

## CHAPTER 13

### POVERTY ALLEVIATION

*As a result of the consecutive endless effort of the government, Bangladesh has achieved remarkable development in poverty alleviation during last few years. Not only the rate of poverty is decreased, but also the incidence and depth of poverty has been reducing regularly. Because of effective implementation of different government and non-government development programmes, poverty rate declined 15.7 percentage points within a decade (40% in 2005 reduced to 24.3 % in 2016). According to the 7<sup>th</sup> Five Year Plan (2016-2020), it has been targeted to reduce poverty rate at 18.6 percent by 2020. With a view to achieving the desired target of poverty alleviation, the government gives special importance in social safety net programmes. For this reason, the scope and allocation of social safety net programme are being extended every year. 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 2017-18 revised budget, an amount of Tk.48,524 crore has been allocated against social safety net programmes. The allocation is 13.06 percent of the budget and 2.17 percent of GDP of the same fiscal year. Presently, the government is working to achieve 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.*

#### **Poverty Situation in Bangladesh**

Poverty alleviation is regarded as one of the key indicators of the socio-economic development of a state and society. Because of the combined efforts of both the government and non-government sectors, Bangladesh has achieved outstanding development in poverty alleviation during the last few decades. According to 'Household Income and Expenditure Survey-2016' the poverty rate is 24.3 percent in 2016 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 7<sup>th</sup> Five Year Plan (2016-2020). In spite of all these positive changes in poverty declination, still one-fourth population of Bangladesh lives below the poverty line. It may not be possible

to achieve the desired level of socio-economic development without set free this portion of population from poverty. For this reason, till today poverty reduction is a major concern of the government on the policy and development issues of the country.

#### **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). The first HES in Bangladesh was conducted in FY1973-74 and up to FY1991-92, few HESs were carried out following the same strategies of the first one. HESs were accomplished by Food Energy Intake (FEI) and Direct Calorie Intake (DCI) method. According to this

## Bangladesh Economic Review 2018

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 and renamed the title of the survey as Household Income and Expenditure Survey (HIES). The same method applied in the HIES in 2000, 2005, 2010 and 2016. This method also considered non-food consumption items for compiling poverty index.

### Trends of Poverty

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 4.23 percent

annually. Conversely, the rate of income poverty decreased 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. Consequently, it is apparent that though poverty is decreasing gradually, the pace of reducing 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 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)
<b>Head Count Index</b>					
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
<b>Poverty Gap</b>					
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
<b>Squared Poverty Gap</b>					
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

The statistics of 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 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	9878	8533	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 been boosted up continually.
- In 1995-96, the monthly household nominal income was Tk.4,366; which

raised to Tk.15,945 in 2016. Both rural and urban income also increased regularly.

- 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.13,868). This incidence occurred for the first time in the history of Bangladesh. It proves that the rural people face problem to lead their daily lives.

### 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 described 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
<b>National</b>	12.9	14.9	7.6	17.6	21.1	7.7
Barishal	14.5	14.9	12.2	26.7	27.3	24.2
Chattogram	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	-	-	-
Rajshahi	14.2	15.2	10.7	21.6	22.7	15.6
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					
<b>National</b>	24.3	26.4	18.9	31.5	35.2	21.3
Barishal	26.5	25.7	30.4	39.4	39.2	39.9
Chattogram	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 13.3 reveals that,

- Rangpur division has the highest incidence of poverty (HCR) at 47.2 percent, followed by Mymensingh division at 32.8 percent, Rajshahi division at 28.9 percent and Khulna division at 27.5 percent. On the other hand, Dhaka division has the lowest incidence of poverty (HCR) of 16.0 percent preceded

by Sylhet division with HCR of 16.2 percent and Chattogram division with HCR of 18.4 percent.

- Incidence of poverty has significantly reduced in Dhaka division compared to other divisions. The reduction rate is almost half (16% in 2016 from 30.5% in 2010).
- In Rangpur, Sylhet and Chattogram division, urban poverty increased in 2016

compared to 2010. However, it is noted that overall poverty in Rangpur division increased in 2016 whereas in Sylhet and Chattogram division both overall and rural poverty was decreased.

### 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 13.4.

**Table 13.4: 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	<b>0.483</b>	<b>0.454</b>	<b>0.498</b>	<b>0.458</b>	<b>0.430</b>	<b>0.452</b>

Source: BBS, HIES-2016

Table 13.4 indicates that-

- According to HIES-2016, the income share of the households belonging to decile-1 to decile-5 jointly shares only 19.24 percent of total income, although these comprise 50 percent of the total population. On the other hand, the share of these five deciles was together 20.33 percent of total income in 2010. This indicates that share of income by the lower five deciles comprising lower 50

percent people are slightly lower in 2016 than that of 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. Decile -7 to Decile -9 have lost their share of income in 2016 compared to 2010. Changing pattern of deciles distribution of income is also observed in both urban and rural areas between 2010 and 2016.

