days for each time. In FY2018-19, an amount of Tk.1,650

crore has been allocated to create employment for 8.27 lakh ultra-poor.

Ongoing Programs/Projects under the Social Safety-net

In order to eradicate poverty government cannot retain its responsibility only through implementing different types of allowances and food assistance programs. Moreover, the government executes many inventive projects/programs for poverty alleviation. A total of 73 projects/programs are implemented in FY2018-19 for poverty reduction under social empowerment sector. Among these 63 are running projects/programs, the rest 10 are new projects/programs. An amount of Tk.17,999.47 crore has been allocated to implements these projects. Brief descriptions of some projects/programs of social safety-net are given below:

Ashrayan-2 (Poverty Alleviation and Rehabilitation) Project

Ashrayan project was commenced in 1997 for rehabilitating the landless, homeless and rootless families. A total of 47,210 families rehabilitated under this program during 1997-2002 and spent Tk.300.00 crore in this regard. In addition, *Ashrayan* (phase-2) project had been implemented from 2002-2010. Under this project 58,703 families had been rehabilitated. As a continuation of *Ashrayan* and *Ashrayan* (phase-2) project, *Ashrayan-2* is going on. It is projected to rehabilitate 2.5 lakh homeless and rootless families under this project. Up to March 2019, a total of 1,78,957 families rehabilitated by this project. From 1997-March 2019, 2,84,870 homeless and

rootless families rehabilitated under all types of *Ashrayan* projects.

In addition, different types of income generating need based trainings for example handicrafts, poultry, pisciculture, gardening, agriculture, cattle rearing and so on are providing to the beneficiaries under this projects. Up to March 2019, a total of 37,525 beneficiaries have taken various kinds of income generating trainings. After completing the training, each family gets Tk.30,000.00 as loan. Till now Tk.53.75 crore has been distributed as loan. It is an integrated poverty alleviation project.

Grihayan Tahabil

Grihayan Tahabil was launched in FY1997-98 considering the housing problem along with reducing poverty of homeless poor and low income rural people. Bangladesh Bank, the central bank of the country coordinates the whole activities of the program. *Grihayan Tahabil* provides Tk.70,000 as housing loan for each house. Bangladesh Bank allows loan to the implementing NGOs at 1.5 percent interest rate. The NGOs provide this loan to the beneficiaries at the rate of 5.5 percent interest. The highest recovery period is 10 years. 616 NGOs are executing this program at 404 *upozilas* of 64 districts. Up to February 2019, Tk.314.37 crore has been disbursed under this program. In total 78,561 houses have been built and 3,92,805 rural poor people have directly benefitted through this program.

The project not only constructs home for the homeless people but also finances to build dormitory/ hostel for female workers

especially for the garment workers. A 12 storied hostel for the poor female workers has been constructed at with a cost of Tk.24.61 crore at *Ashulia, Savar* through financial assistance of *Grihayan Tahabil*. As many as 744 women workers will get residential facility in this hostel. Moreover, *Grihayan Tahabil* has sanctioned Tk.2.00 crore to the ‘*Ghore Phera Kormosuchi*’ implemented by Bangladesh *Krishi* Bank. In addition, *Grihayan Tahabil* has also accepted a plan to build houses for the Tea Garden workers who are the most deprived part of the society. Moreover, a total of Tk.10.84 crore has been donated from this program among the disaster affected loan receivers.

Poverty Alleviation Activities of Rural Development and Co-operative Division

The Rural Development and Cooperative 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 Paper, 7th FYP and the ‘National Rural Development Policy, 2001’. Activities of few projects relate to poverty alleviation and social safety-net as well as actions of few Departments/Foundations under Rural Development and Co-operatives Division are discussed describe below:

Ektee Bari Ektee Khamar

Ektee Bari Ektee Khamar (One House One Farm) is a permanent poverty alleviation model. The government has been implementing this project in order to turn each rural household into a centre of economic activities. People having land up to

50 decimal, those who live in the hilly/char/backward localities having maximum one acre of land are the target group of the project. The project is operating every ward of the country with a view to achieving goal 1 of SDGs ‘End poverty in all its forms everywhere’ and goal 2 ‘End hunger, achieve food security and improved nutrition and promote sustainable agriculture’ The special feature of the project is to increase agricultural and non-agricultural production, income and employment opportunities by creating own permanent capital of beneficiaries and the sustainable use of this capital. Up to February 2019, in total 92,446 Village Development Organisations (VDOs) have been formed under this project. Almost 2.06 core poor people directly or indirectly have been benefitted through these VDOs.

