



**CHARS LIVELIHOODS
PROGRAMME (CLP)**

**ANNUAL REPORT FOR
THE YEAR 2006-07**

**Prepared for the
Department for
International Development**

August 2007

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ABBREVIATIONS AND ACRONYMS

ADP	Annual Development Plan
AR	Annual Report
ATP	Asset Transfer Programme
AWP	Annual Workplan
BARI	Bangladesh Agricultural Research Institute
BHH	Beneficiary Household
CDO	Community Development Organiser
CDS	Community Development Supervisor
C&DS	Communications and Disseminations Strategy
CFW	Cash-for-Work
CLP	Chars Livelihoods Programme
DC	Deputy Commissioner
DFID	Department for International Development
DFID-B	Department for International Development Bangladesh
EDU	Enterprise Development Unit
ERD	Economic Relations Division (Division of the Ministry of Finance)
GoB	Government of Bangladesh
HH	Household
ICT	Information and Communications Technology
IGA	Income Generating Asset
IMED	Implementation, Monitoring and Evaluation Division (of the Ministry of Planning)
IML	Innovation, Monitoring and Learning
IMO	Implementing Organisation
LGED	Local Government Engineering Department
MA	Management Agency of the CLP (operated by Maxwell Stamp PLC)
MDF	Market Development Fund
MDGs	Millennium Development Goals
MFI	Microfinance Institution
MIS	Management Information System
MOU	Memorandum of Understanding
MSP	Maxwell Stamp PLC
NEC	National Economic Council
NGO	Non-Governmental Organisation
NRI	Natural Resources Institute

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OPR	Output-to-Purpose Review
PEC	Programme Executive Committee
PIC	Project Implementation Committee
PKSF	Palli-Karma Sahayak Foundation
PUR	Water Purification Chemicals
RDA	Rural Development Academy
RDCD	Rural Development and Co-Operatives Division
SD	Social Development
SIC	Scheme Implementation Committee
SPF	Social Protection Fund
TAP	Technical Advisory Panel
ToT	Training of Trainers
UIF	Upazila Initiative Fund
UAO	Upazila Agricultural Officer
ULO	Upazila Livestock Officer
UNO	Upazila Nirbahi Officer
UP	Union Parishad
VSLA	Village Savings and Loans Associations
YP	Young Professional

EXECUTIVE SUMMARY

2006-07 was a year of considerable consolidation, progress and achievement for the Chars Livelihoods Programme (CLP). This was built on the solid foundations developed during the previous year when the decision was made to move away from “voice-and-choice” and directly to tackle extreme poverty with an asset transfer approach. We feel that the results from 2005-2006 and particularly from the current year serve to underline the soundness of the strategic change.

As the details developed in the following chapters will show, during 2006-07 the CLP has managed to meet and frequently surpass almost all of a very tough set of targets defined in the Work Plan for 2006-07. This successful conclusion to a very busy year was achieved despite a number of contrary conditions. Chief among these was an extended period of unsettling political events that dogged the first half of the year; a period that coincided with the recruitment and arrival of several senior members of staff. Details of the changing political environment as well as staff turnover are dealt with in Chapters 1 and 9 respectively.

The Operations Division is composed of four major units: Infrastructure (chapter 2), Livelihoods (chapter 3), Enterprise Development (chapter 4) and Social Development (Chapter 5). All four units share a common target: to improve the well-being of the most vulnerable inhabitants of the chars of the Northern Jamuna and particularly the extreme poor living on the highly risk-prone island chars. The foundation of the CLP’s anti-poverty drive is its Asset Transfer Programme (ATP) and the CLP is proud to announce that during the past year 8,246 carefully selected households from an initial target of 8,322 were provided with a range of assets. The difference of 76 households is accounted for by beneficiaries moving away from the area, death or refusal to accept the assets. These households are in addition to the 3,174 that received assets in the previous year. The CLP has now delivered assets to 23% of the end-of-project target. The most common asset requested by households is cattle and survey work carried out by partner IMOs, as well as from research commissioned by IML, shows that the value of cattle is increasing at a rate of approximately 100% per year. All current year households also qualify for a monthly stipend that helps to support both that asset and the family until the transferred assets become income-producing.

Not only is the Livelihoods Unit providing assets, it is also providing a range of life skills in such areas as homestead gardening (vegetable crops, composting, tree planting, grafting and post-harvest storage) and livestock rearing, as well as related inputs (quality seeds, fertiliser, livestock vaccinations and de-worming). Both the training and these inputs ensure increased household food consumption and provide a further potential source of income. During the year, the unit came close to achieving all targets and managed to achieve a success rate of between 94 and 113% of targets. All relevant figures for targets and achievements are provided in the relevant chapter. However, it should be noted that during the provision of assistance to core beneficiaries, IMO and GoB partners are themselves learning and experiencing from their work and this fact along with the capacity building at the beneficiary household

level seeks to ensure the sustainability of the asset transfer model after the closure of the CLP.

The provision of assets together with a broad-range of capacity building activities are a success in more ways than simply increasing the asset ownership of the extreme poor households. They are also inducing a sea-change in beneficiary attitudes to moving out of poverty. Giving assets and improving abilities is also about giving hope and improving the ability to cope with the future. Anecdotal and research results are underlining the fact that the CLP beneficiaries are “proud” of their assets and are now “planning” for the future. Livestock assets are being grown-up, sold and new and often varied assets purchased, and the cycle restarted. Nonetheless, the provision of assets is only part of the CLP story. While the provision of productive assets is helping households to begin moving out of the poverty trap, on their own they do not take away the innate vulnerability of the chars’ lifestyle. Erosion risks remain high and households, homesteads and assets remain vulnerable to seasonal flooding. Thus as a core protective feature, the CLP aims to provide all 50,000 core beneficiary households plus a further 50,000 vulnerable and poor households with a homestead plinth raised above the 1998 floodline. For 2006-07, a target of 20,000 raised plinths was established and the CLP’s Infrastructure Unit was able to exceed this by 5% with almost 21,000 household plinths raised. Added to the 11,756 plinths of the previous year, the CLP has already achieved more than 30% of its end-of-project target. At the same time as plinth raising, the infrastructure unit also builds sanitary (water-seal) latrines. The target for the year was 21,000 while more than 23,000 were eventually installed. These homesteads also need access to clean drinking water and so the CLP has a tubewell installation programme. With a target of 620 tubewells, the CLP narrowly exceeded the figure. The infrastructure unit also has a component for installing community service infrastructure (roads, culverts, schools, etc.) and managed to achieve at least 80% of its original workplan ambitions during 2006-07.

The infrastructure work was carried out either by IMOs (NGO partners of the CLP) or local government services. In addition, a considerable amount of earthmoving work, specifically for plinth raising, was undertaken by the Cash-for-Work (CFW) activity that targeted the provision of 1.1 million person-days of work during the *Monga* season and eventually managed to provide 92% (over 1 million days) of that target.

Programmes of the Enterprise Unit are contributing important new opportunities for poor char dwellers, including future graduates of the ATP programme. The first year of the Market Development Fund resulted in projects involving 4,000 households, and has produced three very successful, rapidly expanding projects in the dairy, poultry and fodder sectors, as well as a large scale programme to develop commercial, community-based livestock service providers. The Market Development Programme will expand to at least 16,500 new participants in the coming year. Under Microfinance there were two programmes which support increasing productive opportunities for char dwellers. The first programme to be initiated was Community Based Microfinance, which addresses the gap in financial services availability in chars with a self-managed, savings based option. More than 5,000 households participated in this programme, which will expand to more than new 10,000 participants in the coming year. In addition, a new programme was launched to build

the capacity of Microfinance Institutions to deliver appropriate products and manage risk in char areas. The programme was launched six months later than expected, but will benefit in the long-run from high level support generated within the Palli Karma Shahayak Foundation (PSKF), a quasi-government wholesale lender which signed an MOU with CLP in December. PSKF will provide loan capital and financial oversight to common NGO partners of both PSKF and CLP, while CLP will focus on increasing technical capacity. With the continued support of PSKF it should be possible for CLP to promote the healthy expansion of MFI services into all island char areas by 2011.

The majority of community activities, regardless of the unit concerned, are supported by the CLP's field implementation partners or IMOs. Key among the functions of the unit is to contract suitable and proficient IMOs – currently the CLP has 19 under contract – and to improve the ability of their staff to undertake the different CLP activities. This in turn requires a considerable degree of capacity building and training of trainers at the IMO level so that the IMO staff in turn may improve capacity at the beneficiary level. Continual contact between IMOs and groups of core beneficiaries is maintained and, by way of illustration, 872 groups of actual or future beneficiaries have been established and over 750,000 person-sessions of training provided by IMO staff to these core beneficiaries.

The scale of the CLP's activities increased considerably in 2006-07 in comparison to the previous year and is programmed to increase at a similar rate again next year. The monitoring of the inputs, achievements and impacts of the CLP activities is an enormous challenge and the challenge has been met by both the IML Division, charged with the monitoring and evaluation of activities, and the Finance Division responsible for financial accounting and auditing. The IML division (Chapter 6) got off to a slow start in 2006-07 due to team changes and only had its current team in place by February 2007. Nonetheless, all pre-established targets were attained and IML began to meet the challenge of raising the profile of the CLP both in Bangladesh and internationally. The Finance Division developed innovative and clear methods for monitoring the programmes accounts as well as those of our IMO partners. It also audited the accounts of IMOs and GoB partners on a regular basis so reducing the potential leakage of funds.

Finally the groundwork for a new programme initiative – a Primary Health Care Pilot Project – was put in place during the last quarter of the year with execution of the activity starting on 1 July 2007.

1 INTRODUCTION

This report presents the achievements of the Chars Livelihood Programme (CLP) over the period 1 July 2006 to 30 June, 2007. The CLP is funded by the UK Department for International Development (DFID) and sponsored by the Rural Development and Cooperatives Division of the Ministry of Local Government, Rural Development and Cooperatives of the Government of Bangladesh.

The CLP is part of the portfolio of activities of DFID-Bangladesh designed to reduce extreme poverty. The CLP is also committed to playing a part in a wider process of eliminating seasonal hunger, referred to as “Monga”, within Bangladesh. The CLP operates in 150 Unions of 28 Upazilas within the Districts of Kurigram, Gaibandha, Bogra, Jamalpur and Sirajgonj. The CLP commenced operations in July, 2004 and is funded through September, 2010. This report covers the first full year of operation since the adoption of a revised CLP programme approach in January, 2006.

1.1 THE PAST YEAR IN BANGLADESH

1.1.1 THE SOCIO-POLITICAL ENVIRONMENT

The current financial year has passed with unprecedented political turmoil, seeing the successive change of two Governments. In October 2006 the BNP Government handed-over to a Caretaker Government after completion of its tenure. However, this caretaker administration failed to maintain its neutrality to conduct free and fair general elections as mandated by the constitution of the Republic leading to a situation where citizens’ lives and property were threatened. To control the situation the President declared a State of Emergency on 11th January 2007, suspending fundamental rights and banning all political activities backed by the army and civil society; a 3rd Government was installed. This Government brought the situation under control and reconstituted the Election Commission, Anti-corruption Commission and Public Service Commission; made changes to the bureaucracy, and targeted the provision of a society free from corruption. Despite these difficult circumstances the implementation of the CLP was not impeded, mainly due to the prudent and timely action of the MA in association with DFID and the Government of Bangladesh (GoB).

1.1.2 GOB-CLP LIASONS

The present Programme Director, Mr ATM Mohiuddin Ahmed, started work with the CLP in June 2006 and was joined in January 2007 by the Project Director, Mr Aminul Haque (a Deputy Secretary of GoB).

The year started with Mr. Rafiqul Islam as Secretary of the Rural Development & Co-Operatives Division (RDOD). He chaired the 4th PEC (Programme Executive Committee) meeting where after consultations with DFID the revised logframe was presented along with the Workplan and Budget for 2006-2007. The latter was approved. Subsequently Chairmanship of the PEC was passed to Mr. AFM Motiur

Rahman who chaired the 5th PEC meeting where the final draft of the revised logframe was presented. The first outcome of 5th PEC was the decision to give the RDCC time to comment on the logframe and to present both their comments and the logframe at the next meeting. The second outcome was the approval to increase the CLP's allocation to Tk. 1010 million; a highly significant increase on the Tk. 369 million given in the Government of Bangladesh Annual Development Plan (ADP) for 2006-2007. The increased funding proposal was forward to the National Economic Council (NEC) and approved.

After discussing comments on the revised log frame put forward by the RDCC, the 6th PEC meeting decided to forward the final revised version to the Planning Commission for approval. At this meeting, ideas for the Workplan and Budget for 2007-2008 were also acknowledged.

On 5th June 2007 the Secretary called an inter-ministerial meeting with representatives of DFID, IMED, ERD and the Planning Commission to review the revised logframe. This resulted in another version being forwarded to the Planning Commission. Discussions still continue and the CLP hopes that an agreement can soon be reached.

At the Upazila and Union Parishad level, DCs meetings in all the Districts were coordinated and held on-time as were the Upazila Coordination Committee meetings. However, the MA did face difficulties in implementing UP activities in the chars due to frequent changes of DCs and UNOs within the programme area. New dimensions of liaison also emerged with the army in different Districts and with the General Officer Commanding of the region after the start of the State of Emergency.

With the production of the first CLP Newsletter in Bengali, in May 2007, the CLP now has a new means of disseminating its work to local government institutions within its programme area.

1.1.3 GOB IMPLEMENTATION OF THE CLP

Upazila Agricultural Officer implemented programmes, including homestead gardening, tree planting and construction of compost pits covering 20,542 households. Upazila Livestock Officers vaccinated and de-wormed more than 50,000 cattle and artificially inseminated around 2000. They also trained paravets to continue this vaccination programme throughout the year on a commercial basis, enabling more people to access this service. Upazila Fisheries Officers distributed 750,000 fry to 51 "dead rivers". These programmes have three main benefits: income generation; nutrition improvements and technology transfer. Moreover, these activities cover a wider population than many other components of the CLP, contributing to the overall development of the region.

1.1.4 CLP'S PLACE IN DEVELOPMENT IN BANGLADESH

The CLP is rated top for the implementation of development projects and utilization of donor funds in Bangladesh. It exceeded almost threefold its original allocation of Tk. 369 million and even spent more than the revised budget of Tk. 1010 million as

approved by the NEC. This level of expenditure was possible because of the efforts of the MA, constantly supported by both the GoB and DFID. The Programme Director and Project Director of CLP also significantly contributed to programme implementation while improved coordination with the DCs and UNOs was possible because of their constant support of the MA.

The CLP's current activities that address extreme poverty were not specified in the Programme Proforma. However, drawing on increased knowledge of the chars' environment and the needs and choices of chars dwellers, the MA, with the advice and guidance of DFID and GoB, developed a new strategy, with new activities, specifically to target extremely poor people. This approach and these priorities were presented in documents throughout the year and placed before the PEC, the highest body, for approval. The implementation of the programme then proceeded with the endorsement of the PEC. However, during the last year the Secretary of the RDCD, the chief implementer of the programme, was changed three times; disrupting acceptance of the new CLP approach. This has led to the MA being placed in a difficult position, illustrated particularly by difficulties in getting the revised logframe approved.

During the past year, the CLP has been grateful for the general support and the accommodating attitudes of both DFID and the GoB. Their genuine commitment to improve the lives of the poorest of the chars' dwellers is evident.