### Decile Distribution of consumption and Gini Co-efficient

The Table 13.5 presents deciles distribution conducted during 2016 and 2010 of consumption by residence for the surveys

**Table 13.5: Decile Distribution of Consumption by Residence HIES 2016 and 2010**

Household Expenditure Group	2016			2010		
	National	Rural	Urban	National	Rural	Urban
<b>Total/ Deciles</b>	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
<b>Gini Co-efficient</b>	<b>0.324</b>	<b>0.300</b>	<b>0.330</b>	<b>0.321</b>	<b>0.275</b>	<b>0.338</b>

Source: BBS,HIES-2016

Table 13.5 reveals that-

- In most of the deciles have almost similar shares of consumption both in 2016 and 2010. It indicates that expenditure pattern of all decile groups remain same over the years though the total expenditure increased in 2016 compare to 2010.
- 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). It proves that there is a small augment of consumption inequality in the rural area.
- 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). It indicates that there is a little reduction of consumption of inequality in the urban area.

### **Sustainable Development Goals (SDGs) and Bangladesh**

The 7<sup>th</sup> Five Year Plan (FYP) has been prepared giving strong emphasis on the SDGs goals and targets. Almost 82 percent of targets of SDGs are included in the 7<sup>th</sup> Five Year Plan. General Economics Division (GED) of Planning Commission and Principle Co-ordinator of Prime Minister's Office (PMO) take care the matter. For effective implementation of SDGs, GED has published 'Mapping of Ministries by Targets in the Implementation of SDGs aligning with 7<sup>th</sup> 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 Implementations of SDGs' has been published by GED. The plan will act as a guideline for the Ministries/ Divisions to determine the types of projects/ programmes which will be needed to achieve the targets of SDGs during the 7<sup>th</sup> FYP and until 2030.

Furthermore, 'Voluntary National Review' has been prepared which reflects the progress of the activities carried out by the government for the implementation of SDGs. This report has already submitted to the UN High Level Political Forum.

### **Social Safety-Net**

The government has been continuing the social safety net programmes 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 programmes so that effective and proper implementation of these programmes could be ensured. In 2017-18 revised budget, an amount of Tk.48,524 crore has been allocated against social safety net programmes. The allocation is 13.06 percent of the budget and 2.17 percent of GDP of the same fiscal year.

Some very common social safety net programmes such as 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 Akti Khamar' (One House One Farm), 'Ashrayan', 'Grihayan', 'Ghore Phera' with a view to bringing a positive change to the lives of the poor. Furthermore, 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

## Bangladesh Economic Review 2018

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, social security programmes implementing in Bangladesh are divided into five different clusters. These are: a. Programmes for the children; b. Programmes for the labour force; c. Pension for old aged people; d. Programmes for disabled and e. Small and special programmes. 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.

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

Programmes	(In Crore Taka)	
	Budget (2016-17) Revised	Budget (2017-18) Revised
Cash Transfer (Special and various allowances) Programmes	19594.16	18649.98
Food Security Programmes: Social Protection	10299.89	9470.10
Micro Credit Programmes : Social Empowerment	441.00	557.00

Programmes	Budget (2016-17) Revised	Budget (2017-18) Revised
Miscellaneous funds: Social Empowerment	172.17	554.65
Miscellaneous funds: Social Protection	857.79	990.87
Ongoing Development Projects	9474.71	17319.90
New Development Projects	17.26	981.33
Total	40857	48524

Source: Finance Division.

### Cash Transfer under Social Safety-net Programmes

A total of Tk.18,649.98 crore has been allocated for cash transfer (special and 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. In FY2017-18, the total number of recipients of old age allowances raising from 31.5 lakh to 35 lakh. Moreover, amount of this allowance has been increased Tk.210 crore compared to the previous fiscal year. In total, Tk.2,100 crore distributed among the 35 lakh elderly people 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. In

## Bangladesh Economic Review 2018

FY2017-18, an amount of Tk.3,200 crore was assigned for 2 lakh freedom fighters. In FY2016-17, Tk.1,890 crore was distributed among the 1.85 lakh freedom fighters as honorarium. Presently, a freedom fighter gets Tk.10,000 per month. Moreover, the government also increases the honorarium of the title holder 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. In addition; in FY2017-18, the government allocated two festival allowances of Tk.10,000 each for the valiant freedom fighters along with their monthly allowance.

### **Allowance for the Financially Insolvent Disabled Citizens**

The Ministry of Social Welfare is carrying out this social wellbeing programme with a view to providing allowances continually to the financially insolvent citizens. In FY2017-18, the government increased the rate of this allowance to Tk.700, increased it by Tk.100. Furthermore, the number of beneficiaries was increased by 10 percent and a total of 8.25 lakh financially insolvent disabled people benefited under this programme.

### **Stipend for the Disabled Students**

In FY2017-18, the government increased the number of beneficiaries of the educational stipend allowance for the disabled person both at the primary and secondary levels by 10,000. An amount of Tk.54.50 crore had been allotted for this stipend programme and in total 80,000 disabled students got this allowance in FY2017-18. Apart from this,

Tk.22.96 crore had been allocated as grants for the schools of the disabled.