The *Palli Sanchoy* Bank (Rural Saving Bank) has been established under this project in order to proper management of VDOs and permanent capital of these organisations. Different types of household family farms like fisheries, poultry, cow rearing, kitchen and vegetable gardening, nursery and other livelihood have been formed under ‘*Ektee Bari Ektee Khamar*’ project.

Comprehensive Village Development Program (CVDP) 3rd Phase

The objective of the project is to reduce poverty and to improve life standard of the poor in the poverty stricken areas of the country with an aim to establish village as the focal point of development. It is targeted to create self-employment of 3.5 lakh people

Bangladesh Economic Review 2019

through providing different types of trainings. Up to February 2019, a total of 1.64 lakh people have become self-employed under this project.

Department of Co-operatives

Cooperative has great contribution to the employment, poverty alleviation and economic development of the country. Currently 1,74,709 are primary co-operative societies. The capital of these cooperatives is Tk.12,282.91 crore.

Bangladesh Co-operative Insurance Limited' is established to ensure economic development and security of the members of the co-operative societies. At present, 803 co-operative societies are activated under this company. Out of these, 9 are national level societies, 120 central level societies and the rest 674 are primary level societies. The capital of the company is Tk.63.77 lakh and reserve fund is Tk.75.31 lakh.

With a view to making co-operative activities fruitful and dynamic in the country the Department of Co-operative implement different projects/ programs time to time. At this moment two projects titled 'Improved Breed dairy farming for livelihood development of disadvantage women' and 'Expansion of Dairy Co-operative in *Gangachara upazila* for employment generation through milk and meat production' are implementing by the department.

Bangladesh Rural Development Board (BRDB)

Bangladesh Rural Development Board (BRDB) plays a significant role in poverty reduction of the country. As an expert organisation in rural development and poverty alleviation sector, BRDB has already been implemented 116 projects/ programs.

At present, BRDB is operating 4 ADP listed projects/ programs regarding to poverty alleviation and social empowerment. These are: (a) Participatory Rural Development Project-3, (b) Employment Guarantees Scheme for the Poor of Northern Region; (c). Comprehensive Village Development Program and (d). *Gaibanda* Integrated Rural Poverty Alleviation Project. In addition, BRDB implements 11 projects/programs related to poverty reduction, women empowerment and microcredit through its own fund. Up to February 2019, BRDB cumulatively disburses Tk.16,117.30 crore. On the contrary, a total of Tk.14,632.43 crore has been recovered at the same period.

Bangladesh Academy for Rural Development (BARD)

Bangladesh Academy for Rural Development (BARD) Cumilla is the pioneer institution for training, research, action research and innovation for rural development in Bangladesh. The renowned 'Cumilla Model' for rural development is the most significant output of the Academy. The Model has gained popularity in home and abroad for renowned change in the field of agricultural, rural infrastructure and socio-economic development of Bangladesh.

Bangladesh Economic Review 2019

BARD is performing continuous training on research and action research projects for the people's representative, government officials and private and development workers. These trainings have considerable contribution to expedite the overall development process.

Recently, it has operated research on impact of climate change, family planning, women's socio-economic development for mitigate natural disasters and so on. Since its inception in 1959 to February 2019, BARD has been carried out 695 researches. In FY2018-19, the institute implements 10 action research projects regarding to poverty alleviation, microcredit, female education, nutrition development, agricultural development and technology transfer.

Rural Development Academy (RDA) Bogura

Rural Development Academy (RDA), Bogura established in 1974. The mission of the academy is to provide training, conduct research, action research and offer advisory services. The academy arranges training courses on modern technology transfer, skilled development and human resource development. From March 2018 - February 2019, RDA has accomplished training for 337 batches and a total of 21,380 participants attended the training. From inception to February 2019, the academy has organized 5,718 training course where 5,52,800 participants attended.