1.2 PROGRAMME OVERVIEW AND KEY ACHIEVEMENTS

Significant progress has been made during the year in all aspects of the work of CLP. Evidence of the effectiveness and impact of the revised CLP programme is accumulating. The core CLP poverty reduction strategy is an asset transfer approach for landless and assetless households. Most beneficiaries initially choose to focus their investment on livestock, particularly cattle. Preliminary evidence indicates that the value of these animals is approximately doubling on an annual basis. We believe that this will result in an approximate 50% increase in household income of CLP core beneficiaries over an 18-24 month period. There is early evidence of a trend emerging among core beneficiary households of further diversifying their livelihood strategies in their second generation investments. This diversification is usually by seeking to acquire access to agricultural land through a system of land pawning, sometimes referred to as land or char leasing. These investments in access to land are usually in addition to continued capital and labour investment in livestock rearing.

The CLP Infrastructure Unit continued to power ahead exceeding their target of raising 20,000 homestead plinths during the year. Plinths protect families and their assets during flooding and enable other livelihood opportunities in vegetable and fruit cultivation. In addition, the construction of over 23,000 water-sealed latrines also exceeded targets and, as these latrines become more universal, will improve overall health in communities.

The Infrastructure Unit also created over a million person-days of employment during the annual period of seasonal hunger (*Monga*) that occurs due to the lack of agricultural labouring opportunities during the second half of September, October and

early November. Over 38,000 households, including 15,000 female-headed households, benefited from an average of 26 days employment. Research commissioned by the CLP's IML Division and carried out by Helen Keller International confirmed some of the positive impacts of this programme in reducing short-term vulnerability of the poorest households. Together with other activities from PKSf and the World Bank funded Social Development Foundation, it can be truly said that significant, rather than symbolic, efforts are being made to reduce and eventually to eliminate seasonal hunger in the Northwest Division, as it has been eliminated from other regions of the country in the past.

The Enterprise exceeded its targets for Community-Based Microfinance by mobilizing more than 5,000 households into 'Village Savings and Loan Associations (VSLAs),' which can be promoted in areas where Microfinance Institutions struggle to meet high operating costs. Several years of observation may be needed to prove the sustainability of self-managed savings and loan associations, but participants are genuinely enthusiastic. VSLAs may prove to be an effective option for supplementing the services of MFIs and reaching those who either don't have access to, or don't wish to join an MFI. In parallel the Enterprise Unit will increase its support to MFIs through collaboration with the PKSf.

The Enterprise Unit has also gained good early experience in introducing sector development projects in agriculture sectors, in particular through facilitation of advanced poultry, dairy and fodder production. There is growing evidence that IMOs can be taught to engage with the private sector, and that the private sector and market-based extension projects will form a growing part of CLP's development work in the chars. Not only are projects resulting in increased income for participating households, but they are also creating indirect benefit through employment and better availability of supplies, including feed, fodder and animal health services. More than 20,000 households will have participated in Market Development projects of CLP by the end of the coming year.

The Social Development Component of the CLP was reviewed and re-designed during the year drawing on experience from across Bangladesh. A reasonably concise curriculum with approximately 50 lesson plans has been drawn up and the use of this curriculum will be rolled out in the 2007-08 operational year. It remains the belief of CLP that this social development component will reinforce and support the economic empowerment and the reduction in physical vulnerability of core beneficiary households by transferring skills and knowledge that will be useful to members of these households.

Another major milestone for the CLP during the year was the completion of the selection and contracting of our principle implementation partners (IMOs) to cover the CLP operational area. As of June, 2007, 175,000 households living in 706 villages within 79 Unions in the CLP operational area are covered by an IMO. There are approximately 1,000 households scattered over three further Unions for which contracts will be signed in July or August. With these contracts, all island char villages in the original 150 Union Parishads will be covered by one of the nineteen carefully selected and intensively managed IMOs.

However during the year it came to the attention of the CLP that there are a number of island char villages within the 5 Districts assigned to the CLP but not within the 150 Unions initially allocated by GoB. An initial survey has indicated that there are over 4,500 such families, mostly in Kurigram and Sirajgonj Districts. Whether these families can be included in the CLP programme in the future is something that should be considered by the GoB and DFID during the Mid-term evaluation in August, 2007.

The CLP Management Agency in Bogra and our 5 District Offices continued to mature as an organisation. Particularly important during the year was the introduction of a new category of CLP staff called “Young Professionals”, who are individuals, who have completed a high quality and relevant Masters Degree but have limited experience. Two such individuals have made outstanding contributions to the CLP during the year with their energy, fresh thinking and willingness to spend long periods working in the field. The CLP hopes to expand this programme in the year to come. The CLP will also continue to offer occasional self-funded short internships to young internationals interested in working in poverty reduction. Particular efforts will be made to recruit British young people who have some Bangla language capability. Two such individuals are already working with the CLP and a third will join shortly.

Recruitment of Bangladeshi Nationals, particularly women, willing to work in Bogra and the Districts continues to be a problem. The CLP has succeeded in recruiting one Bangladeshi woman who will join the Social Development Unit in a new specially created position and a further woman has been recruited to work in the Livelihood Unit’s District team. We plan to recruit a further woman, a Bangla speaking woman Young Professional, in the coming months but the overall representation of women in the Management Agency requires further efforts.

One of the most exciting developments in the CLP over the last year has been a revitalisation of the Innovation, Monitoring and Learning Division. A number of valuable studies, big and small, have been commissioned and completed. Work in dissemination also took a big step forward at the end of the year with the commissioning of a new CLP website which will be the depository of all CLP publications and up to date news on CLP activities. The core beneficiary database, a record of each CLP core beneficiary household that is updated monthly is beginning to pay dividends producing reliable figures concerning demographic issues and beginning to produce helpful and interesting information on household income trends.

One activity that did not make as much progress as anticipated was the development of new programmes in health and education services for chars’ dwellers. The revised CLP log frame authorising such programme development took longer than expected to finalise and other operational constraints meant the amount of management time available for new programme development was limited. However, at the end of the year, the CLP contracted a major health needs survey and programme design process by the Dhaka office of a well known international health organisation, Engender Health. The design phase will lead immediately to a medium-sized pilot programme. Other health pilots started in the past have continued during the year and will be expanded in the coming year. Work on education programme design is continuing and the CLP hopes to commission its first work in this area in the coming months.

2 INFRASTRUCTURE DEVELOPMENT

2.1 INTRODUCTION AND AMBITIONS

The CLP's Infrastructure Development component aims to:

- Reduce the vulnerability of char dwellers through the targeted provision of infrastructure and related services;
- Develop the capacity of Upazila Parishads and Union Parishads so that they are better able to respond to local needs and demands;
- Improve the disaster preparedness of the community.

In 2006-07 the component's work focussed on the provision of various forms of public and private infrastructure (homestead plinth raising and flood proofing, tube wells, tube well platforms, slab latrines, and other earthworks). The Table 1 shows the planned activities and deliverables together with a list of achievements for 2006-07.

Table 1: Infrastructure – Activities and Achievements 2006-07		
Planned Activity	Deliverables	Achievements 2006-07
1. Allocation of UP Funds to 125 Ups	125 UPs to raise 7,000 plinths	• 131 UPs raise 7,050 plinths
2. Allocation Of UP Reward Fund	50 UPs to use performance reward fund for pro-poor infrastructure	• 47 UPs raise 1,007 plinths
3. Upazila Initiative Fund for 24 Upazilas	24 Upazilas implement different infrastructure projects	• 26 Upazilas implement different infrastructure projects
4. Flood proofing of individual household homestead	7,000 homestead plinths to be raised	• 7,156 homestead plinths raised
5. Improve quality of drinking water	400 shallow tube wells to be installed	• 400 shallow tube wells installed
	1 rainwater scheme to be piloted	• Not implemented based on feasibility study
	2 deep tube wells to be installed	
	750,000 sachets of PUR to be distributed	• Not distributed as there was no flood
6. Improve sanitation	2,000 Platforms to be constructed for existing tube wells	• Ongoing and will be completed by August 2007 as per contract terms
	7,000 water-seal latrines to be installed	
7. Monga Alleviation through Cash for Work Schemes	UPs implement CFW schemes to generate 810,000 person-days of employment	• UPs generated 745,008 person-days of employment
	NGOs implement CFW schemes to generate 270,000 person-days of employment	• NGOs generated 271,795 person-days of employment

The Infrastructure Unit is managed by a team of two head office staff while field support is provided by a senior mentor in each of the 5 districts together with a total of 37 junior mentors (each responsible for 3-5 unions). In addition, each Upazila has a Coordinator appointed by the government counterpart who works with the CLP and is responsible for liaising between the programme and Upazila level officials.

Activities for rural infrastructure provision are channelled through one of 5 funding instruments. These are illustrated and explained in Table 2 below.

Infrastructure Development significantly increased its activities in 2006-07. This is reflected in both the level of disbursements and of outputs achieved. The activities undertaken were those set out in the CLP Work Plan, with a forecast budget of £2,487,263. During the year DFID approved a supplementary budget of £232,699 raising the budget to a total of £2,719,962. Actual expenditure for the fiscal year up to 30 June 2006 was almost identical to the budget. When compared to the financial years of 2004-05 and of 2005-06, infrastructure activities and expenditure have been significantly scaled-up. The team has been particularly successful in disbursing funds for infrastructure provision through IMOs with success achieved in flood-proofing homesteads (raising plinths), improvements in water and basic sanitation (installation of tube-wells and latrines) and in Cash-for-Work to mitigate *Monga* in three districts out of five.

Table 2: Infrastructure Development funding instruments

Budgetary allowance	Recipient of funds and implementing agency	Description	Priority areas
Upazila Initiative Fund (UIF): £ 4,000 per annum per union	Upazila Parishad notably Local Government engineering Department (LGED)	Not specified but must be used for the delivery of essential social infrastructure following government protocols and procedures	Priority is the island chars but as some Upazilas have no island chars this criteria is waved in certain Upazilas
UP Fund: £ 4,200 per annum per UP	UP that use community-based Scheme Implementation Committees (SIC) for implementation	Household plinth raising is primarily done through UP-funding	Priority is the island chars but as some Unions have no island chars this criteria is waved in certain Unions
Social Protection Fund: To date this has taken the form of Cash-for-Work for earth moving schemes	UP who use community-based SIC IMOs who also use SIC for labour hire and supervision	Generation of short-term employment (300 labourers for 27 days per UP @ Tk. 80 / day during <i>Monga</i> period.	Both mainland and island chars
Disaster Fund: Depends on contract value	Implementation via IMO	Raising homestead plinths as a means of flood-proofing	Island chars only
Water and sanitation Fund: Depends on contract value.	Implementation via IMO	Raising homestead plinths as a means of flood-proofing	Island chars only

2.2 ACTIVITIES AND ACHIEVEMENTS

2.2.1 UPAZILA INITIATIVE FUND (UIF) ACTIVITIES

The UIF is targeted specifically towards the Upazila Parishads to complement their existing budget and to assist in the delivery of essential pro-poor and labour intensive infrastructure works.

CLP funded development activities undertaken by Upazilas are carried out through line departments – mostly the Local Government Engineering Department (LGED) and in some cases Project Implementation Office under the Relief and Rehabilitation Ministry.

Responsibility for implementation within each Upazila rests with Upazila Parishad assisted and coordinated by the CLP Upazila Coordinator. Sr. Mentor and Mentors monitor the work. Responsibility for hiring workers and day-to-day supervision of activities is delegated to locally constituted Project Implementation Committees (PIC) made up of the Union Parishad (UP) Chair, UP Members and local people as per the government standing regulations.

Since early 2007 an independent verification contractor also verifies up to 10% of outputs (see IML). CLP may ask Upazila Parishads to rectify irregularities and has the power to withhold or withdraw funding if these are not satisfactorily addressed.

In 2006-07 UIF activities included building earthen roads (155 km), raising plinths and the playgrounds of educational institutions, construction of tube-wells (64) and culverts (12), and the provision of improved sanitation facilities e.g. latrines (1,557). Contracts were signed in December 2006 with 26 Upazila Parishads for the implementation of a variety of schemes.

2.2.2 UNION FUND ACTIVITIES AND ACHIEVEMENT

131 UPs received funding from CLP in 2006-07. Due to considerable motivation and guidance from the Infrastructure Development team nearly all of the work supported by the Union Fund has involved individual homestead flood-proofing (plinth raising). The component exceeded its target in terms of the number of plinths raised by raising 8,057 plinths. Homesteads were raised by at least 2 feet above the 1998 and 2004 flood levels. Each plinth was constructed at an average unit cost of Tk. 9,800 (approximately £75-80). Over the course of the year CLP identified 10 UPs where irregularities seem to have taken place. These UPs were denied Union Funds. 47 UPs were rewarded with additional allocations from an incentive fund ranging from Tk. 100,000 to 150,000 for their good performance.

2.2.3 SOCIAL PROTECTION FUND

The basis of the Social Protection Fund (SPF) is to provide short-term employment for the poorest and most vulnerable households through the cash for work (CFW) programmes. This operates during the three *Monga* months that follow the monsoon

and precede the main rice harvest; a time when food is scarce and more expensive and few seasonal employment opportunities exist. 85% of the total CFW budget was allocated to raising homestead plinths on daily wage terms and the remainder was used to raise public spaces such as access tracks, schools, mosques and graveyard.

CFW funds are channelled through Union Parishads and IMOs. Working in conjunction with Infrastructure mentors, the UPs select villages for inclusion in the programme. The Scheme Implementation Committees (SICs) formed in each village then identify participants, supervise the work and distribute payments. Selection is confined to landless households and especially those that are female-headed. The CFW Programme ran from September 15 to December 10, 2006 while contracts were signed with 89 Union Parishads and 15 IMOs in three districts (Kurigram, Gaibandha and Jamalpur). Each worker was paid Tk. 80 per day with payments made every third day. Total expenditure was £719,711 and 38,000 labourers (including 15,000 women) were employed for an average of 26.5 days with a total of 1,016,803 person days of employment provided.

A beneficiary survey (see IML for further details) in December 2006 revealed that some 10% of beneficiaries were obliged to pay kickbacks ranging from Tk. 5-10 per day to UP Chairs and SICs. The money was not demanded at the time of payment but at a later time. CLP will strengthen monitoring next year in order to stop this source of corruption.

In addition, Helen Keller International carried out a nutritional survey in conjunction with IML before and after the CFW *Monga* programme. On the basis of the survey findings CLP plans to adopt a more gender-sensitive approach to CFW next season.

2.2.4 IMO ACTIVITIES AND ACHIEVEMENTS

The CLP Disaster Management and Water and Sanitation funding and part of the Social Protection Fund are channelled through IMOs. During 2006-07 the component contracted all 15 IMOs to implement infrastructure work in island chars. Total funds dispersed to these IMOs amounted to £969,385. Considerable progress was made both in homestead plinth raising and in the provision of latrines. By 30 June 2007, a total of 7,156 households had benefited from raised homesteads while some 7,000 latrines, 2,000 tube-well platforms and 400 tube-wells for drinking water will have been built by 30 August 2007 when the contracts reach completion.

2.2.5 SAFE DRINKING WATER PROVISION

Sanitation and safe drinking water remains a considerable challenge to char dwellers. People have access to water but not to safe drinking water. Existing tube-wells are often submerged during floods causing water contamination. Tube-wells without properly fixed concrete platforms do not produce safe drinking water, exacerbating the problem. In order to address this, CLP is presently implementing a programme to construct concrete platforms for about 2,000 existing tube wells. At a unit cost of £12 or Tk. 1,800, these platforms on raised plinths protect wells from contamination. According to contract they are expected to be installed by August 2007. To improve disaster preparedness for the extreme poor in the event of a serious flood, the

Infrastructure Development component retains 108,000 water purification sachets for rapid dispersal. These were not required during 2006-07 as no serious flooding occurred. However, the infrastructure component has completed all the preparatory works for the distribution of the materials during the upcoming monsoon season. The number of sachets retained is sufficient to provide 11,000 households with 100 litres of clean drinking water – sufficient to supply a family of 6 for 10 days.