### **Orphan Rationing Allowance**

The Ministry of Social Welfare has been undertaking this programme. It has been implementing for the purpose of assisting the orphans so that they can lead a secured and hunger free life. In FY2017-18, an amount of Tk.51crore had been allocated for this programme and in FY2016-17, the amount was Tk.46.24 crore.

### **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 FY2017-18, an allocation of Tk.103.68 crore was allotted for capitation grant for the non-government orphanages. It is estimated that nearly 98,000 orphans will be benefited for this programme.

### **Programme for Improving the Livelihood of Bede, Transgender People and Backward Community**

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

In FY2012-13, this programme was introduced in seven districts of the country on pilot basis. The allocation of this special programme in FY2017-18 raised to Tk.32.04 crore from Tk.29.69 crore in FY2016-17. 25,000 unprivileged and 4,000 transgender people benefitted from this programme.

### **Allowance Programme for Widow, Deserted and 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 FY2016-17, this amount has been increased to Tk.500. In FY2017-18, the number of the beneficiaries of this allowance raised to 12.65 lakh from 11.50 lakh in FY2016-17. An allocation amounting to Tk.759 crore has been allotted to implement this programme in FY2017-18.

### **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 FY2017-18, more 1 lakh poor mothers enjoyed this allowance than the previous fiscal year. A total of Tk.377.09 crore was distributed among 6 lakh mothers.

### **Working Lactating Mother Assistance Fund**

This programme started since FY2010-11 in order to provide financial assistance to the urban poor working lactating mothers. A poor lactating working mother receives this allowance of Tk.500 per month for up to 24 months.

Presently, the programme is limited to the lactating mothers in Dhaka, Narayanganj, Gazipur and Chattogram garments areas and

those who are working in 64 districts headquarters. In addition, poor working lactating mothers who are working in the 264 *upazila* level municipality also get allowances under this programme. In FY2017-18, an allocation of Tk.128 crore was made for 2 lakh poor lactating mothers under this programme. It was Tk.19.82 crore higher than the allocation of FY2016-17.

### **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 FY2017-18, an amount of Tk.245.91 crore had been allocated to provide facilities of 15 thousand injured freedom fighters under this programme.

### **Ration for *Shaheed* Family and Injured Freedom Fighters**

The government does not confine its assistance to the freedom fighters and their families merely providing honorarium and medical allowances. It has also arranged ration facilities for the *shaheed* family and injured freedom fighters. An amount of Tk.33 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

## Bangladesh Economic Review 2018

fighters and their dependents. Microcredit is delivered to them with a view to creating self-employment by utilising the training skill. In FY2017-18, Tk.25 crore to be paid under this programme.

### **Livelihood Improvement of Tea Garden Labourers**

The government has launched this programme to improve livelihood of tea labourers the backward community of the country. In FY2017-18, the government allocated Tk.15 crore for this programme. Under this activity, a labour gets one time payment of Tk.5,000 as substitute of food support.

### **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 FY2017-18, the ministry has received an allocation of Tk.785.94 crore for operating this programme. This allocation is expected to be distributed among 1.09 crore poor people.

#### **Work for Money Programmes**

This programme has been conducted for rural infrastructure renovation. A total of Tk.911.39 crore has been allocated for this programme in the FY2017-18.

#### **Vulnerable Group Feeding (VGF)**

Ministry of Food executes this programme. In FY2017-18, a total of Tk.1,348.88 crore has been allocated for VGF programme. It is

expected that 51.78 lakh poor people will be benefited all over the country under this programme.

### **Vulnerable Group Development (VGD) Programme**

An amount of Tk.1,605.70 crore has been allocated under this programme. It is expected that around 3.67 lakh metric tons 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 FY2017-18, 1.25 lakh metric tons rice amounting to Tk.526.91 crore 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 FY2017-18, the government allocated a total amount of Tk.1,300 crore to this programme.

### **Employment Programme for Ultra-Poor**

The government has been implementing this programme since FY2008-09. The main

## Bangladesh Economic Review 2018

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 FY2017-18.

### 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 initiated in FY2003-04 and remained continue. In FY2017-18, Tk.4.00 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. Various types of programmes and inventiveness under the 'Social Empowerment Programmes' are conducted by the government. A total of 72 projects/programmes were implemented in FY2017-18 under social empowerment sector. Among these 62 are running projects/programmes, the rest 10 are new projects/programmes. The most remarkable ongoing programmes are- 'Ashrayan-2 and 3 Project', 'School Feeding Programme', 'Primary School Stipend', 'Secondary Education Sector

Investment Programme', 'National Nutrition Service', 'Rural Development and Employment', 'Ekti Bari Ekti Khamar', 'Guchhagram', 'Skill for Employment Investment Programmes,' 'Construction of Multiple Disaster Centre', Construction of Residence for Landless and Poor Freedom Fighters', 'Flood Management and Livelihood Improvement Project in Haor Area,' 'Development Support for Social Needs' and so on. An amount of Tk.18,301 crore was allotted in FY2017-18 to continue the implementation of these programmes/projects. Short 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. The aim of the project is to create dynamic village and stimulating socio-economic development of the people through rehabilitation. Up to June 2018, 1,48,000 landless, homeless and rootless families have been rehabilitated in 'Barrack House'. Apart from this, a number of 1,15,775 houses have been built for those poor families who do not have ability to build on their own land.