RDA in collaboration with Bangabandhu Sheikh Mujibur Rahman Agricultural University has launched a one year post Graduate Diploma in Rural Development. Already, 82 students have completed this

course. From March 2018-February 2019, the academy has done six research projects and one action research project. On the other hand, until February, 2019 altogether 460 research and 42 actions research projects have been executed by RDA. In FY2018-19, the academy is conducting 12 research and action research projects.

The academy implements the 'Livelihood Improvement of Poor People in the Char Islands of *Sariakandi* and *Sonatola upazilas* under Bogura district' by government own fund. The main purpose of the project is to ensure sustainable rural livelihoods and food security of 16,000 persons by increasing the household income and graduating them from poverty.

RDA executes the '*Palli Janapad*' project for restoration of agricultural land, livelihood improvement of rural people and provides modern urban facilities to the rural people.

The academy also implements the action project 'Increasing Crop Production by Extension and Dissemination of Modern Water saving Technologies.'

Centre for Irrigation and Water Management (CIWM) of RDA has distributed an amount of Tk.128.46 crore among the beneficiaries and recover Tk.118.52 crore from FY2000-01 to February 2019.

Palli Daridro Bimochon Foundation (PDBF)

Palli Daridro Bimochon Foundation (PDBF) was formed in 1999 with a view to

establishing poverty and hunger free Bangladesh. The foundation not only provides loan but also arranges training on leadership and social development for its clients. Now, the foundation conducts its activities among 357 *upazilas* of 55 districts. It is noted that almost 97 percent beneficiaries of the foundation is female. Up to February 2019, PDBF has distributed Tk.10,631.02 crore as microcredit and small entrepreneur loan among the beneficiaries. As a result, approximately 20 lakh rural people got self-employment in income generating activities.

Small Farmers Development Foundation (SFDF)

The Foundation commenced its function in 2007. The main objective of the foundation is to develop socio-economic condition as well as poverty reduction of small farmers and landless rural people. At present, the foundation operates its activities at 173 *upazilas* of 36 districts. Up to February 2019 the foundation has disbursed an amount of Tk.815.37 crore as security free microcredit among the beneficiaries. At the same time Tk.665.44 crore has been recovered. In addition, members of the foundation save Tk.70.45 crore as their ‘own capital’ from the income of loan investment.

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 programs 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. Up to February 2019, altogether 34,690 beneficiaries and government/ non-government officials have been received training from BAPARD.

Employment Programs 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 loans to the youths with a view to involving them in productive and income generating programs. At present, the bank runs its activities through 246 branches across the country.

Own Loan Program of the Bank:

Under the own loan program, up to February 2019, the bank distributed an amount of Tk.4,927.71 crore among 5,28,065 beneficiaries. On the other hand, Tk.4,387.08 crore has been recovered during this period.

Microcredit Program for Self-retired/ Retrench Worker/ Employees of Mills/ Industries

According to the memorandum of understanding sign with the Ministry of Labour and Employment, the *Karmasangsthan* bank operates this program for reemployment of self-retired/ retrench workers/ employees of mills/ industries. Up to February 2019, a total of Tk.109.08 crore has been distributed among 19,656 beneficiaries. At the same time, the Tk.98.75 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 program. An amount of

Tk.66.83 crore has been disbursed among beneficiaries till February 2019. As a result, 2,328 entrepreneurs who are involved in agro-based industry directly benefited.

Bangladesh Bank Loan Program

Karmasangsthan Bank has been operating this program with the loan assistance of Bangladesh Bank since FY2016-17. Later on, from FY2016-17, the bank commenced milk production and artificial insemination refinance scheme. Up to February, 2019 Tk.283.29 crore has been distributed among 20,838 young entrepreneurs under this program.

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 Program	Disbursement	Recovered Amount	Recovery Rate (%)	Beneficiary	Employment created
Own program	4927.71	4387.08	95	528065	1906315
Special Program					
(a). Voluntary retired persons program	109.08	98.75	92	19565	70958
(b). Agro based program	66.83	75.28	97	2328	8404
(c) Various loan program	283.29	195.02	97	20838	75225
Total	5386.91	4756.13	95	570887	2060902

Source: *Karmasangsthan* Bank (up to February 2019).