2.3 LESSONS AND FUTURE OBJECTIVES

2.3.1 LESSONS LEARNT

Corruption remains a major issue in Bangladesh. Local government institutions are in the “top five” list according to the Transparency report. The CLP has developed infrastructure policies and guidelines to attempt eradicate corruption. However, as mentioned above, we continue to find evidence of the corruption of certain government officials with kickbacks having been demanded by UP chairs and SIC members from poor labourers in the CFW programme. The CLP tries to ensure that labourers are paid their full wage in the presence of a CLP representative but we have heard on occasions that UP chairs and others attempt to collect money from the labourers at some time after payment of wages. These occurrences are difficult to check and prove as there exists considerable fear among labourers of the government officials. Furthermore, CFW employees depend on the UP chairs for work as it is the chairs that coordinate the work and the funds that are channelled through them. This remains a real concern to the CLP.

Erosion of homestead is a further problem. People try to elevate their homesteads in places safe from erosion risks. But it is very difficult to predict what a safe place is. A total of 120 households with CLP-raised plinths have lost their homes due to river erosion.

The Local Government Engineering Department (LGED) at the Upazila level is the main government organ for implementing infrastructure works in rural areas. They are busy with government-funded infrastructure works. Upazila Parishads have to depend on them to implement CLP-funded (Upazila Initiative Fund) infrastructure works. But so far the Upazila Parishads have failed to make them accountable for quality and timeliness of work. The Upazila Chief Executives (UNO) are government officials and it is difficult to motivate them to provide good work.

People are becoming more and more aware of the benefits of raised homestead plinths. A raised plinth not only protects the homestead from flooding but also creates opportunities to protect livestock, to increase vegetable production and encourages other income-generating activities. For many poor people, their home is not only a living place but also a work place. They generally take good care of their plinths by planting fruit trees and grass or other crops on the slopes. People now understand that raised plinths are crucial not only for flood proofing but also for safe drinking water, hygienic latrines, vegetable gardening etc.

2.3.2 FUTURE OBJECTIVES

Over the life of the programme, the CLP plans to raise the plinths of 100,000 households in designated areas. As some UPs do not have island chars, some plinths are also elevated on attached chars. But 70-80% of raised plinths will be on island chars implemented through IMOs and UPs. ATP beneficiaries are being given first priority in plinth raising so as to ensure that their new received assets are protected. However, 50,000 non-ATP beneficiaries will also receive raised plinths so as to form clusters and to reach a larger population with certain benefits of the CLP. Non-ATP beneficiaries are being selected in poverty terms from the bottom 2/3rd of the char population and preference is given to female-headed households.

In 2007-08, the Infrastructure Development plans to scale-up its activities significantly. The total number of homesteads to be raised in 2007-08 is expected to exceed 30,000 and all families on raised plinths will continue to be provided with access to safe drinking water and hygienic sanitation facilities. In 2007-08 IMOs are expected to improve sanitation in the chars through the construction of 20,000 latrines.

Monga is still a big problem in Northern Bangladesh and Kurigram and Gaibandha districts are the two most effected area in which the CLP works. DFID is increasingly seeking to mitigate such seasonal hunger and so the CLP is planning to provide increased temporary employment opportunities to effected people. Current plans are to provide 2 million person-days of employment in Kurigram and Gaibandha districts in the 2007-08 *Monga* period. At least 38,000 to 40,000 families will be able to obtain 50-52 days of employment in different types of earthmoving works.

3 LIVELIHOODS DEVELOPMENT UNIT

3.1 INTRODUCTION AND AMBITIONS

Experience gained from the implementation of CLP, from elsewhere in Bangladesh and world wide is showing that the poor cannot be lifted out of poverty through a transfer of technical knowledge or credit alone. There is also the need for a more fundamental transfer of assets that will allow the poor to initiate income-generating activities on a scale that will have a significant and irreversible impact on their lives.

In January 2006, the CLP initiated an asset transfer programme (ATP) in which five IMO were provided with grants to provide 3,147 core Beneficiary Households (BHHs) with funding of approximately £100 in order to purchase income generating assets. When given the choice approximately 97% chose to purchase young cattle (81% heifers). In addition to the assets, BHH were also provided with an income support payment amounting to Tk. 300 a month for 18 months and, for those purchasing cattle, a livestock feed support payment of Tk. 100 for the first six months. These two payments were made to ensure that the family could both support themselves and feed their assets until a time when those assets can begin to generate an income. BHH families were further supported by the provision of training in livestock and homestead garden production. These activities are to ensure that households attain the technical ability to raise livestock and the means to produce nutritionally rich food crops that can assist in maintaining them in good health.

In November 2006, the CLP initiated the second phase of ATP. Drawing on the lessons learnt from the first phase, a total of 14 IMOs were provided with grants to provide 8,246 BHH with funding to purchase assets, a monthly stipend (for income and livestock feed support) and training. By the end of the year, 11,420 beneficiaries – almost all of whom are women – have received income generating assets (IGA).

In the same period IMOs and GoB agriculture, livestock and fisheries departments were provided with funding to finance training, homestead garden inputs, livestock vaccination and de-worming and fishery stocking for households not included in the ATP. These programmes will be described in more detail below.

Directly increase household income or support those income generating activities like cattle rearing, land leasing, sewing machine, rickshaw/van, home gardening etc.
Reduce cattle and poultry mortality through vaccination and treatment. Also improve cattle health through routine de-worming, feeding and also breed development through Artificial Insemination. Develop capacity and skills of the poorest char households providing series of training.

3.2 ACTIVITIES AND ACHIEVEMENTS

Table 3 shows the planned activities and deliverables of the Livelihoods Component together with a list of achievements for 2006-07.

Table 3: Livelihoods Development Unit – Activities and Achievements 2006-07

Planned activity	Deliverable(s)	Achievements 2006-07
1 Asset Transfer Programme (Phase II)	8,322 beneficiaries each acquire 13,000 taka of productive assets with 18 months stipend by February 2007	<ul style="list-style-type: none"> • 8,246 Beneficiaries received Tk 13,000 each for IGA. • Tk. 300 distributed as maintenance cost of asset for 18 months • Tk. 100 was provided for feed costs for 6 month. • 8,246 cattle were dewormed twice • 8,246 cattle were vaccinated twice with 4 vaccines • 370 cattle received artificial insemination
2 IMO Livelihoods Programmes	56,000 HH benefit from agricultural and livestock support activities	<ul style="list-style-type: none"> • 7,782 women trained in post-harvest technologies
3 GoB Homestead crops demonstrations	7,000 households produce vegetables; nutrition and income both increased	<ul style="list-style-type: none"> • 11,136 demonstrations established • 18,528 beneficiaries received seeds for pit crops • 15,935 beneficiaries received fruit and neem sapling • 18 agricultural fairs conducted • 5,568 beneficiaries received training
4 GoB Vaccination campaign and demonstrations	35,000 households benefit from reduced mortality, increased livestock productivity	<ul style="list-style-type: none"> • 21,448 cattle were dewormed and vaccinated • 18,503 Sheep/goats were dewormed and vaccinated • 53,254 poultry were vaccinated • 97 paravets were developed • 54 kit boxes distributed • 2,473 beneficiaries received training. • 12 cool boxes distributed for carrying vaccines
5 GoB Fisheries demonstrations	1,500-2,000 households obtain income from fish marketing	<ul style="list-style-type: none"> • 1,834 beneficiaries received training. • Fish were cultivated in 46 dead rivers (out of 48) • 701,700 fry released
6 IMO Capacity Building	Training & Study Tours for key staff of 15 IMOs arranged.	<ul style="list-style-type: none"> • 175 IMO staff received ToT in vegetable production, grafting, livestock rearing and compost production. • 150 staff visited BARI, BLRI. • 20 cool boxes distributed for carrying vaccines
7 Production of training materials (flipcharts & leaflets, etc.)	15 IMOs utilising training material (flip charts, leaflets, etc.)	<ul style="list-style-type: none"> • 20 IMOs received training material (flip charts, leaflets, etc.) • 11,500 beneficiaries received leaflets
8 Char-based Crop & Livestock Research	Improved crop varieties and animal husbandry practices more appropriate to chars identified.	<ul style="list-style-type: none"> • BARI started research on crops
9 GOB awareness raising, information-sharing and coordination	20 District level meetings for information sharing purpose	<ul style="list-style-type: none"> • 13 meetings were held
10 Review of lesson learnt with 15 Upazila extension services and 9 IMOs engaged in ATP	Review of 2006-07 activities, Future planning	<ul style="list-style-type: none"> • Workshop on ATP held with GoB and programme prepared for 2007-08

3.2.1 ATP PHASE 1

During the 14 months that have passed since originally purchasing cattle, 677 phase 1 ATP beneficiaries have sold their cattle and bought new ones for an average profit of Tk. 6,730. This profit has been used for a wide range of purposes but, for the most

part, has been reinvested into further productive activities including land purchase, crop inputs, livestock feeds and business investments (see box, the MMS¹ example). 965 cows and heifers have produced 965 calves and 942 cows are now producing 1,258 litres of milk a day.

Originally 872 cattle purchased worth:	Tk. 5,668,000
Farmers sell 330 cattle worth:	Tk. 4,351,890
Farmers buy 291 cattle worth:	Tk. 3,392,200
Balance available after cattle purchase is:	Tk. 959,690

- 17 have zero cash
- 33 add extra money to purchase cattle
- 220 spend money on land, food and other investments

Total number of cattle now owned by the original 436 farmers is

919 with an approximate value of Tk. 13,500,000

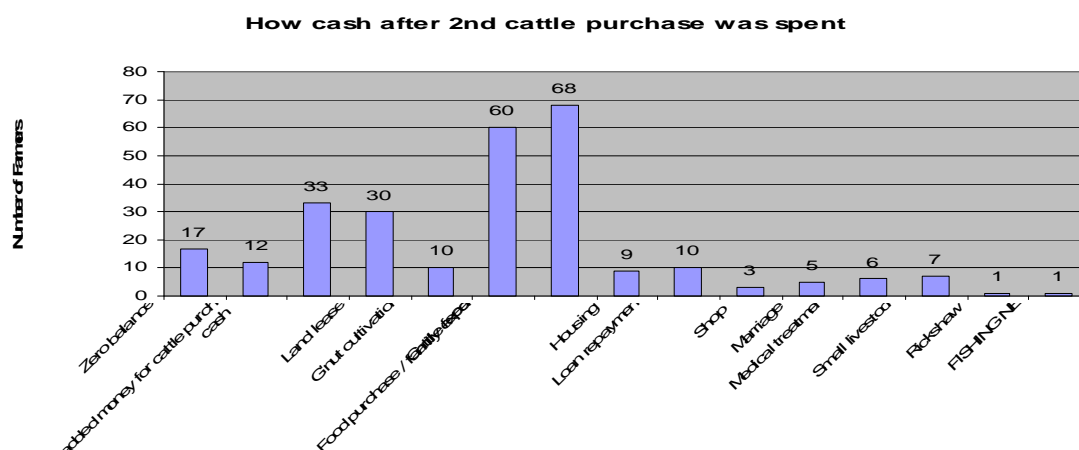
Of the 4,836 cattle originally bought during phase 1, 73 died (1.3% mortality rate) and of HH originally provided with assets only 78 have lost their asset through death, sale or theft and thus no longer possess an income generating asset. Therefore, almost 99% of all households included in phase 1 ATP and who were originally classified as “extreme poor” with little hope of ever receiving anything other than a daily paid agricultural wage, now have assets capable of providing them an income. All are now far less reliant on casual work; greatly improving their livelihood security

An interesting case study is the performance of assets purchased by BHHs with the assistance of one IMO (MMS in Sirajgonj District). Of the 291 HH (see box above) who sold at least one of their cattle all bought at least one replacement and, in most cases, was for a sum inferior to amount received from the sale of their animals. With the remaining cash, amounting to an average of Tk 9,000, almost half (142 HH) used this money to purchase other productive assets such as char land leases or inputs for crop production and cattle feed (see Figure 1). Of the original cattle herd received at the start of ATP phase 1, head of cattle has not increased greatly but there has been an off-take of 330 cattle. The herd has also matured and in doing so has become more valuable.

The cattle now owned by these families are worth approximately Tk. 31,000 on average. This is a massive increase in asset value for the beneficiaries. Just as a reminder, before ATP their average productive assets were estimated at only Tk. 1,500, at ATP they received assets to the value of an additional Tk. 13,000 and today net assets exceed Tk. 30,000. Clearly CLP is helping to lift these people out of poverty.

¹ Manab Mukti Sangstha; an IMO working in Sirajgonj District

Figure 1: Expenditure of remaining income after the sale of cattle by Phase 1 ATP beneficiaries and reinvestment into further cattle.



Many ATP 1 households have poor access to veterinary services and have not vaccinated or de-wormed their cattle since this was last done with CLP assistance. The degree to which ATP 1 households are accessing these services varies considerably and depends on the initiative of the IMO and the local paravets. Where IMOs continue to remind ATP 1 beneficiaries of the need to vaccinate and de-worm cattle and link them with a paravet and where that paravet shows enough initiative to sell services at a reasonable price by visiting households door-to-door then livestock receive vaccination and de-worming and this is paid for by the beneficiaries. Where this initiative does not exist ATP 1 livestock have not been vaccinated. Over the next year CLP will provide ATP 1 households with refresher courses in livestock production and develop a network of privately managed veterinary services through the development of well trained and resourced paravets.

3.2.2 ATP PHASE 2

The programme provided funding to 14 IMOs to finance the purchase of assets by 8,322 beneficiary households (selection process is covered in the chapter on Social Development). Of the original households, 35 migrated to the mainland with their asset, 39 refused to receive the assets for religious reasons, 1 died and another divorced. There are now 8,246 BHH being supported through phase 2 of the ATP.



An ATP Beneficiary with her recently-acquired cow

These households purchased assets in three phases:

Table 4: Phased asset purchase by Phase 2 ATP beneficiaries		
Type of Asset	No. BHHs	No. Asset
1st purchase phase: Purchase of principle asset – 90% of funds with an average value of Tk. 11,750 spent on principle asset		
Bull	1,685	1,685
Heifer	6,698	6,698
Cow	372	372
Calf		100
2nd Purchase phase: 5,749 HH with sufficient remaining funds to buy a second, smaller asset worth on average Tk 1,081 (8.5% of total fund)		
Sheep	2,982	3,904
Goats	779	948
Calves	312	312
Chicken	2,025	5,691
Rickshaw / van	43	43
Sewing machine	8	8
3rd purchase phase: 3,489 HH with on average Tk. 386 (1% of total funds) remaining. This is provided in cash and many use it to buy materials to build a cattle shed.		
Cash	3,489	Tk. 1,348,440

The following steps were followed in the purchasing process:

1. Orientation meetings – groups of BHHs meet to learn about ATP and choose the assets they wish to purchase;
2. 1-day basic training given in livestock production including how to select a good cow for purchase;
3. Groups of Beneficiaries, or in most cases their representatives, travel to livestock markets to purchase cattle;
4. Beneficiaries select the cattle they want to buy and IMO staff provide the funds;
5. The beneficiary buys the animal and takes it back to her / his village.

Purchasing began in December 2006 and, for 13 of the 14 IMO, was completed by March 2007. Of the animals purchased 97% received vaccination against Foot and Mouth, Anthrax, BQ and HS and all were dewormed. Only 53 cattle have died (0.57% of total purchased) and 8 have been stolen.

All households receiving animals were given training in livestock production through four, one-day courses. These provide basic training in cattle selection, disease identification and control, livestock feeding and livestock breeding reproduction and calf rearing.