Under this project *pucca* barracks are built in the Cyclone, *Sidre* and *Illa* affected areas and semi-pucca barracks in other areas of the country. Moreover, 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. Furthermore, different types of income

## Bangladesh Economic Review 2018

generating need based trainings such as handicrafts, poultry, pisciculture, gardening, agriculture, cattle rearing and so on are providing to the beneficiaries under this projects. The target of this project is to rehabilitate 2.50 lakh landless, homeless and rootless families by 2019.

### ***Grihayan Tahabil***

*Grihayan Tahabil* was introduced in FY1997-98 considering the housing problem as well as to reduce poverty of homeless poor and low income rural people. The project not only constructs home for the homeless people but also finances to built dormitory/ hostel for female workers specially for the garments workers. *Grihayan Tahabil* offers housing loan Tk.70,000 for each house to the implementing NGOs at 1.5 per cent interest rate. The NGOs provide this loan to the beneficiaries at the rate of 5.5 per cent interest. The recovery period of this loan is 3 to 5 years.

Up to June 2018, Tk.292.55 crore has been disbursed under this housing loan programme among the rural poor. A total number of 75,444 houses have been built and 3,77,220 rural poor people has directly benefitted through this programme. House loan activities of *Grihayan Tahabil* are being implemented through 614 NGOs and cover 404 *upazilas* of 64 districts. Bangladesh Bank coordinates the whole activities of the projects.

Apart from housing loan, a 12 storied women hostel for the poor female workers has been constructed at *Ashulia Savar* through financial assistance of *Grihayan Tahabil*. A loan amounting to Tk.25.76 crore has been

sanctioned for this purpose and up to June 2018, Tk.24.61 crore has been released. A total of 744 women workers will get the residential facility in this hostel. Furthermore, *Grihayan Tahabil* has initiated loan facilities to the member companies of Bangladesh Garment Manufacturers and Exporters Association (BGMEA) and Bangladesh Export Processing Zones Authority (BEZPA) to build hostels/dormitories for the poor workers. Moreover, *Grihayan Tahabil* has sanctioned Tk.2 crore to the '*Ghore Phera Kormosuch*' 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.

### **Poverty Alleviation Activities of Rural Development and Co-operatives Division**

The Rural Development and Cooperatives Division (RDCD) has prepared short and medium term action plan for poverty reduction. These are formulated according to the guidelines of Poverty Reduction Strategy Papers, 7<sup>th</sup> FYP and the 'National Rural Development Policy, 2001'. A good number of projects and programmes are being implemented by RDCD for the purpose of reducing poverty. Some of these are described briefly in 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

## Bangladesh Economic Review 2018

rural poor are 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 2018, 75,793 Village Development Organisations (VDOs) have been formed under this project. Almost 3.6 million families directly or indirectly have been benefitted through these VDOs.

A total of 23,18,226 household family farms have been formed under '*Ekti Bari Ekti Khamar*' project. These farms are involving in fisheries, poultry, cow rearing, kitchen and vegetable gardening, nursery and other livelihood based income generating activities.

### Poverty Alleviation Programmes of RDCD

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 an important contribution to poverty alleviation in Bangladesh. As a specialised organisation in rural development and poverty reduction sector, BRDB has successfully implemented 117 projects/programmes. Furthermore, BRDB is still carrying out different projects/programmes throughout the country regarding poverty declination and rural development. Apart from poverty reduction and microcredit

service, BRDB arranges different kinds of skilled development trainings. It has also some other services such as health, family planning, sanitation, education, HIV/AIDS prevention, information technology and environment development.

Presently, BRDB is implementing 5 projects/programmes 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). Integrated Rural Employment Support Project for the Poor Women, (d). Rural Livelihood Project and (e). *Gaibanda* Integrated Rural Poverty Alleviation Project. Up to June 2018, the cumulative disbursed loan amount of BRDB is Tk.15,459 crore. Conversely, total recovery amount is Tk.13,964 crore 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 well-known '*Cumilla Model*' for rural development is an important output of the Academy. The Model has achieved identity in home and abroad for noteworthy transformations 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

## Bangladesh Economic Review 2018

action research on agricultural processing of rice and maize cultivation.

BARD has undertaken 24 researches, out of which 7 have been completed in FY2017-18. 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 FY2017-18. At the same fiscal year, the Academy conducted 188 national and international training courses and workshops.