Palli Karma Sahayak Foundation (PKSF)

Palli Karma Sahayak Foundation (PKSF) works for poverty alleviation, social safety-net and women empowerment. The foundation executes activities all over the country through its 278 Partners Organisations (POs). Nearly, 91 percent members of the POs are female. PKSF has projected to provide Tk.3,715.00 crore financial assistance to different sectors. Up to

December 2018 PKSF provided financial assistance to POs was Tk.1,636.07 crore. On the other hand, POs provided Tk.23,786.07 as financial assistance to the program participants. From its inception in 1990 to December 2018, cumulative financial assistance to POs is Tk.32,684.28 crore. At the same time POs provide Tk.3,29,893.86 crore to the program participants. Apart from this, PKSF has under taken some notable

initiatives for overall poverty reduction and socio-economic development of poor people. PKSF has introduced a combined program called 'Enhancing Resources and Increasing Capacities of Poor Household towards Elimination of their Poverty (ENRICH)', The vision of the program is to create an enabling environment for the poor so that they can achieve a humanly dignified living standard and enjoy universal human rights. The program is being implemented at 202 unions of 164 upazilas under 64 districts of the country. Up to December 2018, almost 56.92 lakh poor people involved in this program. Moreover, a total of 1,175 baggers are rehabilitated through ENRICH.

PKSF has formed 'Environment and Climate Change Unit'. The purpose of this unit is to incorporate environment and climate change issues in all of its activities.

A special program 'Uplifting the Quality of the lives of Elderly People' is being implemented by PKSF. The motto of the program is to improve life standard i.e the overall welfare of the aged people.

PKSF with the financial support of World Bank is implementing the project 'Low Income Community Housing Support Project (LICHSP)'. The main purpose of the project is to improve the living condition of low income people. Under this project, PKSK offers housing loan for repair, new construction and extension of houses to the low income people. The project is being executed in selected 13 municipalities and city corporations.

Moreover, PKSF has established 'Fisheries and Livestock Unit' and 'Agriculture Unit'. The purpose of these units is to provide

proper training and disseminate technological services for successful and sustainable implementation of fisheries, livestock and agricultural services. These units also work for establishing value chain of income generation activities of agriculture, fisheries and livestock sectors.

PKSF is working as an implementing partner of 'Skills for Employment Investment Program (SEIP)'. With the financial assistance of the project, PKSF provides different kinds of skilled development trainings to the poor unskilled people.

PKSF also introduces scholarship to the meritorious children from ultra-poor families. Through this program, PKSF has awarded scholarships to 14,000 higher secondary level students, amounting to Tk.20.00 crore until December, 2018.

Microcredit for Women Self-employment

The government has started this program since 2003-04 to remove poverty and create self-employment by providing microcredit facility to the women especially rural destitute and vulnerable women. Department of Women Affairs operates this program. A total of 1,29,937 women received loan up to February 2019 under this program.

Jatio Mohila Songstha also provides microcredit to women for their self-employment. The organisation implements this program through its 108 offices of the country. A woman gets Tk.5,000-15,000 as loan. Up to February 2019, Tk.71.23 crore has been distributed among 51,746 women.

Microcredit Program Monitoring through Microcredit Regulatory Authority (MRA)

The Microcredit Regulatory Authority (MRA) was established in 2006. The prime responsibility of the authority is to ensure transparency and accountability of the microfinance institutions of the country. It also regulates the microfinance institutions which are operating their activities in the country.

MRA provides permission to run microcredit activities. It also collect and preserve information regarding microcredit programs of all government and non-government organizations. National Database of microcredit is going to be prepared in order to modernise the activities of MRA.

Up to December 2018, MRA issued licenses to 811 institutions to carry out microfinance activities. On the other hand, the authority has cancelled the certificate of 109 institutions for their failure of doing satisfactory function. Furthermore, MRA has primarily allowed 53 Micro Finance Institutions (MFIs) to operate microcredit. Up to June 2018, the amount of loan and outstanding savings of these institutions are Tk.67,505 crore and Tk.26,304 crore respectively.