3.2.3 WHOLE COMMUNITY LIVELIHOODS PROGRAMME

Although CLP BHHs are landless through the innovative use of the small pieces of land they have around their homesteads they are able to grow a range of vegetables and fruit trees. Some can be grown in beds and others supported by poles, trellises and over roofs. The Livelihoods Unit, through contracts with 15 IMO's and 10 Upazila Agricultural Extension offices, provided 19,914 households including all of the 8,246 2nd phase ATP households with training in vegetable and compost production and with a package of inputs that included 9 different types of vegetable seeds and three types of fertilizer.

The training and inputs received by farmers enables them to intensify homestead garden production and produce vegetable all year round. The compost they produce substitutes for the fertilizer provided in the input package. Inputs also include new varieties of vegetables that are more productive than locally grown varieties while among the training provided to farmers is a demonstration on how to preserve seeds from these varieties so that they may be grown in future years without needing to purchase more seed. In addition, households are given training in fruit tree production and provided with grafted saplings of mango and guava together with lemon, papaya and neem seedlings. Finally, in June 2007, all phase 2 beneficiaries were provided with cuttings of napier and vetiver grass plus seeds of *Leucaena* that can be planted to on the slopes of homestead plinths to help protect against erosion.



Homestead Gardening on the chars

The following homestead garden production related training and inputs were completed during the year against the target:

Table 5: Homestead garden activities programmed and completed in 2006-07

Activities	IMO		GOB		Total	
	Target	Achievement	Target	Achievement	Target	Achievement
# Homestead assisted	12,654	13,100	5,568	5,568	18,222	18,668
# trees planted	18,635	18,635	18,936	15,936	34,571	34,571
# bamboo saplings	19,207	14,957	-	-	19,207	14,957
# compost pits	8,900	10,047	-	-	8,900	10,047
HH receiving seeds	21,575	22,795	4,224	4,224	25,799	27,019
# pits	80,164	82,860	18,528	18,528	98,692	101,388
# HH with pits	13,360	13,810	3,088	3,088	16,448	16,898
#Nurseries (fruits/vegetables)	71	67	-	-	71	67
# Training: HH gardens	13,900	14,346	5,568	5,568	19,468	19,914
#Training: HH compost	9,470	10,016	-	-	9,470	10,016
Training post-harvest	7,755	7,763	-	-	7,755	7,763
#TD pump for irrigation	968	968	-	-	968	968

The predominantly low fertility, sandy soils together with difficult access to markets make crop production, other than at a subsistence-level, difficult on many island chars. On the other hand relatively low population density and extensive areas of open grasslands make livestock production attractive to char households. Consequently cattle and, to a lesser extent, sheep and goat production are major sources of income

*Local government staff vaccinating cattle*

for both char farmers. The relative isolation of the chars makes it for access to veterinary services and, as a consequence, livestock are seldom vaccinated or dewormed. Epidemics of debilitating diseases such as foot and mouth are frequent and death from anthrax and other infectious livestock diseases are common. A study on the incidence of internal and external parasites was commissioned from the Bangladesh Agricultural University and this found that intestinal parasites were very common and had their biggest impact on the health of calves. External parasites were not a major problem.

To assist Government livestock staff control disease epidemics and reduce parasite loads in char livestock, CLP provided 15 IMOs and 9 Upazila Livestock Services departments with contracts to vaccinate and deworm approximately 55,000 cattle, 40,000 sheep and goats and to vaccinate 130,000 chickens. These figures included all cattle, sheep and goats purchased by ATP phase 2 households. Almost 27,600 households including all ATP 2 households were given livestock production training.

Table 6 summarises the achievements of the contracts.

Table 6: Contract achievements versus targets						
Activities	IMO		GOB		Total	
	Target	Achievement	Target	Achievement	Target	Achievement
Vaccination (cattle: 4 doses)	33,166	33,278	19,750	21,448	52,916	54,726
De-worming (Cattle: 2 doses)	34,166	36,214	19,750	21,448	53,916	57,662
Vaccination (Goat/sheep: 4 doses)	25,152	27,804	18,625	18,503	43,777	46,307
De-worming (Goat/sheep: 2 doses)	25,152	26,321	13,625	13,882	38,777	40,203
Poultry vaccination (dose)	73,904	77,278	51,500	53,254	125,404	130,532
# beneficiary training	25,182	25,129	2,465	2,473	27,647	27,602
# Paravet training	322	271	96	97	418	368
# Cattle AI	1,930	70	-	-	1,930	790

Through these programme approximately 12% of all cattle and goats/sheep on the northern Jamuna river chars were vaccinated and de-wormed.

In total 56,900 person days of training in homestead gardens, compost and livestock production were provided to some of the poorest households in Bangladesh thus improving their capacity to produce vegetables and raise livestock.

Given the vast aquatic resources surrounding char islands, fish production should be an important source of income and food for char households. However, the Jamuna River has been over fished and now produces low fish yields. Fishermen are amongst the poorest households on the chars. Thus effective community management of the river resources could allow fish to breed and grow and produce reasonable harvests and income. For this reason, CLP has been working with groups of fishermen and landowners to manage specific water resources termed “dead rivers”. These are oxbow lakes that connect to main river channels during monsoon floods but are largely cut off during the dry season. They act as large lakes, sometimes up to 2 km long, and can be stocked with fast-growing species of fish such as grass carp and tilapia.



Beneficiaries meet to learn about rearing livestock

This year 15 Upazila fisheries departments were given funds to stock 46 dead rivers with 15,000 fingerlings each. The dead rivers were managed by groups consisting of between 21 and 59 members and in total there were 1,853 members involved in this programme. Each member was given one-day training in fish production by Fisheries Department staff. Four months after stocking the dead rivers a total of 79 tonnes of fish was harvested with each dead river producing an average of 1.725 tonnes of fish. Profit after deducting costs for the fingerlings, nets and feed was on average Tk. 30,563 with an average profit of Tk. 759 for each member. Twelve groups (26%) would have made a loss and a further 18 less than Tk. 07 a day. Less than half (35%) would have made a reasonable income from this enterprise if they had themselves paid for all the costs.

Distribution of income from the enterprise was not equitable. It is estimated that community elite and local landowners probably took two thirds of the income leaving two thirds of the members with only one third of the income. For these reasons funding for this programme will not be provided during the coming season but the use of the dead rivers will be observed to see if group members stock the rivers with fingerlings purchased with their own funds.

3.3 LESSONS AND FUTURE OBJECTIVES

3.3.1 LESSONS LEARNT

- ATP assets roughly double in value each year and many ATP 1 and 2 households have successfully exchanged assets for new and varied others, including char land leases;
- Given that more than 90% of ATP assets are cattle, the success of ATP depends heavily on the availability of vaccines against common cattle diseases;
- Paravets need to be involved in training, vaccination, treatment, breeding and feed supply – a voucher scheme would support their greater involvement;
- The homesteads of all ATP beneficiaries must be raised to protect their livestock assets;
- Artificial insemination will have a major impact on the productivity of cattle stock in the chars;
- Women should be involved in the choice of assets in order to prevent family conflict;
- IMO staff must be present at the time of asset purchase in order to protect beneficiaries' interests;
- Multiple IMOs at the same market causes temporary price inflation;
- IMOs need clear guidelines related to migration, asset sales and beneficiary death;
- Asset and feed supplement values must increase each year to compensate for inflation;
- The programme should link to GoB research institutes for research into soil fertility and crop management for the chars;
- Marketing links for both livestock and agriculture produce are important for the long-term sustainability of ATP.

3.3.2 FUTURE OBJECTIVES

- 12,530 beneficiaries will be covered by 19 IMO's.
- The ATP beneficiaries will be provided with:
 - Tk. 15,000 for the purchase of assets
 - Tk .300 per month for 18 months as a stipend
 - Tk. 200 for 18 months as livestock feed support
 - All ATP beneficiaries will receive livestock production training;
 - All plinths will be planted with trees and fodder grasses;
 - A programme of artificial insemination will be introduced for a minimum of 7,000 households;
- Paravets will provide animal health services to the ATP households with support from a voucher system covering ATP households' initial costs for vaccination and de-worming;
- Training and inputs will be provided for homestead gardening, fruit production and compost production training to ATP beneficiaries.

4 ENTERPRISE DEVELOPMENT

4.1 INTRODUCTION AND AMBITIONS

The overall objective of all EDU programmes is the introduction of commercially sustainable supply chains, technology, supporting services and marketing relationships to build key agricultural and non-farm sectors. Microfinance and livestock services (breeding, vaccination, treatment and feed management services) are seen as key supporting services in overall market development. Microfinance is being addressed through two programmes supporting both institutional and community managed approaches. Livestock services were piloted in several projects under the Market Development Programme, and lessons learned will be incorporated into a wide-scale programme between 2007 and 2011.

As the economy of the chars is weak and physical assets are subject to annual flood damage, the EDU programmes do not focus explicitly on owners of growth enterprises. Instead they focus on households as the basic unit of 'enterprise'. So for example, in the poultry sector, EDU has focused on improving the market potential of backyard poultry rather than the introduction of small-scale poultry batteries that profit from improved breeds, grid electricity, good transport links and efficient access to loan capital. Where possible, EDU programmes prioritize involvement of the poorest, including beneficiaries of ATP, as both producers and consumers.

In common with other aspects of the CLP, EDU programmes are implemented through IMOs, as the most important long-term actors in the development of char communities. Both Market Development and Microfinance programmes focus on strengthening the IMOs' capacity to develop commercially sustainable models for increasing production and incomes in the chars. An explicit, secondary objective of EDU programmes is therefore to introduce the principals of market development to the IMOs, and to influence their long-term vision for private sector involvement in all of their programmes in char areas.

Unlike other aspects of the CLP, EDU programmes require all participants, including core beneficiaries to pay the full cost of goods and services they receive. The basic transaction between buyer and seller is always commercial. EDU's inputs are reserved for training and facilitation, to improve technology and to create new and growing supply and marketing relationships. During 2006-07, there were three major EDU programmes under development:

- The **Market Development Fund** that provides challenge grants to IMOs to implement pilot market development projects with the assistance of a specialized NGO or private sector entity;
- The **Community Based Microfinance Programme** that promotes a self-managed microfinance approach for communities that are too remote as well as households that are too poor to gain access to appropriate MFI services;
- The **Institutional Microfinance Programme** that seeks to improve the number and quality of NGO Microfinance Institutions (MFIs) serving growth-oriented

households and that are partner organisations of the Palli Karma Sahayak Foundation (PKSF).

Details of the programmes are given in the next section. During 2006-07 EDU's budget was £296,423 of which 93.6% was expended.

4.2 ACTIVITIES AND ACHIEVEMENTS

EDU's activities and their level of achievement are summarised in Table 7.

Table 7: EDU – Activities and Achievements 2006-007		
Planned activity	Deliverable(s)	Achievements 2006-07
1. Market Development Fund	<ul style="list-style-type: none"> Implement 14 pilot projects of MDF Round One Hold MDF Rounds Two and Three and approve Identify successful Round One projects for expansion 	<ul style="list-style-type: none"> 3,940 households participated in 10 successful MDF pilot projects MDF Rounds Two and Three produced a further 20 pilot projects for 2007-08 Three pilots (poultry, dairy and fodder) were selected for expansion to 9 IMOs and 12,000 households in 2007-08 Pilots involving Paravets provided lessons for a large-scale Paravets programme in 2007-08
2. Community-based Microfinance	<ul style="list-style-type: none"> Conduct a pilot test of "Village Savings and Loan Associations" with 4,000 households 	<ul style="list-style-type: none"> 5,150 households participated in a successful pilot programme Planning 10,000 new households, including 5,000 core beneficiaries in 2007-08
3. Institutional Microfinance	<ul style="list-style-type: none"> Initiate a pilot programme of support to MFIs, together with PKSF 	<ul style="list-style-type: none"> MOU signed with PKSF as provider of loan portfolio funding Initiated the programme with 6 IMOs in May 2007, for implementation throughout 2007-08

4.2.1 MARKET DEVELOPMENT FUND (MDF)

The Market Development Fund (MDF) is CLP's main vehicle for introducing sector development projects to the char areas. The MDF operates as a challenge fund with IMOs making proposals to undertake pilot projects in any key agricultural or non-farm sector. Priority is given to sectors that benefit the poorest char households although they must participate, as any other household, by taking risk and paying the costs of the goods and services



involved. A second, very important objective of MDF is the improvement of IMO skills in market development as the lead organisation for project proposal and implementation.

- 3,940 households participated in 14 pilot projects of MDF Round One, involving all nine of CLP's first cadre of IMOs. 10 of 14 projects were considered a success, as defined by profitable participation by the households involved²;
- Successful projects in the poultry, dairy, fodder and livestock services sectors were identified for expansion in Fiscal Year 2007-2008 (see highlights in Table 8); other ongoing projects from Round One may also be considered for expansion in the future;
- Selected IMO staff received more than 200 person-days of training in market development and agri-business to support the secondary objective of building IMO skills in market development approaches;
- Pilot programmes involving Paravets have resulted in the planning of a large-scale Livestock Services Programme for 2007-2008; this new programme will seek to develop commercial Para-veterinary services in all CLP villages by 2011;
- CLP has adopted the market development approach for all 'whole community' agricultural extension activities outside the Asset Transfer Programme.



Collecting milk from households on the chars

² In total, IMOs reported participation by 5,500 households. EDU has excluded 1,500 of these households in projects that it does not consider sustainable.

Table 8: Highlights of Successful MDF Pilot Projects**1. Improved Backyard Poultry Rearing**

Activities: 9 Paravets trained 1,800 households in advanced backyard poultry rearing techniques, and are selling them commercial feed and vaccination services.

Achievements:

Household flock size has doubled (to 15);

Egg production has doubled³;

Mortality rates have fallen by 75% (to 10%);

Poultry feed sales by Paravets have risen from 0 to 5kg per month, per household;

The profitability of a local variety hen is double under the improved system⁴;

Plans:

9 IMO's will introduce the programme to a total of 45 Paravets who will in turn introduce the system to a minimum of 9,000 households.

2. Commercial Fodder Production

Activities: 200 farmers received training in the cultivation of improved fodder grasses for commercial purposes.

Achievements:

94 farmers chose to plant an average of 11.3 decimals each;

Sorghum has proven very popular among farmers, due to the dual output of grain and highly desirable fodder;

Production averaged 14kg grain and 75kg fodder per decimal, and a net profit of Tk. 240 per decimal, as compared to Tk. 80 for maize;

Sorghum fodder is a high quality cattle feed, and easily marketed at the local level, improving the fodder supply for all village members.

Plans:

9 IMO's will introduce the programme to a further 1,800 farmers; technical inputs will be improved to include an investigation of mixed-crops (with a legume) and silage production for the rainy season.

3. Milk Marketing

Activities: The benefits of organized milk marketing were promoted to 600 households, and interested households formed 23 associations; these associations now comprise 677 members owning 1,312 milking cows.

Achievements:

Milk prices in Bohail and Kazla chars of Bogra district have risen by Tk. 4-6 per litre, for both farmers and traders; this includes both formal and local channels;

Farmers are enjoying a stable demand for their milk at Tk. 12-14 per litre at the homestead (as compared to Tk. 8-10 per litre previously);

Links to Milk Vita (for milk marketing) and BRAC (for artificial insemination) have been established;

One association has achieved registration as a Milk Vita primary cooperative and has purchased an engine boat for the transportation of milk to the chilling plant;

14 milk traders in Bohail have hired a total of 19 employees to keep up with the growing milk supply (now 2,225 litres per day).

Plans:

9 IMO's will introduce the programme to an additional 5,400 households, and area-specific marketing channels will be developed.

³ Up to six batches of 12-18 eggs per year for hens in the project due to the effects of early separation and feeding during incubation.