### **Rural Development Academy (RDA), Bogura**

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 growing rural development models. Till June 2018 RDA has been completed 435 research projects. At present, 28 research projects and 7 action research projects are being implemented by the academy. Through implementation of these projects around 47,460 families have access to safe drinking water. Furthermore, almost 40 thousand acres of land have come under the coverage of buried piped irrigation system.

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 283 sub-project areas under this programme.

An amount of Tk.120.66 crore has been distributed among the beneficiaries and Tk.110.66 crore has been recovered by June 2018.

### **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 Bangladesh. Later on, it was upgraded to 'Bangabandhu Academy for Poverty Alleviation and Rural Development (BAPARD)' in 2012.

The key activities of the academy are to conduct training programmes of government and non-government officials, organise workshops, conferences and seminars related to rural development and poverty alleviation. In addition, BAPARD arranges training on various income generating activities on farming and off-farming for self-employment of small and marginal farmers and asset-less unemployed people.

### **Palli Daridro Bimochon Foundation (PDBF)**

*Palli Daridro Bimochon* Foundation (PDBF) was formed in 1999. The main goal of PDBF is to ensure gender equality, empowerment of women and socio-economic development of rural areas through development of women. It

## Bangladesh Economic Review 2018

not only provides loan but also arranges training on leadership and social development for its clients. Presently, PDBF operates its activities among 358 *upazilas* of 55 districts. Up to June 2018, PDBF has cumulatively distributed Tk.9,780.24 crore as microcredit and small enterprise loan among the beneficiaries whose 95 percent are women.

### **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. Currently, the foundation running its activities at 173 *upazilas* of 46 districts. Up to June 2018, an amount of Tk.679.60 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.

### **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.

Presently, there are 1,74,466 registered cooperative societies in Bangladesh with 1,09,22,2641 individual members. Among them 22 are national, 1,185 are central and 1,73,259 are primary co-operative society. The capital of these cooperatives is Tk.13,595.71crore. These co-operative societies play

very significant role in economic development and poverty alleviation by increasing production and employment opportunities through the utilisation of their capitals.

Different projects are being implemented by the Department of Co-operatives for the development of socially excluded and under privileged people. Furthermore, the department is implementing development projects for tribal people, vulnerable women and marginal farmers.

### ***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 delivers its services through 244 branches across the country. Up to June 2018, an amount of Tk.4,262.80 crore has been disbursed cumulatively among the beneficiaries. Conversely, Tk.3,821.05 crore has been recovered during this period.

### **Some programmes under *Karmasangsthan* Bank**

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

This programme is being implemented as a joint venture of the Ministry of

## Bangladesh Economic Review 2018

Labour and Employment and *Karmasangsthan* Bank. Under this programme, a total of Tk.107.98 crore has been distributed among 19,472 beneficiaries up to June 2018. At the same time, the recovered amount was Tk.96.93 crore.

### 2. Credit Programme for Agro-based Industries

*Karmasangsthan* Bank has been conducting this programme with the financial assistance of the Ministry of Finance. A total of Tk.66.76 crore has been disbursed among 2,326 entrepreneurs till June 2018.

### 3. Fisheries and Livestock Loan Assistance Programme of Bangladesh Bank

*Karmasangsthan* Bank has been implementing this programme with the loan assistance of Bangladesh Bank. Up to June 2018 Tk.195.08 crore has been distributed among 15,289 young people.

### 4. Milk Production and Artificial Insemination Refinance Scheme of Bangladesh Bank

*Karmasangsthan* Bank implements this programme also. The Bangladesh Bank provides the loan assistance of this programme. An amount of Tk.15.00 crore has been distributed till June 15 among 1,251 young people.

**Table 13.7: Disbursement of Loan by *Karmasangsthan* Bank**

(In Crore Taka)

Name of the Programmes	Disbursement	Recovered Amount	Recovery rate (%)	Beneficiary	Employment created
Own programme	4262.80	3821.05	95	487711	1760637
Agro based programme	66.76	74.70	96	2326	8397
Voluntary retired persons programme	107.98	96.93	91	19472	70294
Fisheries and Livestock Loan Assistance Programme	195.08	120.95	97	15289	55193
Milk Production and Artificial Insemination Refinance Scheme	15.00	9.20	98	1251	4516
<b>Total</b>	<b>4647.62</b>	<b>4122.83</b>	<b>95</b>	<b>526049</b>	<b>1899037</b>

Source: *Karmasangsthan* Bank (up to June 2018).

### ***Palli Karma Sahayak* Foundation (PKSF)**

*Palli Karma Sahayak* Foundation (PKSF) plays a vital role to poverty alleviation. It

offers demand driven financial and non-financial services to the poor through its Partners Organisations (POs). PKSF provides financial services for ultra-poor, moderate

## Bangladesh Economic Review 2018

poor, micro-entrepreneurs and small and marginal farmers. In FY2017-18, PKSf's financial assistance to POs was Tk.3,293.21 crore. Conversely, POs provided Tk.44,793.47 as financial assistance to the participants.