Microcredit Activities of Major NGOs

The Non-government organisations (NGOs) execute microcredit programs 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 9 major NGOs are described below:

BRAC

BRAC, the largest NGO of the world has great contribution to the socio-economic development of Bangladesh. It is the biggest microcredit providing NGO of the country. It operates different types of programs 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, Up to December 2018, BRAC disbursed an amount of Tk.2,05,281.94 crore. During this period in total 71,14,726 people have been benefited out of which 87 percent are female.

ASA

ASA started its microcredit program in 1991 as a specialised microcredit organisation. It's cost-effective and sustainable microfinance program has been recognised as a special model of poverty alleviation. Up to February 2019, ASA distributed Tk.1,85,807.75 crore cumulatively among 70,01,114 beneficiaries among them almost 91 percent are female.

BURO Bangladesh

BURO is implementing its activities through 456 *upazilas* of the country. It mainly works for lower income groups. From inception to December 2018, BURO distributed Tk.33,075.66 crore as loan among 17,27,403 beneficiaries out of them 91 percent are female.

Caritas

Caritas works for education and poverty reduction for marginal people. At present Caritas is conducting its activities in 62

Bangladesh Economic Review 2019

upazilas of 26 districts. Up to December 2018, *Caritas* disbursed Tk.3,984.07 crore among 2,53,867 beneficiaries.

Society for Social Services (SSS)

Society for Social Service (SSS) works for improving the socio-economic condition of destitute and underprivileged people. It also contributes to establish justice and peace of the society. Activities of SSS now spread out at 186 *upazilas* of 31 districts of the country. Until December 2018, 6,00,906 poor people got loan facilities from SSS where almost 98 percent are female. During this period, the agency provides Tk.15,938.67 crore as loan. On the other hand, Tk.14,370.91 crore has been recovered during this period.

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 program of *Shakti* Foundation. Moreover, it provides service for healthcare, business entrepreneurship and social development of poor woman. Up to December 2018, an amount of Tk.8,250.84 crore has been disbursed and Tk.7,511.40 crore has been recovered by the foundation.

TMSS

TMSS has been implementing microcredit program 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 program in 346 *upazilas* of 57 districts. Up to December 2018, Tk.24,944.34 crore has been as microcredit among 63,78,150 beneficiaries. Nearly, 98 percent of beneficiaries are female.

Proshika

Proshika started its journey in 1975 from Manikgonj with a view to removing poverty from society. Currently, it runs activities in 59 districts. Until December 2018, Proshika distributes Tk.6,190.68 crore as loan and 27,76,344 poor people get benefit from this NGO.

Swanirvar Bangladesh

The organisation is working to make the rural poor self-reliant by providing microcredit. It distributes Tk.2,256.66 crore among 17 lakh members from inception up to December 2018. 83 percent of beneficiaries are female. The status of micro-credit programmes of the major NGOs is presented in the Table 13.9

Table 13.9: Status of Microcredit Programs of Major NGO

NGOs	2012	2013	2014	2015	2016	2017	2018	Cumulative (Up to December 2018)
BRAC								
Disbursement	10422.200	12114.89	15190.49	19298.28	24302.78	29317.13	35362.76	205281.94
Recovery	9689.74	10966.12	13281.72	171134.81	21563.66	26486.85	31551.41	184484.16
Beneficiaries	5835861	5640684	5510905	5957954	5957954	6483486	7114726	7114726
Female	5380265	5074181	4876445	5188206	5188206	5633121	6165119	6165119
Male	455596	566503	634460	769745	769745	850365	949607	949607