⁴ Calculations available from EDU. A hen producing gross revenue of 1,620 Tk in 143 days (11 Tk per day) using local methods would produce 2,430 Tk in net revenue in a period of 105 days (23 Tk per day) under the improved system.

4.2.2 COMMUNITY BASED MICROFINANCE PROGRAMME



A VSLA group meeting

Although there is disagreement over statistics, it is widely recognized that microfinance institutions (MFIs) in Bangladesh struggle to provide appropriate services to the poorest. Those members of the poorest segment of the population who do gain access to microfinance institutions often find that loan repayment is difficult to manage, given their thin asset base and variable income. Savings services, which can be more important to the poorest than active MFI borrowers.

It is considerably more difficult to provide microfinance services to the poorest in remote areas like the chars, due not only to high operating costs but also to increased loan risk from annual flooding and land erosion. For this reason EDU is investigating “Village Savings and Loan Associations” (VSLAs), an approach which organizes informal groups of 15-25 members to provide clear, transparent savings and loan services to each other, without external capital. While the services of VSLAs are limited, and loans are small (generally Tk. 200-2,000), unlike MFIs, VSLA are not limited by high operating expenses and can better manage the lending risk associated with flooding and erosion.

- 4,487 households participated in a pilot programme, known as *Nirapad Palli Shanchoy* in mainland areas of Jamalpur District and saved a total of Tk. 2,374,590 over an average of 9 months⁵;
- Once in full operation, VSLA members were saving an average of Tk. 75 per month – or approximately one day’s agricultural labour wage;
- Loan utilization rose to 80% of savings accumulated and peaked at an average of Tk. 300 per member⁶ prior to the start of loan-recovery and share-out;
- Loan revenue produced an average 25% annual rate of return on savings⁷;
- Pilot programme implementation costs of approximately Tk. 1,500 per participating household compare favourably to programmes elsewhere in the world, and will quickly fall below Tk. 1,000 as the programme expands and gains in efficiency;
- A further 670 CLP core beneficiary households of two IMOs have been testing VSLA from January 2007⁸.

⁵ Once per year all funds are shared out. This promotes transparency and allows disinterested members to leave the association (and be replaced by new members).

⁶ The average loan size at this point was approximately 700 Tk.

⁷ Associations choose their own loan interest rate, generally either 5 or 10% per month, which is comparable to local informal lending rates of 10-20% per month.

⁸ Pilot testing with core beneficiaries was initially planned for 2007-08, but due to early successes, the schedule was accelerated to provide better information for planning purposes. In 2007-08 a total of 5 IMOs will introduce VSLA to a further 5,000 core beneficiaries.

4.2.3 INSTITUTIONAL MICROFINANCE PROGRAMME

Despite MFI coverage below 20% in island chars, char dwellers are active borrowers with average total household debt exceeding Tk. 4,000. Informal interest-bearing loans carry a cost of 10-20% per month⁹. Although there are cost and risk-related barriers to entry for MFIs, there is substantial scope for NGOs to improve and expand their microfinance programmes, in particular where they have other donor-financed activities ongoing.



Mosharraf Hossain Khan, Managing Director of PKSF and Roland Hodson sign a Memorandum of Understanding in December 2006

Given its grants-based development approach and the potential for donor funds to distort lending markets, the CLP does not provide loan capital to MFIs¹⁰. Instead it expects MFIs to derive loan capital from their own sources. For this reason, CLP has pursued an active collaboration with the *Palli Karma Sahayak* Foundation (PKSF), a quasi government wholesale finance institution. PKSF provides MFIs with subsidized wholesale loan capital and financial oversight. CLP will support technical assistance to PKSF partner MFIs and their borrowers in char areas, while the PKSF supplies loan capital on a fully recoverable basis. During Fiscal Year 2006-2007, the

following progress was achieved:

- A Memorandum of Understanding was signed with the PKSF in December 2006 setting out the respective roles of both CLP and PKSF;
- A pilot programme of capacity building was launched in May 2007 to accomplish the following in Fiscal Year 2007-08:
 - Training of 1,800 borrowers in advanced livestock and agriculture, to evaluate the cost-benefit of training as a means to improve borrower returns and reduce borrower risk;
 - The introduction of six new loan and savings products better suited to the chars context;
 - Technical assistance to improve the systems and to train the human resources of the six IMO's which are present partners of the PKSF;

⁹ See Maniruzzaman, M (June 2007): 'Snapshot Study on Financial Markets in the CLP Char Areas'. The findings of this qualitative study are supported by quantitative findings in the CLP baseline survey, 2005. Not all debt is interest-bearing; however informal lending rates range from 10-20% per month. The total credit market in island chars can be estimated at 700 million Tk; MFIs that lend at an average of about 2% per month are supplying less than 15% of that capital.

¹⁰ Although CLP follows a grant-based approach, it recognizes the importance of MFI services in the broad context of market development. Support to MFIs is not targeted specifically at CLP core beneficiaries but rather at the whole community in the chars; as a component of improving service sectors to support growing production.

- An initial assessment of up to 9 additional IMOs that have expressed interest in future partnerships with PKSf.

A contractor is implementing the programme on behalf of the CLP, and an evaluation of the programme will be initiated by CLP and PKSf in January 2008, in preparation for the potential expansion of the programme¹¹.

4.3 LESSONS AND FUTURE OBJECTIVES

2006-07 was effectively the first year of operation for the Enterprise Development Unit, as EDU made little measurable progress at field level in the 2004-2006 Fiscal Years. Despite the newness of EDU programmes, more than 11,000 households participated in EDU programmes during 2007-08 and many important lessons emerged¹²:

- The basic EDU programme design principal of full market pricing for basic goods and services is the cause of the underlying success of the programmes and their natural expansion beyond CLP's inputs;
- CLP can and should pay to support technology transfer, training and awareness raising but, outside the ATP, the basic transaction between sellers and buyers must always be based on full market rates for the goods and services involved;
- IMOs, unlike outside contractors, have a long-term commitment to their communities and *can develop effective market development staff and programmes*;
- Char dwellers, including the very poorest, are willing to pay for goods and services which prove profitable. Although awareness is often low, char dwellers are demonstrating a willingness to pay for items like improved seeds, animal feeds and vaccination services and understand that donors will not always be present to fund these items;
- The *"market development approach" and the Asset Transfer Programme are complimentary*; the ATP builds the asset base of the poorest households, and the market development programme increases investment opportunities for ATP 'graduates';
- Para-veterinarians are the most appropriate provider of livestock related services and supplies. They have a shared commercial interest with household rearers and can be taught to provide quality supplies and services;
- ATP "graduates" can participate profitably in many market development programmes and in particular poultry rearing and milk marketing programmes;
- Microfinance institutions are vital to market development in the chars where the market for loans is estimated at a minimum of 700 million taka in island chars alone, and informal interest-bearing loans are priced at 10-20% per month¹³;

¹¹ The revised Logical Framework requires CLP to support microfinance institutions to reach a minimum of 100,000 island char households by 2011. Achievement of this objective will require strong support from PKSf as the wholesale lender to the MFIs involved.

¹² Project evaluative studies for poultry, dairy, fodder, groundnut and paravet projects of MDF Round One are available from EDU on request.

¹³ Interest rates of 5-10% per month are also implied in "loan-like" arrangements such as sharecropping.

- Village Savings and Loan Associations may provide a useful supplement to the services of MFIs, even when MFI services become available in remote island char villages.

During Fiscal Year 2007-08 there will be four programmes which build on the programmes and lessons from the last year:

- New programmes of the Market Development Fund will involve a further 16,500 households;
- The Livestock Services Programme will support a minimum of 300 Paravets, who will provide services throughout CLP's working area;
- The Community Microfinance Programme will involve a further 10,000 households, including 5,000 core beneficiary households;
- The Institutional Microfinance Programme will provide technical support to six MFIs, and advanced production training to 1,800 client farmers.

5 SOCIAL DEVELOPMENT

5.1 INTRODUCTION AND AMBITIONS

The Social Development (SD) Unit is responsible for recommending the selection of all IMO (Implementing Organisations) partners and assisting them in the following activities:

- Basic training courses for all IMO staff working on CLP activities;
- Training of Trainers for IMO staff to impart social development training modules to beneficiary groups;
- Holding specialized individual training courses to address particular needs such as disaster management and the needs of adolescent girls and boys;
- Selection of core beneficiaries to benefit from CLP's Asset Transfer Programme;
- Ensuring that all social development IMO staff receive annual refresher training courses.

The SD team currently consists of the International Manager (Julian Francis), an SD Co-ordinator (position currently vacant), and five District SD Managers operating in each of the districts where CLP is active. During the year there were a number of staff changes. The SD Manager from January 2006 (Carol Eggen) left at the end of September 2006 and Julian Francis replaced her in November 2006. The SD Co-ordinator (Mosharraf Hossain) emigrated to the UK in June 2007. A short-term international consultant (Feyzi Ismail) assisted the SD Unit from September to December 2006; specifically to set up a comprehensive beneficiary selection process. In June 2007, a 6 month contract was signed with an experienced national consultant who is a Gender Specialist (Momtaz Shirin). She joins CLP in July 2007

5.2 ACTIVITIES AND ACHIEVEMENTS

The ambitions and achievements of the SD Unit during 2006/2007 are summarised in Table 9 and described in the following sections.

Table 9: Social Development – Activities and Achievements 2006/2007

Planned activity	Deliverable(s)	Achievements 2006/2007
1. Contracting IMOs to cover 50,000 core beneficiary households	Renewal of 15 IMO contracts and appointment of up to 5 more IMOs	<ul style="list-style-type: none"> • In-depth assessment of 6 IMOs conducted, report prepared and delivered to CLP by PHD • 5 new IMOs contracted and renewed contract of 14 IMO to undertake CLP activities in the island chars
2. IMO staff basic and advanced training courses to all contracted IMOs	Training of all IMO staff related to social development activities	<ul style="list-style-type: none"> • 500 staff (including livelihoods staff) of 15 IMOs trained in 6 day basic training courses in August/September 2006 • 400 IMO staff attended 3 day refreshers course in June 2007
3. Package of group-based CLP interventions to enhance village level cooperation resulting in improved livelihoods and reductions in injustices to core beneficiary households	SD training modules developed and printed	<ul style="list-style-type: none"> • 7 SD training modules developed and printed containing 50 weekly sessions for village based groups delivered in June 2007 • 17 master trainers and 5 CLP District Facilitators (now District SD Managers) trained in ToT for the SD modules in May 2007 • SD Programme guidelines (25 pp) developed for IMOs
4. Re-survey/census taking of island chars beneficiary households	Revised list of total number of households in CLP designated island chars and revised estimated number of core beneficiary households	<ul style="list-style-type: none"> • Five CLP District Facilitators and 15 IMOs conducted house to house census in CLP designated island chars in March 2007
5. Development of core beneficiary selection criteria and methods for verifying the selection of beneficiaries by IMOs	Beneficiary selection criteria and verification methodology agreed. Verification of 3-5% of beneficiaries selected by IMOs	<ul style="list-style-type: none"> • Core beneficiary selection criteria agreed in September 2006 and further refined in April 2007 • Method of verification of beneficiary selection developed in September 2006 • 7.4% of 8,322 selected core beneficiaries verified from October to December 2006 prior to ATP Phase 2

5.2.1 CONTRACTING IMOs TO COVER 50,000 HOUSEHOLDS

At the beginning of the financial year, 15 IMOs were already under contract to CLP. A further six were thoroughly assessed by the SD Unit and independently assessed by Partners in Health and Development (PHD). Five of the six IMOs were contracted to work in Kurigram and Gaibandha districts starting in 2007-08. The contract of one IMO in Kurigram has not been renewed for 2007-08 and so at the beginning of July 2007, a total of 19 IMOs are under contract to CLP. Further contracting of IMOs is not expected to be necessary.

5.2.2 TRAINING FOR IMO STAFF

All staff (some 500 persons) of the 15 contracted IMOs were provided a basic training course in August/September 2006. This included not only the SD staff of IMOs but also their infrastructure and livelihoods staff. At the end of the year in June 2007 the SD staff of all IMOs (Community Development Supervisors or CDS and Community Development Organisers or CDO) received a 3-day refresher course. This was important particularly to highlight the revised beneficiary selection criteria and also to provide some new staff with some minimum training.

Special training days such as 'Community *Melas*' were held not only with CLP core beneficiaries but with the wider community including local government officials. These days covered issues such as disaster-preparedness, birth registration and legal rights. In addition, specialized training was arranged by all IMOs to cover the particular needs of adolescent girls and boys. Additional women trainers were hired by the IMOs for this purpose.

As well as this, the IMOs arranged workshops at Union and Upazila levels in order to improve linkages between the beneficiaries and the NGOs, UPs and other government departments.

5.2.3 DEVELOPMENT OF SOCIAL DEVELOPMENT TRAINING MODULES

CLP contracted Communica to develop training modules that are to be used during core beneficiary weekly group meetings. The modules cover 7 themes and are being provided during 50 training sessions. The themes developed are: Social Capital, Human and Civil Rights, Disaster Preparedness, Protection against Social Evils, Supportive Capital, Health and Environment and Community Safety Net. All sessions were produced in Bangla and session-wise flipcharts have been prepared to support all 7 themes. A Training of Trainers (ToT) was conducted for the Trainers of the IMOs. This was also attended by the 5 CLP District SD managers. An instructional guideline for the IMO trainers was also prepared. ToT for the CDSs and CDOs will be conducted in July and August 2007.

5.2.4 RE-SURVEY OF ISLAND CHAR POPULATION

In October 2005, a house to house survey in the designated island chars was conducted by CLP staff and IMOs with the assistance of local government officials. The population in the chars is very mobile frequently due to constant river erosion and so the SD Unit decided to update the population figures in March 2007. In some unions there have been very significant changes. With the experience of two phases of beneficiary selection, the SD district staff and the IMOs were able to predict more accurately the likely percentage of the population that should fall within CLP's beneficiary selection criteria.

5.2.5 BENEFICIARY SELECTION

CLP's beneficiary selection criteria was further refined during the course of the year. Teams of CLP personnel carried out verification of the beneficiaries selected by the IMOs. Some IMOs experienced difficulty with beneficiary selection in the October to December 2006 period. However, the early evidence of the verification carried out at the end of June 2007 shows that the IMOs have considerably improved their selection standards.

5.3 LESSONS AND FUTURE OBJECTIVES

5.3.1 LESSONS LEARNT

During the year a number of important lessons were learnt and experience gained. Key among these was the need to continually review the core beneficiary's selections process and also to undertake frequent monitoring of the quality and exactness of IMO work in the field. Close cooperation with IML served to reveal rapidly some shortcomings in the work of one or two IMOs and it is anticipated that this cooperation will continue throughout the coming year (see IML).

5.3.2 FUTURE OBJECTIVES

There are a number of activities to be undertaken in 2007-08:

- With the formal training of the CDOs and CDSs on the use of the SD Modules, it is anticipated that the knowledge and understanding of the beneficiary groups will be significantly advanced. This needs to be closely monitored by the SD Unit with the assistance of the District SD Managers;
- With the arrival of a Gender Specialist in the SD team, additional training programmes will be planned to enhance the skills of the predominantly male CDOs. This is particularly important as they teach/train many women among the core beneficiary groups. The Gender Specialist will also work closely with female staff of the IMOs;
- Although the Community Safety Net is a part of the SD programme, its introduction at village and *para* (hamlet) level is yet to be properly organized. The Community Safety Net is one of the themes of the SD modules and so the training given by the CDOs will assist in the introduction of the safety net concept. An 'Erosion Policy' has been agreed and will be implemented when and where necessary. Both the erosion policy and the new safety net mechanism will be closely monitored

6 INNOVATION, MONITORING AND LEARNING

6.1 INTRODUCTION AND AMBITIONS

The Innovation, Monitoring and Learning Division (IML) works across divisions and units undertaking a series of cross-cutting activities to:

- support and offer improvements to programme and policy development;
- develop methodologies and databases for new and existing beneficiary households;
- develop data collection supports (survey design, data collection sheets, questionnaires, etc.) and provide the necessary training in field data collection, data management and analyses;
- monitor the execution and impact of all activities;
- coordinate, quality control and verify activities;
- take the lead in reporting and dissemination;
- assist in the development of a chars research team within the Rural Development Academy (RDA).