PKSF has introduced some new projects, such as 'Enhancing Resources and Increasing Capacities of Poor Household towards Elimination of their Poverty (ENRICH)', 'Low Income Community Housing Support Project', 'Sanitation Development Project', 'Ultra-poor Programme' and so on. 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 and recover from both man-made and natural calamities. In addition, it has established 'Environment and Climate Change Unit'. The purpose of this unit is to incorporate environment and climate change issues in all of its activities. Moreover, PKSf has established 'Fisheries and Livestock Unit' and 'Agriculture Unit'. The purpose of the units is to provide proper training and disseminate technological services for successful and sustainable implementation of fisheries, livestock and agricultural services.

PKSF is working as an 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 has enrolled 10,011 trainees in 13 need-based farm and off-farm skill development trainings. Out of them, 6,450 have been managed to get job.

PKSF also introduces scholarship to the meritorious children from ultra-poor families. Apart from, a special programme 'Uplifting the Quality of the lives of Elderly People' is being implemented by PKSf which main motto is the welfare of the aged people.

### **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 which are operating their activities in the country.

MRA provides certificate to different microfinance institutions. It also helps to develop efficiency in microfinance. Up to June 2018, MRA issued licenses to 1,805 institutions to carry out microfinance activities. On the other hand, the authority has cancelled the certificate of 100 institutions as they fail to carry on satisfactory function. Furthermore, MRA has primarily allowed 128 Micro Finance Institutions (MFIs) to operate microfinance in FY2017-18. In total 705 authorised MFIs distributed Tk.1,35,000 crore in FY2017-18.

### **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

## Bangladesh Economic Review 2018

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 June 2018, BRAC disbursed an amount of Tk.1,86,416.13 crore. During this period in total 68,41,622 people have been benefited out of which 87 percent are female.

### ASA

ASA started its microcredit programme since 1991 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 FY2017-18, ASA distributed Tk.29,681.42 crore among the 75.77 lakh beneficiaries. Up to June 2018, ASA cumulatively disbursed Tk.1,67,024.44 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 *upazilas* of 26 districts. Up to June 2018, *Caritas* cumulatively disbursed Tk.3,740.37 crore and at the same period recovery amount was Tk.3,475.82 crore.

### Shakti Foundation

This organisation is engaged in providing credit facilities for the disadvantaged women living in the slums of Dhaka, Chattogram, *Khulna, Cumilla, Bogura, Rajshahi* and other major cities and towns. Microfinance is the core programme of *Shakti* Foundation. Moreover, it provides service for healthcare, business entrepreneurship and social development of poor woman. Up to June 2018, an amount of Tk.7,563.27 crore has been disbursed cumulatively. At the same time, Tk.6,871.27 crore has been recovered by the foundation.

### BURO, Bangladesh

BURO is implementing its activities through 456 *upazilas* of the country. It mainly works for those who belong to lower income group. In FY2017-18; BURO disbursed Tk.2,589.21 crore and recovered Tk.2,417.13 crore.

### 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. Currently, SSS works in the 186 *upazilas* of 31 districts of the country. Till June 2018, a total of Tk.15,938.67 crore has been disbursed. On the other hand, Tk.14,370.91 crore has been recovered during this period.

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)

NGOs	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	Cumulative ( Up to June 2018)
<b>BRAC</b>							
Disbursement	12114.89	15190.49	19298.28	11873.33	24302.78	16696.96	186416.13
Recovery	10966.12	13281.72	17134.81	10307.30	21563.66	15012.22	167444.96
Beneficiaries	5640684	5510905	5377951	5478037	5957954	6841622	6841622
Female	5074181	4876445	4671004	4741310	5188206	5939103	5939103
Male	566503	634460	706947	736727	769745	902519	902519
<b>ASA</b>							
Disbursement	10739.15	11605.60	17683.26	11859.82	26958.63	29681.42	167024.44
Recovery	9678.92	10426.91	12590.87	8616.73	23515.37	28953.34	150825.25
Beneficiaries	4859588	5322351	6902024	7428597	7843960	7577355	7577355
Female	4698716	4905175	6319502	6808233	7174947	6930474	6930474
Male	160872	417176	582522	620364	669013	646881	646881
<b>Caritas</b>							
Disbursement	286.4	297.35	317.26	380.45	223.64	239.50	3740.37
Recovery	273.76	291.62	310.07	346.55	197.37	224.08	3475.82
Beneficiaries	10928	37897	29217	6619	732	5736	253201
Female	5648	22818	18421	7832	778	4009	218546
Male	5280	15079	10796	1213	46	1637	34655
<b>SHAKTI Foundation</b>							
Disbursement	506.9	541	618.65	745.79	1001.45	1227.65	7563.27
Recovery	580.8	519	570.35	669.96	826.49	1149.49	6871.27
Beneficiaries	15373	458816	496049	-	521449	475255	475255
Female	418384	16388	479680			462284	462284
Male	433757	442428	16360	-	14452	12971	12971
<b>BURO Bangladesh</b>							
Disbursement	2211.09	2362.85	2630.02	3951.54	543.93	2589.21	20102.38
Recovery	1599.57	2290.36	2355.88	3154.48	460.48	2417.13	17404.22
Beneficiaries	1732120	896475	1269411	1356572	1449085	1512489	-
<b>SSS</b>							
Disbursement	1249.06	1316.32	1686.26	1149.67	2762.50	3135.2	15938.67
Recovery	1237.58	1229.33	1507.17	923.24	2317.68	3073.78	14370.91
Beneficiaries	461119	473116	507295	546126	588377	600906	600906
Female	448658	462567	498518	537041	574051	585951	585951
Male	12461	10549	8777	9085	14326	14955	14955