Bangladesh Economic Review 2019

*ASA								
Disbursement	9618.27	10263.97	14638.57	20905.68	26958.63	29681.42	29681.42	185807.75
Recovery	9544.52	9908.36	11795.32	17650.08	23515.37	28953.34	28953.34	170166.31
Beneficiaries	4859588	5322351	6902024	7686255	7839119	7577355	7577355	7001114
Female	4698716	4905175	6319502	7033521	7171271	6930474	6930474	6405117
Male	160872	417176	582522	652734	667848	646881	646881	595997
BURO Bangladesh								
Disbursement	-	2211.89	2362.85	2630.02	3951.54	5439.38	10460.50	33075.66
Recovery	-	1599.57	2290.35	2355.88	3154.81	4604.82	8978.80	28316.08
Beneficiaries	-	1104717	1053035	1269411	1356572	1449085	1649923	1727403
Female	-	1034317	982474	1168945	1241687	1329719	1501564	1559376
Male	-	70400	70561	100466	114885	119366	148359	168027
Caritas								
Disbursement	265.93	286.40	297.35	317.16	380.45	448.52	483.20	3984.07
Recovery	252.28	273.76	291.62	310.07	346.55	412.05	462.21	3713.95
Beneficiaries	19251	10928	37897	29217	6619	2526	4070	254867
Female	11431	5648	22818	18421	7832	2429	2154	220491
Male	7820	5280	15079	10796	1213	97	1916	34376
SSS								
Disbursement	4639.66	1249.06	1316.32	1686.26	1149.67	2762.50	3135.20	15338.67
Recovery	4082.13	1237.58	1229.33	1507.17	923.24	2317.68	3073.78	14370.91
Beneficiaries	474000	461119	473116	507295	579182	616585	600906	600906
Female	459886	448658	462567	498518	568694	600529	585951	585951
Male	14554	12461	10549	8777	10488	16056	14955	14955
SHAKTI Foundation								
Disbursement	506.90	541.00	618.65	745.79	1001.45	1175.03	1322.37	8250.84
Recovery	580.80	519.00	570.35	669.96	826.49	1017.02	1232.81	7511.40
Beneficiaries	-	-	496040	-	-	521751	-	451848
Female	-	-	47680	-	-	507628	-	440227
Male	-	-	16360	-	-	14123	-	11621
TMSS								
Disbursement	-	-	1894.49	2963.80	2623.98	3305.85	4245.03	24944.34
Recovery	-	-	1623.98	2540.42	2460.35	2918.28	3838.84	22294.32
Beneficiaries	-	-	564127	519118	459558	503942	576683	6378150
Female	-	-	544383	499910	441176	492722	568207	6099402
Male	-	-	19744	19208	18382	11220	8476	278748
Proshika								
Disbursement	230.23	118.71	222.42	219.51	178.02	255.75	351.18	6190.68
Recovery	280.03	120.29	215.98	215.22	162.78	231.68	297.85	5972.69
Beneficiaries	139645	130522	108590	92535	79119	110483	140471	2776344
Female	106732	91365	76013	74215	53801	78443	103949	1743475
Male	32913	39157	32577	18320	25318	32040	36522	1032869
Swanirvar Bangladesh								
Disbursement	220.00	197.00	201.00	98.00	135.00	113.00	50.00	2256.66
Recovery	192.00	186.00	197.00	103.00	147.00	133.00	66.00	2029.40
Beneficiaries	121251	103181	106947	55475	85632	65832	15625	1681489
Female	100103	85573	86627	37880	67020	50622	12125	1399160
Male	21148	17608	20320	17595	18612	15210	3500	282329

Source: Concerned NGOs. * Up to February 2019.

Bangladesh Economic Review 2019

Grameen Bank

Grameen Bank established as a specialised institution in 1983. Microcredit program 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 February 2019, 91.32 lakh poor

people of 81,678 villages of 479 *upzilas* under 64 districts are involved in the microcredit program of *Grameen Bank*. The bank disbursed Tk.1,94,490.90 crore until February 2019 and recovered Tk.1,78,920. during the same period. The Table 13.10 describes the microcredit activities of the *Grameen Bank*:

Table 13.10: Microcredit Programs of *Grameen Bank*

(In Crore Taka)							
Item	2013-14	2014-15	2015-16	2016-17	2017-18	2017-18	Cumulative Up to February 2019
Disbursement	12941.45	13890.24	16933.15	20789.11	24321.50	17044.92	194490.90
Recovery	12562.45	13534.36	15123.13	18270.1-	22559.75	16694.02	178920.37
Recovery Rate (%)	97.53	98.33	98.82	99.22	99.13	99.03	99.03
No. of Beneficiary	8624948	8681302	8853961	8915491	8986050	9132966	9132966
Female	8301557	8345610	8548060	860989	8689004	8834706	8834706
Male	323391	335692	305901	305901	297046	298260	298260

Source: Grameen bank

Microcredit Activities of Schedule Banks

The statistics of credit disbursement and recovery of four State Owned Commercial Banks (SOCBs) and two public sector specialised banks is presented in Table 13.11.