The core IML team is the smallest at CLP comprising the International Director of IML (Malcolm Marks), the National Adviser (Rafiqul Islam) and, as available, one or more Young Professionals (YP). For the latter half of the current financial year, IML was supported by a YP (Lucy Scott). IML also calls on partner IMO's for various support including data collection and data entry and provides training as required.

The IML team is relatively new to IML with Rafiqul Islam joining the programme in August 2006, Lucy Scott in November 2006 and Malcolm Marks in February 2007. Details of the changes in IML personnel are treated elsewhere (Chapter 9).

6.2 ACTIVITIES AND ACHIEVEMENTS

The IML Division designed a relatively ambitious work plan for 2006/2007 and overall has been able to deliver on the majority of the ambitions. The Division's activities and their level of achievement are summarised in Table 10 and described in the subsequent sections.

Table 10: IML – Activities and Achievements 2006/2007

Planned activity	Deliverable(s)	Achievements 2006/2007
1. Update and monitor CLP beneficiary database	Quarterly data collection surveys and report production documenting lessons learnt from CLP beneficiaries	<ul style="list-style-type: none"> • Beneficiary data collection (monthly) • Monthly income and expenditure diaries (core beneficiaries) • ATP phase 2 beneficiary registration data • Plinth beneficiary registration data • Economic impacts assessments (cattle and rickshaws/sewing machines) • Land lease case studies • Re-registration of phase 1 beneficiaries, a year after receiving their assets
2. Annual verification contract	Quarterly surveys physically verifying inputs and outputs + report development	<ul style="list-style-type: none"> • 1st quarter 2006/07 verification • Contractor changed • Verification of 4th quarter 2006/07 results
3. Annual citizen satisfaction survey	Surveys of public attitude to CLP and CLP's partners	<ul style="list-style-type: none"> • Chars population satisfaction survey • Survey of leakage from CFW programme • ATP Group formation and training survey
4. CLP Training and workshops	Improved coordination with IMOs and capacity building	<ul style="list-style-type: none"> • Numerous workshops with IMOs • Workshops for field staff • Workshops for survey implementing partners • National Advisor trained in GIS
5. Commissioned and competitive research	Quality research undertaken in cooperation with CLP looking at impact and poverty reduction	<ul style="list-style-type: none"> • Helen Keller Int. <i>Monga</i> nutrition study • Review of phase 1 ATP (R. Bond) • 2 missions in support of education and early childhood development programmes (T. Zizys) • Income/expenditure survey of 2,000 beneficiary households
6. Design and development of MIS	Sound data management and analyses via improved MIS	<ul style="list-style-type: none"> • Continuing input of registration, core beneficiary and economic impact data to purpose-designed databases
7. Publications and dissemination	Production of quality reports concerning CLP activities and wide dissemination of CLP progress and impacts to decision-makers and the general public	<ul style="list-style-type: none"> • Construction of new CLP web-site • Reports from surveys and studies (as above) • CLP Communications & Dissemination Strategy developed – implementation started • Monthly "Output" Progress Reports produced (from Jan. 2007) • Success Stories developed • CLP Newsletters developed
8. RDA capacity building	7 RDA staff working fulltime on CLP research and capacity development	<ul style="list-style-type: none"> • 6 RDA staff members working on relevant CLP research projects and following capacity building activities • 1 member to follow masters programme in UK (from Sept 2007)

6.2.1 UPDATE AND MONITOR CLP BENEFICIARY DATABASE

The CLP is developing a comprehensive database of information relating to its 50,000 (targeted) beneficiaries. Socioeconomic, financial, nutritional and asset-related data are being collected on a regular basis (monthly, quarterly or annually) and analysis of such data is providing the CLP with unique insights into the changing poverty status, attitudes and livelihoods of its core beneficiaries. Initially such data are invaluable sources of information for the CLP's own use in improving efficiency and impacts of its activities. However, this information is also progressively being made available to the development community via reports and the website in order to encourage leveraging of the CLP approach. Three sets of activities have been carried out in this component of IML work during the last 12 months:

1. **Registration of new CLP beneficiaries** (predominantly those households selected to receive from asset transfer (8,246 households) and/or infrastructure work (20,805 households): All new ATP beneficiaries for 2006/2007 were interviewed by IMOs and data collected in a standard registration process. Data from the ATP registration survey was added to the beneficiary database and then analysed, written up and distributed¹⁴. A similar data collection process occurred for infrastructure beneficiaries and their data is currently being entered into databases and will be written up when data entry is completed (in July 2007).
2. **Repeat of registration data collection** for phase 1 ATP beneficiary was carried out and allows comparison with original registration data: The repeat collection of registration data is a key impact monitoring event as it is allowing the CLP to determine real changes in the lives, livelihoods and assets of the 3,174 phase 1 beneficiary households. Data collection is being completed at the present time and an analytical report will be developed in July following data entry. These data will also provide new floor values for phase 1 beneficiaries up to April 2007 against which can be compared monthly income and expenditure data being collected by IML (see next).
3. **Economic impact assessments of the CLP beneficiaries.** Several types of impact assessment have been collected during the second half of the year including:
 - A detailed income/expenditure survey of random samples of phase 1 and phase 2 beneficiaries (total 2,000+ households) was started in April (full details in Section 6.2.5);
 - A monthly basic income/expenditure survey of phase 1 and 2 beneficiaries (all 50,000 targeted core beneficiary households will eventually be monitored) was started in April 2007 using a modified data collection sheet that is an improvement over the previous one used by the CLP in that it allows more financial data to be collected. The new format is already starting to provide interesting insights into household budgets; particularly increases in spending power of beneficiary families following asset transfer and receipt of the monthly stipend, in the identity of consumables purchased and in favoured investment strategies. It is anticipated that this monthly collection

¹⁴ Lucy Scott & Rafiqul Islam (May 2007): Socio-demographic characteristics of extreme poor households living on the island *chars* of the northern Jamuna (Reference No: IML/007/002)

method will provide some of the most important programme impact information to date. Quarterly reports will be developed from July 2007;

- 3 economic impact studies of ATP beneficiaries looking specifically at cattle transfers (200 households), rickshaws (45 households) and sewing machines (10 households): Phase 1 ATP beneficiaries have now held their assets for at least a calendar year and those from phase 2 (current year beneficiaries) for 4 to 9 months. Thus time is optimum to undertake selected economic impact studies on the major asset categories (livestock, physical assets and land leases). For livestock, a survey of 200 that had received cattle was undertaken in May-June 2007 with the sample equally divided between phase 1 and phase 2 beneficiaries and, as far as possible, between beef cattle and dairy. There remains work on small livestock (goats, sheep and chickens) to be carried out in 2007/2008. For physical assets (rickshaws, rickshaw vans and sewing machines) a survey of all beneficiary households was carried out in June 2007. Only 2 households requested rickshaws and sewing machines from phase 1, with 43 and 8 households respectively from phase 2. Finally, land leases are proving a popular asset class with many beneficiaries purchasing the right to cultivate char land either as a primary asset or more commonly, purchasing leases after first raising then selling cattle. Land leases are complicated and relatively unknown assets and so IML undertook an exploratory analysis of 3 case-studies before it begins a more significant survey in 2007/2008 (see text box).

Preliminary observations from 3 case studies of “char leases”

The studies revealed both good and bad aspects of char land leases although overall, in the opinion of char dwellers, access to land is a must if they are to escape from poverty.

On the positive side, all 3 leases were relatively cheap with a reimbursable down-payment of Tk. 6,500 from which is deducted Tk. 100 per year as rent. The area of land involved seems to depend on its perceived fertility and the negotiating powers of the individual. The land remains with the lessee until the reimbursable down-payment is returned (less accumulated annual rents). It cannot be reclaimed until after a harvest and the lessee can cultivate whatever crop is preferred. In two of the cases studies, beneficiaries were achieving two-three harvests per year while the other had planted sugarcane, a perennial crop.

On the negative side, the land is “*khash* land” and so owned by the State. The lessor possesses no legal title but only community recognition of the right to cultivate the land. Thus the state can theoretically occupy the land at any moment. Further, since the land leases are a system of pawning, the lessor can recuperate the land following a harvest and reimbursement of the down-payment. This makes it hard for the lessee to plan ahead with any degree of certainty and acts against making real investments into the land (planting trees or live hedging, digging wells, etc.). Furthermore, competition for limited land, especially on island chars where CLP is rolling out ATP, can result in land lease prices increasing dramatically and theoretically current lessees being dispossessed in favour of another prepared to pay a higher down-payment or annual rent.

The case studies highlight the importance of stipulating minimum lease periods and ensuring that beneficiaries do not enter into direct competition for leases with each other.

For all economic impact surveys, data are collected for purchase price, current asset value, income/expenditure and opportunity costs as well as beneficiary satisfaction.

Results are enabling CLP for example to develop basic cash flow models for each asset type showing the point at which each asset can be anticipated to turn cash flow positive, to determine the relative benefits of different asset classes (e.g. dairy versus beef cattle, sheep versus goats, rickshaw versus rickshaw vans). Also to determine the contribution of different assets types to the family budget. All such analyses provide important background information for CLP to draw upon when designing future year asset transfer programmes.

Several ad hoc surveys have been carried out during the year by field units in cooperation with IML and some interesting results obtained. For example, IMOs have collected data on the purchase and later sale of assets. These surveys have shown the levels of gross profit generated (up to 100% increase in asset values in the first year) and the manner that new assets are selected and repurchased. Interestingly most households choose to reinvest their profits rather than add cash received to the household expenditure; providing early but strong indication of the sustainability of the asset transfer model. The formal surveys together with interviews that IML periodically carries out with households are showing that beneficiaries are becoming more confident about their future and are entering into some rather sophisticated wheeling and dealing of assets! The case study of Salya Begum from the island char of Kalasona (Gaibandha District) provides an interesting example¹⁵.

Field data collection has either been undertaken by contracted bodies/individuals or by partner IMOs. IML has found some problems – and developed the solutions – with both types of data collection partner. These problems are treated in section 6.3.

6.2.2 ANNUAL VERIFICATION CONTRACT

Given the wide variety of activities at the CLP, its many implementing partners and the large sums of money dispensed, it is essential that the CLP be able to verify the quality and quantity of works being undertaken. In the previous year a “Verification Contract” was signed with Sheltech Consultants that expired after the first quarter 2006/2007 and was not renewed. In February 2007 the contract was put out to tender to 12 national companies and after a three-stage selection process, Data Management Aid (DMA) were selected. They were recruited in time to undertake verification of a random sample of 10% of outputs (from infrastructure, livelihoods and social development) signalled during the January-March 2007 quarter. Their verification report is anticipated just after the end of the current financial year.

6.2.3 ANNUAL CITIZEN SATISFACTION SURVEY

As the title of this section suggests, a single annual survey was anticipated by the workplan and budget. However, such a frequency does not allow punctual monitoring of the CLP activities and of their impacts on beneficiaries. Thus more frequent

¹⁵ Malcolm Marks & Lucy Scott (June 2007): Three case studies of land lease acquisition during Phase 1 of the CLP Asset Transfer Programme (Reference No: IML/007/006)

“satisfaction” surveys have been undertaken of important events or for internal quality control purposes, the list for the current year is as follows:

- Chars population satisfaction survey developed undertaken by “*Neeti Gobeshona Kendro*” in early 2006/2007: This study surveyed just over 1,100 beneficiary households and 370 non-beneficiaries and looked at, among other items, char population satisfaction with the ATP selection process and levels of satisfaction with the ATP programme, infrastructure and GoB support,
- Verification of the existence and levels of corruption inherent in the 2006 CFW programme: A survey of 470 participatory households in the programme¹⁶ showed that approximately 9% of households were obliged to pay up to 12% of their daily wages to local government officials involved in participant selection. None of the CLP IMO partners were recorded as demanding bribes from participants. Unfortunately, Bangladesh is a country where corruption has been rife and so such results were not unexpected, and could have been worse. Nonetheless, to demand “backhanders” from people as poor as the CFW participants is morally reprehensible and in response the Infrastructure Unit of CLP investigated the cases at field level while IML posted the results on the CLP website so that the corruption by GoB officials became public knowledge. In the upcoming CFW season (September – December 2007) closer monitoring of such behaviour will occur.
- Verification of the formation of core beneficiary groups and the provision of programmed social development and capacity building activities by partner IMOs: The survey revealed¹⁷ a general high standard of work by most IMO but some shortcomings with one (ARCHES) that had failed to hold sufficient beneficiary meetings. Nonetheless, overall, 96% of beneficiaries surveyed said that they were satisfied/very satisfied with the assistance received from their community development organiser (CDO) while during the previous 2 months, 90% of participants had received at least five home visits from their CDO.

6.2.4 CLP TRAINING AND WORKSHOPS

IML has held a number of training workshops during the year both for members of IMOs and enumerators working with survey implementing partners. These workshops focussed on key survey techniques, including:

- Improving data collection from core beneficiaries, particularly gender sensitivity and female respondents (difficulties occurred during at the start of the 2000+ household survey (section 6.2.5),
- Methods of developing data entry software or use of model databases provided by IML. Some IMOs had a tendency to modify spreadsheets making later integration into databases far more difficult (see lesson 2),
- Understanding and executing questionnaires developed by IML (e.g. for the cattle and rickshaw economic impact surveys),

¹⁶ IML (February 2007): Results from the Cash-for-Work satisfaction survey in Kurigram and Gaibandha – A quick assessment of levels of corruption (Reference No: IML/007/001)

¹⁷ IML (May 2007): An Assessment of Core Group Functioning and the role of the Community Development Organisers (Reference No: IML/007/003)

Also during the year the National Adviser to IML underwent a month-long training workshop in geographic information systems (GIS) in order to boost the CLP visual outputs (e.g. maps) as well as to respond to inadequacies identified in MIS development (see section 6.2.6) and Publications and Disseminations (section 6.2.7).

6.2.5 COMMISSIONED AND COMPETITIVE RESEARCH

Three distinct activities occurred during the year resulting in the production of several important reports and documents in support of the CLP programme development:

1. Expert inputs by high profile consultants: Richard Bond (July 2006) and Tom Zizys (Nov. 2006 and Mar. 2007) developed support material for future programme developments in ATP and in education and health respectively.
2. The development of a nutritional study of the cash-for-work programme during the *Monga* or famine season (September – November) 2006¹⁸. The work was undertaken by Helen Keller International and showed that the CFW programme has several very positive impacts (improvements in diet, quantity of food eaten, family cohesion (members were not obliged to migrate in search of work) and in the provision of income at a difficult time of year. Two areas were highlighted as potentially negative (but were not significant) impacts of the CFW programme: there was some evidence to suggest that women working in the programme and their infant children lost weight during the survey. Although these possibly negative impacts were not scientifically proven, the CLP is nonetheless sensitive to the possibility and thus is to implement a greater degree of gender sensitivity in next year's CFW programme.
3. A programme for carrying out a detailed income/expenditure survey of a 2,000 household, random sample of phase 1 and phase 2 beneficiaries was developed in early 2007 with the assistance of an external consultant (Dr Iffath Sharif) and executed by Mitra Associates. Dr Sharif has been managing all aspects of the study in direct collaboration with IML. The field component occurred during the months of May and June while data entry and cleaning is currently in progress and the analytical report anticipated towards the end of August 2007. The survey was based on the household questionnaire (income/expenditure component) developed by the Bangladesh Bureau of Statistics and results will be directly comparable to national figures. Among many items, the report will highlight some important features of ATP beneficiary household budgets. They will also allow direct comparisons between phase 1 and phase 2 beneficiaries (and thus should reveal time-based impact of asset reception) as well as the impact of the selection of different asset types.