Source: Concerned NGOs

**Grameen Bank**

Grameen Bank offers different kinds of services to address the various needs of the poor. Up to June 2018, the bank in total

disbursed Tk.1,77,445.98 crore. On the contrary, the bank recovered Tk.1,62,226.35 crore. The Table 13.9 describes the microcredit activities of the Grameen Bank

Table 13.9: Microcredit Programmes of Grameen Bank

(In Crore Taka)

Item	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	Cumulative up to June 2017
Disbursement	12081.63	12941.45	13890.24	16933.15	132335.37	24321.50	177445.98
Recovery	11671.84	12562.45	13534.36	15123.13	121396.47	22559.75	162226.35
Recovery Rate (%)	97.23	97.53	98.33	98.82	99.05	99.13	99.13
No. of Beneficiary	8425146	8624948	8681302	8853961	8915491	8986050	8986050
Female	8103952	8301557	8345610	8548060	8609893	8689004	8689004
Male	321194	323391	335692	305901	305598	297046	297046

Source: Grameen bank

**Microcredit Activities of Schedule Banks**

The picture of credit disbursement of four State Owned Commercial Banks (SOCBs) and two public sector specialised banks is shown in Table 13.10. Till June 2018, these

six banks cumulatively disbursed an amount of Tk.39,794.20 crore. At the same time, the cumulative recovered amount is Tk.42,728.92 crore.

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

(in crore Taka)

Name of the Bank	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	Cumulative (Up to June 2018)
<b>Sonali Bank</b>									
Disbursement	673.23	723.95	668.99	1063.11	1041	1127	1187.30	1170.21	16824.51
Recovery	812	851.24	865.72	1166.91	1244	1178	1316.08	1267.90	18667.98
% of recovery	120.08	117.58	129.41	109.76	45	46	46	42.52	86.23
No of Beneficiaries	164906	159045	245344	262149	229773	208432	291429	311058	7757565
<b>Agrani Bank</b>									
Disbursement	33.61	874.41	798.16	602	2120.50	1782.02	898	2748.77	9830.47
Recovery	66.6	878.54	830.35	528	3051.85	3007.86	996	1767.85	11527.05
% of recovery	198.16	103.67	104.03	87.71	67	67	88	64.31	117.25
No of Beneficiaries	5954	118666	117236	132317	63360	92636	150139	30698	776496
<b>Janata Bank</b>									
Disbursement	722.36	726.52	736.48	737.3	715.57	744.80	751.34	751.36	10443.39
Recovery	512.23	553.27	525.54	641.35	698.91	691.23	769.70	678.57	10213.72
% of recovery	70.91	76.15	71.36	58	59	58	61	48	97.80
No of Beneficiaries	93030	88254	100736	102350	104563	551179	555358	753785	3138522
<b>Rupali Bank</b>									
Disbursement	21.78	15.67	16.63	12.17	11.44	19.95	26.73	32.92	284.37
Recovery	23.79	17.63	16.68	17.38	15.71	31.30	26.14	27.43	272.31
% of recovery	109.23	112.51	100.3	142.81	137.32	166	57	171	95.75
No of Beneficiaries	7520	9134	13554	15849	15255	14886	12937	15469	-

## Bangladesh Economic Review 2018

Name of the Bank	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	Cumulative (Up to June 2018)
<b>Bangladesh Krishi Bank</b>									
Disbursement	53.42	55.22	73.70	100.49	96.56	57.61	58.28	72.11	1892.77
Recovery	51.25	53.69	51.38	109.37	106.77	52.04	36.81	66.49	1645.73
% of recovery	96	97.23	69.72	109	111	53.17	63.16	92.20	87
No of Beneficiaries	35044	31489	28535	14919	16529	16044	11633	12080	1984788
<b>Rajshai Krishi Unnoyan Bank</b>									
Disbursement	27.68	29.22	39.04	38.23	24.89	23.41	25.67	22.94	518.69
Recovery	19.23	19.95	37.03	40.78	29.07	19.09	12.19	8.91	402.13
% of recovery	69.47	68.28	94.85	106.67	101	82	48	39	77.52
No of Beneficiaries	12251	11333	12602	10480	3832	6695	6253	3930	113199
<b>Total</b>									
Disbursement	1535.08	2397.99	2333	2553.34	3913.10	3697.22	3026.09	4798.31	39794.20
Recovery	1485.10	2374.32	2326.70	2503.79	5039.54	4916.51	3190.47	3817.15	42728.92

Source: Concerned Banks.