Till February 2019, these six banks disbursed an amount of Tk.45,432.55 crore. At the same time, recovered amount was Tk.46,414.88 crore.

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

(in crore Taka)									
Name of the Bank	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2017-19 (February 2019)	Cumulative (Up to February 2019)
Sonali Bank									
Disbursement	723.95	668.99	1063.15	1041.00	1127.00	1187.30	1170.21	442.09	17266.60
Recovery	851.24	865.72	1166.91	1244.00	1178.00	1316.08	1267.90	552.33	19220.31
% of recovery	117.58	129.41	109.76	45.00	46.00	46.00	42.52	26.00	92.41
No of Beneficiaries	159045	245344	262149	229773	208432	291429	311058	109439	7867004
Agrani Bank									
Disbursement	874.41	778.16	602.00	2120.50	1782.02	898	2748.77	3340.94	13171.41
Recovery	878.54	830.35	528.00	3051.85	3007.86	996	1767.85	1429.30	12956.35
% of recovery	103.67	104.03	87.71	74.00	67.00	88.00	64.31	62.00	98.36
No of Beneficiaries	118666	117236	132317	128850	92636	150139	30698	18780	794276
Janata Bank									
Disbursement	726.52	736.48	737.30	751.57	744.80	495.57	751.36	597.77	11529.91
Recovery	553.27	525.54	641.35	698.91	691.23	490.23	678.57	570.85	11218.39
% of recovery	76.15	71.36	86.99	93.00	58.00	99.00	48.00	51.48	97.26

Bangladesh Economic Review 2019

Name of the Bank	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2017-19 (February 2019)	Cumulative (Up to February 2019)
No of Beneficiaries	108254	245288	548134	104563	551179	552392	753785	554545	3140385
Rupali Bank									
Disbursement	15.67	16.63	12.17	11.44	19.95	105.50	612.31	44.11	986.64
Recovery	17.63	16.68	17.38	15.71	31.30	59.69	293.19	367.78	939.40
% of recovery	112.51	100.3	142.81	137.32	166.00	57.00	293.00	368.00	95.21
No of Beneficiaries	9134	13554	15849	15255	14886	30697	34731	35021	35021
Bangladesh Krishi Bank									
Disbursement	55.22	73.70	100.49	96.56	57.61	31.15	72.11	44.80	1937.57
Recovery	53.69	51.38	109.37	106.77	52.04	21.13	66.49	27.50	1673.23
% of recovery	97.23	69.72	109.84	111.00	53.17	67.83	92.20	61.38	86.36
No of Beneficiaries	28535	28284	14919	16529	16044	7254	12080	7808	1992596
Rajshai Krishi Unnayan Bank									
Disbursement	29.22	39.04	38.23	24.88	12.73	25.67	22.94	22.94	540.42
Recovery	19.95	37.03	40.78	29.07	19.09	12.19	8.91	8.91	407.20
% of recovery	68.28	94.85	106.67	101.00	82.00	48.00	39.00	39.00	75.34
No of Beneficiaries	11333	12602	10480	3832	6695	6253	3930	3930	116406
Total									
Disbursement	2397.99	2333.00	2553.34	4045.95	3697.22	2743.19	5377.70	4491.44	45432.55
Recovery	2374.32	2326.70	2503.79	5146.31	4996.51	2885.32	4082.91	2952.83	46414.88
(%) of recovery	99.01	99.73	98.06	96.22	84.80	105.18	75.92	65.74	102.16

Source: Concerned Banks.

Microcredit Programs of other Commercial and Specialised Banks

Except the state owned banks other commercial and specialised banks are also carrying out microcredit programs to reduce

poverty and create self-employment opportunities. The information of eight commercial banks' microcredit programs is described in Table 13.12.