6.2.6 DESIGN AND DEVELOPMENT OF MIS

A considerable drive to develop the Monitoring Information System (MIS) was undertaken during the first part of the year. This resulted in the development of a

¹⁸ Helen Keller International/CLP (April 2007): Measuring change in nutritional status and coping strategies in response to *monga* of the Chars Livelihoods Programme (CLP) cash-for-work intervention.

number of complementary databases that contain invaluable information on the CLP's core beneficiaries. Additional databases have been added as the year has

progressed resulting from the different study and surveys undertaken. Furthermore, as part of the "mini-Output to Purpose Review" (OPR) that took place in April 2007, IML developed a list of these databases and analysed critically their contents and accuracy¹⁹. Most are considered highly valuable but the data contained in a few need to be treated with care.

The "new" management team at IML are not satisfied with the current status of the MIS and thus are seeking in the upcoming year to upgrade and improve the system. One essential element is to ensure that all households in the MIS are geographically coded and thus can be represented in a cartographic format. Such visual displays of the distribution and grouping of core beneficiary households should enable improved targeting (for example by the VSLA²⁰ or the Enterprise Development Unit) or demonstrate where services are lacking (for example infrastructure development such as plinth raising or for health and literacy programming).

Problems with compatibility between formats adopted by IMO is being tackled in several manners (see for example section 6.2.4) while countering the lack of adequate computer and technical assistance at field level is to be a major new component of IML activity in the upcoming year.

6.2.7 PUBLICATIONS AND DISSEMINATION

Clearly for such a large and high-profile programme as the CLP, its national and international visibility is insufficient. This is in part due to the radical change in programme emphasis that occurred in 2005/2006 and in part to the lag time for real impacts to become visible following infrastructure and ATP/livelihoods-related activities. However, during the 2006/2007 CLP produced several important results were produced while positive programme impacts became increasingly evident. Thus, in order to plot out a course to increase the profile and public awareness of the CLP, an internal assessment was undertaken by IML during April and May and this led to the development of a Communications and Dissemination Strategy (C&DS)²¹.

Some aspects of the strategy were being implemented before it was formally presented to DFID in June 2007 and the remainder have been written into the AWP for 2007/2008. Key aspects undertaken during 2006/2007 are the following:

- **New website:** CLP's original site at www.clp.org.bd did not sufficiently take account of more recent and major developments that had occurred at the CLP. Contracts were signed with Aura Communications, a local website development company just prior to the start of the current financial year but little progress was evident when the dossier was formally transferred to IML in April 2007. Lucy

¹⁹ Rafiqul Islam (April 2007): List of existing databases (with notes on reliability and contents) together with Malcolm Marks (April 2007): Ongoing data collection activities and near-term programmed activities).

²⁰ VSLA or Village Savings and Loans Organisation

²¹ Malcolm Marks (June 2007): Communications & Dissemination Strategy (reference No: IML/007/005)

Scott and Malcolm Marks redesigned and insisted on a total rebuild of the site – a major task for both IML and Aura. Work was completed in less than two months and the new site went live at the end of June 2007 at www.clp-bangladesh.org. Prior to the new website going live, recent publications were posted immediately to the old website;

- **Monthly result presentations:** Until the end of 2006, the CLP presented results in quarterly reports developed for DFID. However, from February onwards, IML began publishing monthly programme results also comparing them to monthly targets;
- **Success stories:** Occasional success stories – where warranted – are being produced by IML in cooperation with IMOs²². Approximately four success stories are targeted each year;
- **Upgraded library and retrieval system:** During April 2007 an improved document numbering and retrieval system began to be developed based on the FAO-freeware “ISIS” software. The project is the responsibility of one of the RDA staff but unfortunately, despite some early progress, is yet to be completed (see Section 6.2.8);
- **Common document format and numbering system:** Until quite recently the CLP’s documents were developed in a variety of formats. However, in the first quarter of 2007 a common style was proposed and is progressively being introduced. IML’s technical documents now possess standard front pages and formats and a common numbering system. These formats will be progressively rolled out in other units during the coming year;
- **Workshops and seminars:** Most CLP central staff attended at least one national workshop on relevant themes during the current year.

6.2.8 CAPACITY CREATION AT RDA

The Rural Development Academy (RDA) is the host institute for the CLP and a cooperative agreement exists in which CLP supports the development of a “Chars Research Unit” composed of 6 fulltime RDA personnel.

It is sad to record that little concrete work was undertaken by RDA staff during the first half of the year and thus a review was undertaken by the IML director and a work programme defined for the final six months of the year. This resulted in a little more effort from the staff but despite good management support from Lucy Scott, only minimal progress and no deliverables of substance can be recorded. For the record, the following studies or activities were undertaken:

- Study undertaken of fishnets produced as an experiment during cash-for-work;
- The impact of seasonality on livelihoods with report;
- The start of the ISIS-based library system (see section 6.2.7);
- Questionnaire developed for a survey on the impact of cow transfers (during ATP) on children missing school;
- Small study on savings by char households in Roumari – no report;

²² Malcolm Marks (May 2007): *Blessings of God* (adapted from “A Dream of Happiness” National Development Programme, Annual Report 2005-2006, p. 36)

- Some fieldwork and training with various CLP-sponsored programmes (Helen Keller and Mitra);
- All attended a conference on environmental sustainability in India;
- One researcher attended the GIS training conference (also attended by Rafiqul Islam).

This component of IML responsibility is not considered a success (see section 6.3)

6.3 LESSONS AND FUTURE OBJECTIVES

6.3.1 LESSONS LEARNT

Key lessons have been learnt by observing and reacting to five main areas of weakness highlighted in the previous sections, as follows:

1. Inadequate assistance for data recording by IMOs. This problem arises from the simple fact that insufficient computer facilities and trained data entry personnel are available at IMOs to handle the requirements of all different units of the CLP. Currently a single computer – often commandeered by senior IMO personnel – is available and the single data entry person at each IMO has to be shared with Accounts. The solution is that IML has budgeted next year to provide another computer and a dedicated data entry personnel specifically to work with the division,
2. Partner IMOs possess varying capacities for spreadsheet/database development and also for the quality of data entry. In order to ensure compatibility in both data collection methods and data entry/storage techniques, IML will reinforce its training programme aimed at IMOs and develop model databases to be used by the IMO in order to avoid later problems with compatibility,
3. The MIS needs overhauling and updating. The first step is to include a GIS component and the second is to seek expert assistance to ensure that the MIS functions smoothly and is user-friendly,
4. The development of the Communications and Disseminations Strategy underlined the paucity of good, published material on the CLP's programme and achievements. The new website partially addresses the problem but other components of the C&DS need to be rapidly rolled out,
5. The RDA component needs a radical overhaul. The six allocated staff are frequently "made" unavailable to the CLP by senior RDA personnel, despite being contractually fulltime with the programme. A partial solution is to draw up and formally sign a complete work programme for the next financial year and base further payments to RDA on satisfactory achievement of predefined milestones. It is hoped that one agent will be sponsored on a master's programme in UK from September 2007, although their slowness in applying may make gaining entry difficult.

6.3.2 FUTURE OBJECTIVES

The IML workplan for 2007/2008 has been produced in detail elsewhere and although this section of the AR only presents the main ambitions for 2007/2008, it

should be noted that the AWP was developed with due reference to the results achieved in 2006/2007 and in seeking to support three key features:

- The natural evolution of the CLP programme both in deepening activities (for example, greatly increased numbers of core and infrastructure beneficiaries) and in entering new activity areas (health, literacy, improved governance);
- New innovations for improving the support of IML to operational units (e.g. improved survey design and targets and increased impact monitoring) and to management structures (e.g. improved results monitoring, more reliable reporting mechanisms as well as a sound dissemination strategy);
- Learning from difficulties encountered during 2006/2007 (many of the lessons highlighted in Section 6.3.1).

The main ambitions for 2007/2008 are as follows:

1. Continue collecting, storing and comparing household data relevant to past and future recruits to the ATP and infrastructure programmes, and ensure that surveys of the CLP impacts are supported and analysed,
2. Ensure that IMO's are able and capable of playing a key role in data collection and entry,
3. Ensure that the MIS is functioning correctly and contains an adequate geographic component,
4. Once the new CLP logframe has been formally adopted, ensure that data is being collected for all indicators and progress reports being developed,
5. Continue rolling out the C&DS – especially that the website is up-to-date and functioning correctly, that the CLP relations with the national press are improving and that a series of information pamphlets/brochures are being developed,
6. Provide continually support within the mandate of IML to all programme and managerial components. Particularly important is assistance to the new pilot project in health (chapter 7),
7. Reach a satisfactory conclusion to the linkages with RDA staff,
8. Recruit at least two new young professionals and ensure their integration into the CLP programme in general and the IML division in particular.

7 NEW INITIATIVES

7.1 INTRODUCTION AND AMBITIONS

The preceding chapters review the year's achievements against planned activities. This section, however, is concerned with new initiatives and emerging plans and consequently looks forward rather than reflecting on successes and lessons learnt. Nevertheless, there have been some new programme initiatives, particularly in the health sector, during the year.

From the design phase and throughout the life of the CLP it has been clear that long term reduction in vulnerability and an increase in well-being of people on the chars requires access to a minimum level of health and education services. CLP believes that Health, Nutrition and Educational services are essential to prevent the inter-generational transmission of extreme poverty. Given the limitations of government-provided services it is likely that low cost community-based solutions may be a viable option for the chars. Bangladesh has successful examples of approaches lead by NGOs such as BRAC in both primary health care and children's education.

At the same time the Government is responding to acknowledged deficiencies in the provision of health and education services and, with the wider aim of meeting the MDGs, has embarked upon large scale reforms in these sectors through the Primary Education Development Programme (PEDP2) and the Health, Nutrition and Population Sector Programme (HNPSP). While the CLP's focus is local, its interventions will take into consideration these long-term national level government initiatives.

The CLP original design made no provisions for the funding of health and education services but more recently the CLP has reached agreement with DFID that a sum up to £500,000 from programme resources could be used to develop pilot programmes in each of these two sectors. Additional rollout of such services would require supplementary funding from DFID. By the end of the project it is expected that 10,000 adults will be able to achieve minimal standards of literacy and that 5,000 children currently out of school will be have access to formal or non-formal schooling. In addition 10,000 households will have access to primary health care services.

While the CLP seeks opportunities to work with non-government and private sector organisations, government must not be entirely circumvented on a programme of this scale and complexity. Consequently, issues of governance are pertinent to the CLP activities particularly those at the local level. While the scope for governance interventions may be limited in the coming year, wider governance initiatives may be discussed without committing to substantial deviations from CLP's direct and local mandate.

7.2 HEALTH

With high levels of maternal and infant mortality among the poor, there is an *a priori* case for the provision of health services for the chars dwellers. The argument for incorporating a health component in the Chars Livelihoods Programme could also, however, rest on the following sequence of propositions that link with the original project goal:

- Providing households with an asset is an important step towards assisting them in climbing out of poverty;
- The greatest risk to those households is the consequence of a health shock requiring the sale of an asset and return into poverty;
- The current public health care system is not designed to meet the needs of the ultra poor in Bangladesh even if fully functional.

During 2006-07, CLP supported pilot health projects run by Friendship Hospital and Sirca Pasha Welfare Trust (a UK-based charitable organisation) in Jamalpur, Gaibandha and Kurigram Districts. Working in Sarishabari, Sirca Pasha was able to successfully run a clinic providing *free* health care for poor women and children for one day every 3 weeks in 12 villages. Half of these villages were more than 15 kilometres from the nearest government health facility.

Child mortality is high in Bangladesh, the main causes being respiratory tract infections and diarrhoea and the most common consultations in the Sirca Pasha clinics were for these conditions. However, these conditions generally require immediate treatment indicating that the three-weekly cycle is not frequent enough.

With the insight gained from the Sirca Pasha and Friendship pilots and given the case for a health component, the CLP has contracted Engender Health (a leading non-government provider of advisory and training services in the sector) to conduct an assessment of current health services and needs of the extreme poor in the CLP working area. A preliminary design for primary health care has been put forward with a view to refining and adapting this as insight and information from the assessment become available.

The core of the primary health care programme will be the package of priority health services defined under the Government's Health and Population Sector Programme and known as Essential Services Delivery (ESD) that includes child immunisation and care during pregnancy including the provision of trained birth attendants and treatment for complications during pregnancy.

The pilot project will be based around "health, education and communication" and will employ a number of community-based volunteers to meet with women, discuss health issues, persuade them to vaccinate their children and to obtain pre- and post-natal check ups, among other important health practices. Primary services will be provided by paramedics running satellite clinics every two weeks. Importantly, the project will develop linkages with private and government clinics so that people

requiring more complex health care can be referred. The development of an effective referral system will be key to this project given the remoteness of the chars. Clearly a pregnant woman 40 km from a hospital capable of providing emergency obstetric care will need to plan carefully should a complication occur.

Primary health care will be provided free of cost to the poor under the CLP. In cases where higher levels of care are needed CLP will subsidise costs most probably through a targeted voucher scheme. The Government is already piloting a voucher scheme for maternal health and the CLP may offer a similar level of support to chars dwellers. There may be provisions for ante- and post-natal check ups, a trained birth attendant and for C sections when necessary.

The pilot scheme is being implemented in three unions and will be carefully monitored and lessons learnt during the period will inform the design of a wider programme in health care.

7.3 EDUCATION

Better educated mothers make better decisions regarding child health care and nutrition. Well nourished children are not deprived of their full intellectual potential, perform better in schooling and enjoy better economic opportunities in adulthood. In short education is a critical intervention in preventing inter-generational transmission of poverty.

There are Government Primary Schools on about half of the 750 island chars under the CLP. Many of these are poor performing noted particularly by high levels of teacher absenteeism. On the remaining islands there are a handful of non formal schools run by NGOs. In the wet season children can be seen literally swimming to school with their books wrapped in polythene. Access to quality education is highly restricted for children on the chars.

Educational initiatives will be considered at three levels. First, early childhood development that includes both child nutrition intervention to ensure proper intellectual development and psycho-social activities that among other benefits prepare children for schooling and lessen the likelihood of dropping out.

Second, primary level schooling for up to 5,000 children will be provided directly through learning centres managed by IMOs and overseen by an established provider of educational services such as BRAC or Dhaka Ahsania Mission. The locations for these schools will be in Upazilas not covered by the Government's Reaching Out of School Children (ROSC) Project that aims to open 15,000 learning centres for 500,000 children in Upazilas with low enrolment rates and high incidences of poverty. Ten Upazilas in the CLP working area are included under ROSC.

In addition the CLP may provide capacity building support to existing Government Primary Schools on the island chars in consonance with initiatives under the PEDP 2. PEDP 2, among wider policy and institutional issues, includes several local level

initiatives including School Level Improvement Plans and an Education Innovations Grant.

Third the CLP may provide literacy to adolescents and unmarried adults. The level of effort may be limited to obtaining minimal literacy – the ability to write one’s name, do simple arithmetic and read signboards. This contrasts to wider scale projects such as the Total Literacy Movement which aimed for functional literacy for all participants but committed participants to a course of study and incoming generating skills lasting nearly one year. Up to 50,000 young adults might be targeted with activities aimed to build minimal literacy.

At the time of writing, however, final decisions regarding the CLP’s education initiatives have not been made. With the Government’s large-scale interventions in the sector the CLP may be better placed to ensure that the Government makes good on its commitments to the chars rather than providing services directly.