### Microcredit Programmes of other Commercial and Specialised Banks

Except the state owned banks other commercial and specialised banks are also

carrying out microcredit programmes to reduce poverty and create self-employment opportunities. The statistics of four commercial banks' 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 2018	Rate of Recovery (%)
	Female	Male	Total		
National Bank Limited	3082	59452	62534	23112.06	90.68
BASIC Bank Limited	483368	120842	604210	890.45	97.28
Ansar-VDP Unnayan Bank	662988	591290	1254278	4494.36	95.91
Trust Bank Ltd	1087	19182	20269	295.60	90
Total	1150525	790766	1941291	28792.47	93.46

Source: Concerned Bank.

### Microcredit Programmes of Administrative Ministries/Divisions

Through different ministries/divisions/department the government has been implementing microcredit programmes along with various social safety net programmes to lessen poverty from the society. With a view

to sustaining the microcredit programmes for poverty reduction the government emphasises on developing small entrepreneurs. Microcredit programmes of different ministries/divisions/departments are presented in the Table 13.12.

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

(In Crore Taka)

Ministry /Division	Department/ Division	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	Cumulative progress (up to June 2018)
<b>Banking and Financial Institutions Division</b>	<b>RAKUB</b>								
	Disbursement	29.22	39.04	38.23	24.29	23.81	25.67	22.94	518.69
	Recovery	19.95	37.03	40.78	29.07	19.09	12.19	8.91	402.13
	Rate (%)	68.28	94.85	106.67		81.00	48	38	77.52
<b>Rural Development &amp; Cooperative Division</b>	<b>BRDB</b>								
	Disbursement	871.91	815.03	884.54	985.88	1066.73	1173.52	1252.26	15459.63
	Recovery	780.09	789.64	816.8	910.42	999.46	1106.12	1138.80	13964.24
	Rate (%)	90	94	92	92	92	94	75	97
	<b>PDBF</b>								
	Disbursement	-	599.16	716.82	915.26	956.93	1156.28	1261.10	9780.24
	Recovery	-	629.15	724.69	946.45	946.09	1178.35	1359.49	9455.92
	Rate (%)	-	99	99	99	98	98	97	98
<b>Ministry of Women and Children Affairs</b>	<b>Jatiyo Mohila Sangstha</b>								
	Disbursement	2.56	2.00	9.17	3.01	1.29	1.56	1.53	56.08
	Recovery	4.919	2.1	7.45	1.66	4.72	5.26	2.4	63.99
	Rate (%)	191.85	105.00	81.24	55.14	365.50	337.13	157.68	114.10
<b>Ministry of Industries</b>	<b>SERWTCI</b>								
	Disbursement	11.07	11.94	10.40	9.35	8.65	7.82	6.42	137.62
	Recovery	10.66	11.18	10.46	9.33	105.6	7.81	6.53	127.51
	Rate (%)	96.3	93.63	100.58	85	99.78	100	101.72	92.65
<b>Ministry of Agriculture</b>	<b>Cotton Development Board</b>								
	Disbursement	0.77	1.17	1.26	1.71	1.22	1.28	1.27	14.74
	Recovery	0.78	1.02	1.26	1.3	0.87	1.10	1.34	15.23
<b>Ministry of Land</b>	Rate (%)	101.85	87.44	100.00	79.00	96.00		104.94	103.32
	Disbursement	5.69	7.32	3.02	7.50	6.70	6.79	6.62	137.86
	Recovery	2.86	3.77	1.63	5.67	6.09	6.39	6.25	104.57
<b>Ministry of Youth and Sports</b>	Rate (%)	50.26	51.5	53.97	75.58	90.90	94.11	94.41	75.85
	<b>Dept. of Youth</b>								
	Disbursement	84.26	90.68	88.96	97.34	102.65	121.97	139.34	1719.55
<b>Ministry of Textile and Jute</b>	Recovery	70.05	75.64	53.95	89.73	99.29	109.94	139.34	1509.97
	Rate (%)	83.14	83.41	60.64	92.18	96.74	90.14	100	92.26
	<b>Bangladesh Handloom Board (BHB)</b>								
<b>Ministry of Liberation war Affairs</b>	Disbursement	2.12	1.84	2.66	4.03	3.42	2.31	3.6	72.56
	Recovery	2.20	2.66	2.39	3.16	3.43	2.12	3.25	51.59
	Rate (%)	103.77	144.56	89.84	78.41	100.00	91.77	71.16	71.16
<b>Ministry of Liberation war Affairs</b>	Disbursement	10.23	3.40	5.56	7.30	7.98	8.61	3.15	77.10
	Recovery	9.89	9.00	3.25	4.52	8.03	8.79	14.07	47.23
	Rate (%)	60	59	63	62	95	102	-	82

Source: Concerned Divisions/ Departments.