Table 13.12: Microcredit Programs of other Commercial and Specialised Banks

(in crore taka)

Commercial and Specialised Banks	Number of Beneficiaries			Disbursement up to June 2018	Rate of Recovery (%)
	Female	Male	Total		
Ansar-VDP Unnayan Bank	554631	494771	1049402	2203.48	96.15
National Bank	3159	62557	65716	24473.58	91.00
Trust Bank Ltd	1086	19184	20270	295.60	90.00
Social Islami Bank Limited	6751	2250	9001	59.75	99.00
Islami Bank limited	2967	86666	89633	11213.00	93.30
Uttara Bank Limited	876	14189	15065	3245.90	69.77
Pubali Bank Limited	38163	30661	68824	1807.76	100
BASIC Bank Limited	503932	125983	629915	953.56	80.65
Total	1111565	836261	1947826	44252.63	89.98

Source: Concerned Bank.

Microcredit Programs of Administrative Ministries/Divisions

The government has been implementing microcredit programs by different ministries, divisions and agencies along with various social safety net programs to remove poverty

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

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

Ministry /Division	Department/ Division	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19 (up to February 2019)	Cumulative progress (up to February 2019)
Rural Development & Cooperative Division	BRDB								
	Disbursement	815.03	884.54	985.88	1065.73	1173.52	1252.26	641.41	16117.30
	Recovery	789.64	816.80	910.42	999.48	1106.12	1138.80	661.78	14632.43
	Rate (%)	94.00	92.00	92.00	73.00	94.00	75.00	63.00	97.00
	PDBF								
	Disbursement	599.16	716.82	915.26	956.93	1156.28	1266.50	831.97	10631.02
	Recovery	629.15	724.69	946.45	946.09	1178.35	1359.49	915.19	11074.70
	Rate (%)	99.00	99.00	99.00	98.00	98.00	97.00	97.00	98.00
Ministry of Women and Children Affairs	Jatiyo Mohila Songstha								
	Disbursement	2.00	9.17	3.01	1.29	1.55	1.53	1.89	56.45
	Recovery	2.10	7.45	1.66	4.72	5.26	2.4	2.52	64.12
	Rate (%)	105	81	55	365	337	158	133	114
Ministry of Liberation war Affairs	Disbursement	3.40	5.56	7.30	7.98	8.61	9.33	-	70.52
	Recovery	9.00	3.25	4.52	8.03	8.79	8.83	-	58.99
	Rate (%)	64.70	58.45	64.57	100.62	102.09	59.00	-	83.64
Ministry of Industries	SERWTCl								
	Disbursement	11.94	10.40	9.35	8.65	7.82	6.42	34.31	79.57
	Recovery	11.18	10.46	9.33	105.6	7.81	6.53	37.05	78.29
	Rate (%)	93.00	100.00	99.00	99.00	100.00	101.00	107.00	98.00
Ministry of Land	Disbursement	7.32	3.02	7.50	6.70	6.79	6.62	3.37	157.06
	Recovery	3.77	1.63	5.67	6.09	6.39	6.25	2.94	121.85
	Rate (%)	51.50	53.97	75.58	90.90	94.11	94.41	87.24	77.58
Ministry of Textile and Jute	Bangladesh Handloom Board								
	Disbursement	1.84	2.65	4.03	3.42	4.10	3.60	1.50	74.46
	Recovery	2.66	2.39	3.16	3.43	4.23	3.25	2.38	54.06
	Rate (%)	60.65	62.76	65.65	67.89	70.25	70.70	71.75	71.57
Ministry of Youth and Sports	Dept. of Youth								
	Disbursement	-	-	97.34	102.65	121.97	138.81	84.31	1803.40
	Recovery	-	-	89.73	99.29	109.94	117.16	77.07	1565.09
	Rate (%)	-	-	92.18	96.74	90.12	84.40	91.41	86.78
Ministry of Agriculture	Cotton Development Board								
	Disbursement	1.16	1.25	1.71	1.23	1.27	1.34	1.56	16.05
	Recovery	1.22	1.31	1.3	1.28	1.34	1.41	-	15.14
	Rate (%)	105.06	104.77	103.96	104.46	104.92	104.59	-	94.33

Source: Concerned Divisions/ Departments.