7.4 GOVERNANCE AND CAPACITY BUILDING

What are the governance issues relevant to the implementation and ongoing development of the CLP? Governance is a broad concept encompassing a wide range of development interventions including promoting pro-poor policies, electoral reform, mitigating fiduciary risks, improving service delivery and strengthening public administration. Many of these interventions are made at a central level and are slow in pace taking place over decades rather than years. The CLP has a local focus and mandate for immediate interventions. There are, however, examples of local level governance initiatives many of which focus on the decentralisation of authority combined with building the capacity of local level institutions to manage funds more directly.

In the coming year the CLP, DFID and GoB will discuss what role the CLP should play in improving skills and capacities at Union Parishad level. If there is adequate support small scale pilots will be launched. Consideration will be given to mentoring Upazila Nirbahi Officers and Union level officials. As part of the wider discussion arising during the course of this year’s programme review and with the overall strategic direction of CLP in mind, conceptual discussions may take place on wider governance and policy issues. Topics for discussion could include a future role for CLP in influencing Government policy on poverty reduction based on evidence and results emerging from the CLP’s approach to asset transfer.

8 FINANCE, PROCUREMENT & IT

8.1 FINANCIAL MANAGEMENT AND INTERNAL AUDIT

The budget and disbursement target for the Financial Year 2006-2007 was originally set at £7.78 million while an additional amount of £945,000 was approved later and brought the total to £8.72 million. By year end on 30 June 2007 a total of £7.81 million had been disbursed that reflects an achievement level of approximately 90% compared to the total budget. The ratio between spending for Management and Programme is at 1 to 3.7.

During the year a total of 11,167 financial transactions were recorded in Quickbooks, which is the accounting software package introduced by CLP at the beginning of 2006. The package uses a standard double entry system and transactions are posted in the system on an accrual basis.

In order to respond more quickly and in a more flexible way to funding requirements, the Finance Department switched from a once-per-month-billing and reporting cycle to a twice per month cycle. Measuring the monthly forecast at the middle and the end of each month against actual disbursement helped not only to improve the monitoring of the disbursement rate but also to monitor the performance of the operational units in the field.

During the year the Finance Team consisted of 6 members. In addition to the Director of Finance, Procurement and IT, the team is composed of the Deputy Finance Controller, seconded from MSP London, a Senior Accountant as Supervisor of the other accountants, a Financial Analyst and two Field Accountants. They carry out routine audits of financial records and systems of all existing 15 IMO's. Depending on the assessment and findings of the audits, follow-up visits are scheduled as needed. Some IMO's were visited twice or even three times during the year. Whenever time and distances allowed the audit teams went into the field to observe CLP activities and confirm that work had been satisfactorily completed. Additionally the Finance Team visited and assessed the capacity and systems of six new potential NGO partners. Results and findings from all visits were taken into consideration when the CLP selection panel decided about the renewal of existing and the awarding of new grants.

Furthermore, in-depth fraud and corruption investigations were carried out whenever their scale, potential severity and financial implications merited. This occurred on nine occasions during the year. As a result, in one case, the contract with an IMO was cancelled and in another a conspiracy of IMO staff against their own management was uncovered while in a third an IMO was obliged to improve on the quality of its infrastructure work. Last but not least, in two cases, allegations were made in newspaper articles published in both English and Bengali and these were shown to be baseless and to have originated from political rivalry at district and Upazila levels.

Since the last quarter of 2006 the Finance Team began visiting and auditing Upazila and Union Parishad Offices. To date 6 Upazilas out of 28 have been visited and 23 GoB offices (Agriculture, Fisheries, Livestock and Infrastructure) that received funds from CLP have been audited.

Next year the budget and disbursement targets will increase by over 25% to more than £10 million of which £8.1 million is earmarked for programme activities and the balance for management agency expenditure. During the year it is planned to visit and audit all 20 IMO's at least four times, all 28 Upazilas with which CLP works at least twice and a 10% sample of the 150 Union Parishads at least once. The number of person-days required to complete this schedule together with the increased disbursement target of at least £10 million and the resulting increase in financial transactions, necessitates hiring two additional accountants/auditors.

Based on the findings from visits to IMO's, the responses to a questionnaire and a half-day workshop where findings and results from the visits and audits and from the questionnaire were presented and discussed with IMO representatives, a capacity strengthening concept for IMO's was developed. The concept has three components: IT, basic accounting and the introduction of a computerized accounting package. Interested staff from CLP's district offices and units are also invited to participate in the basic accounting training. Including refresher courses, the concept covers initially a period of two years and comes with an estimated budget of £60,000.

Initial training on IT and basic accounting starts in July 2007 and continues for the next months. This is followed by training in the accounting software package. Once the computerized accounting package is installed at IMO's and formal training in using the package is completed, it is planned to contract an expert for a period of at least another 10-12 months to provide on-the-job-training, technical support and on-site maintenance.

Currently at least 30% of all funds are channelled through GoB offices and so there is an ongoing internal discussion to offer basic IT and accounting training to GoB accountants.

IMO's did not only show weaknesses in their accounting systems but also in general management. Thus it is considered worthwhile to organize and offer management training for IMO executives.

8.2 PROCUREMENT AND CONTRACT MANAGEMENT

In the 3rd quarter of the year DFID approved the CLP's Procurement Guidelines. During the year a total of 474 contracts and grant agreements were prepared and processed by the Procurement Section. The vast majority were for Infrastructure (291), followed by Livelihoods Strengthening (81), Enterprise Development (64), Social Development (26), IML (12) and Others (22). The total value of all grant agreements and contracts was £5,482,350 of which £1,971,703 were disbursed for Infrastructure alone. Additionally CLP purchased goods and equipment for £88,040

(excluding licensed software, see under 8.3 ICT). More than 70% of the goods and equipment were purchased through Crown Agents (£62,512) and the rest directly by CLP. Among items, furniture ranks first, followed by computers and computer equipment.

CLP introduced in April/May 2007 DFID's "Accountable Grant Arrangement" (a copy was received in April 2007) and all grants awarded were based on requested proposals that were evaluated and negotiated. Taking into account that Requests for Proposals together with guidelines on how to prepare proposals had to be prepared and sent to IMOs and a reasonable period allowed for IMOs to write their proposals, initial experience shows that signing of grant agreements now takes slightly longer than in the past.

Next year each operational unit has a separate grant agreement with IMO's and a "management" grant agreement covers capital costs, administrative costs, etc. This change, together with a higher budget and disbursement target, has increased the workload of the contracts/procurement unit to such an extent that additional manpower is required. It is therefore proposed to hire an assistant for the Senior Contracts Manager.

CLP holds its staff in high regard and encourages skill enhancement and participation in further vocational training. It is also important that procurement and contract management complies with the latest development in these fields. It is therefore planned to send the Senior Contracts Manager to participate in a two- to three-week course offered by Crown Agents. The total cost will be approximately £7,000.

Two new vehicles were received in January 2007 and a further six four-wheel drive vehicles have been ordered to substitute part of the existing ageing fleet of Toyota Prados that lack essential safety features indispensable on the roads of Bangladesh. The new vehicles will offer features such as ABS and airbags and delivery is anticipated in August/September 2007. The Programme plans to add further four-wheel drive vehicles (as originally planned in 2006) to bring the total of new four-wheel drive vehicles to ten.

At the present time, consultants and local staff have to use a small minibus to travel between the RDA campus and Bogra as well as between Bogra and Dhaka. The minibus does not comply with international safety standards and is in poor mechanical condition, requiring frequent maintenance. Given CLP's commitment to staff safety a new minibus will be purchased early next year with an estimated budget of about £14,000.

The anticipated list of contracts/procurement activities for each operational division / unit during 2007-08 is shown in table 11 (below):

Table 11: Anticipated Contracts/Procurements in 2007-08		
Goods/Civil Works/Staff	Services	Grants
Innovation, Monitoring & Learning Division		
25 desktop computers plus accessories for IMO's	10 Consultancy Service Contracts	
Finance/Procurement		
Purchase of accounting software for IMO's Construction of additional office space at RDA	1-2 Training Contracts Equipment for additional office space: AC 2 computers with accessories for additional staff	
CLP/All units		
2 Four Wheel Drive Vehicles 1 Van 2 Notebooks 20 Motorcycles		
Social Development		
5 Staff Contracts		19 Renewed IMO Contracts 19 Basic Management IMO Contracts
Infrastructure		
40 Staff Contracts	5 Consultancy Service Contracts	55 Infrastructure Contracts with IMO 7 Cash for Work Contracts with IMO 140 UP Contracts 52 Cash for Contracts with GoB 27 Upazila Initiative Contracts
Livelihoods		
11 Staff Contracts	5 Consultancy Service Contracts	15 ATP Contracts 25 GoB Contracts (Agriculture and Livestock)
Enterprise Development		
1 Notebook computer	10 Consultancy Service Contracts	20 VSLA contracts with IMO 10 MDF Pilot Contracts (3rd round) 30 Expansion Contracts of MDF round 1 34 Market Development Unit with IMO 20 Paravet related contracts with IMO

8.3 ICT

Delivery of licensed software suffered a number of delays and was finalized only in the last quarter of the year. CLP's IT specialist is currently installing software at the secretariat, field offices and IMO offices. The total value of licensed software was £43,000, and includes MS Office, Antivirus, SPSS and other specialized software.

Based on a monthly schedule the IT specialist is visiting field offices and IMO's to ensure regular updating of software (e.g. Antivirus, MS Windows, MS-Office) and offer training and advice on how to back-up data and on other software and safety issues. Additionally, he will be available to trouble-shoot hard- and software problems.

CLP will sign grant agreements with five new IMOs, and all IMOs will be asked to provide data for the IML Unit. The purchase of up to 25 desktop computers and a few notebooks with original licensed software and accessories will be necessary. The IT specialist will be responsible for preparing the technical specifications and for advising on selection criteria.

A new website has been developed and went online at the end of June (details are provided in the IML chapter). To minimize downtime and offer fast access hosting, the website was uploaded to a service provider in Singapore.

8.4 HUMAN RESOURCES

Following DFID's example and recommendation CLP – when renewing employment contracts or hiring additional staff – requests since the beginning of the new financial year that a “conflict-of-interest-register” is filled and signed.

The annual appraisal for all national CLP staff was carried out in June 2007.

9 PROGRAMME MANAGEMENT

9.1 MANAGEMENT CHANGES

Two significant changes were made to Management Agency operations during the period. First, a contract amendment was proposed to DFID that introduced several new ideas, including the Young Professionals programme, and second, the sub-contract with the Natural Resources Institute was terminated.

9.1.1 CONTRACT AMENDMENT

In two amendments to the main contract approved by DFID in March and April 2007, the Management Agency contract was revised as follows²³:

Long-term inputs for international advisors were adjusted to take account of new planning for these positions. The principal change was the introduction of the category of Young Professional. Three long term positions of two years each are envisaged. The YP initiative is intended to bring highly motivated and dynamic young professionals into the CLP where their role is both to provide additional support to field operations and to reinforce critical analysis, evaluation and reporting. Employing young professionals is much less expensive than hiring international consultants and it is believed that this initiative represents very good value for money.

The net result of these changes increased long term international person-weeks from 1,931 to 2,073 (because of the Young Professional inputs), but the budget for this group of advisors was actually slightly reduced.

With respect to UK based project management, the return to London from Bogra of the programme accountant in July 2008 is budgeted for, together with adjustments to the budget for the members of the Technical Advisory Panel (TAP). It was proposed that the TAP should comprise three members: Malcolm Harper, David Hulme and a third person to be named in due course.

For short-term international consultants, graduated fee rates were introduced for the first time, allowing greater flexibility in the recruitment of consultants.

For short-term national consultants a similar fee structure was proposed – albeit at lower rates. This increased flexibility allows the MA to contract more senior national consultants at the higher fee level while also hiring junior people at the lower end of the scale to help with survey work and other short term work in the field.

With respect to reimbursable costs a number of adjustments were made:

²³ The 3rd Contract Amendment of 1 March 2007 also approved a revised logical framework

- The budget line for the purchase of project vehicles was increased to the point where £145,000 remains in this budget. This amount was required to cover the costs of project vehicles previously purchased through Crown Agents;
- It was proposed to upgrade the vehicle fleet to increase the safety of the CLP's drivers and passengers. A number of recent incidents in 2006 (one involving a DFID-B office vehicle) underscored the fact that driving in Bangladesh is hazardous and the road between Dhaka and Bogra is particularly bad in this respect. The risk of a serious accident on the narrow roads in the rural areas where the programme is being implemented is equally high if not higher. Road accidents represent the greatest risk to long-term advisors working in Bangladesh; a view that a CLP risk-assessment team had recently confirmed. Maxwell Stamp has a clear responsibility to ensure that the CLP's project vehicles are as safe as possible – both to ensure the continued safety of our personnel (our primary concern) and to minimise the disruption to programme operations that would be caused by a serious accident. However, none of the project vehicles operated by the Management Agency is equipped with airbags or Automatic Braking Systems (ABS); features considered to be essential for ensuring the safety of CLP's staff and consultants. Therefore, it was proposed to replace 10 CLP project vehicles (7 Toyota Prados, 2 Toyota Corollas and a Landrover Defender) with 10 new vehicles that have airbags and ABS²⁴.

9.1.2 NATURAL RESOURCES INSTITUTE

During this year it was agreed by MSP and NRI to wind-down this sub-contract. MSP is grateful for the support given to programme by NRI and looks forward to working with them again.

9.1.3 YOUNG PROFESSIONAL PROGRAMME

As mentioned above, an interesting initiative that was started this year is the Young Professional (YP) programme. The aim is to provide a mechanism that will allow highly qualified young graduates that may have as yet only limited overseas experience to bring a fresh perspective and a sharp mind to bear on the CLP's approaches to poverty alleviation, the strengthening of livelihoods, and social development. For the graduate, working as a YP is a unique experience to participate in, contribute to, and learn from an innovative and renowned programme.

Three positions were budgeted for during the last semester of the operational year; one each for livelihoods, enterprise development, and IML. However, only two positions have so far been filled: Lucy Scott is working in IML and David Panetta is working on the village savings and loans programme.

²⁴ Six of the ten vehicles have been ordered and are expected to be delivered shortly

9.2 PROGRAMME STAFFING

There were a number of significant changes in international staffing during the year. The most important changes were in the teams working on Social Development, Livelihoods, IML and Operations.

9.2.1 SOCIAL DEVELOPMENT

The Social Development Unit was managed by Carol Eggen for the first half of 2006 until she left in September. An intensive recruitment drive was initiated by MSP and NRI and in September 2006 Julian Francis was offered a contract by NRI which he subsequently accepted; arriving in November. With the end of the NRI sub-contract with MSP (see section 9.1.2 above), Julian's contract was transferred to MSP.

9.2.2 LIVELIHOODS

After the departure of Oliver Wakelin in May 2006, the position of head of the Livelihoods Unit was vacant for several months. In July 2006 the position was offered to Tim Russell who was engaged by NRI and who started work in November 2006. Tim's employment contract was transferred to MSP in December 2006 along with that of Julian Francis.

9.2.3 IML

With the departure of Dr. Nandini Dasgupta in August 2006, the position of head of the Innovation, Monitoring and Learning Unit was vacant for several months. A very good candidate was found in September who accepted the offer made by NRI at that time. Unfortunately, this consultant changed his mind at the last minute despite having agreed to NRI's offer and in this way seriously delayed the recruitment of a qualified candidate for the position.

In November 2006, an offer was made to the present incumbent, Malcolm Marks, and Dr. Marks joined the programme in February 2007. For several months in early 2007, the CLP was for the first time fully staffed with well-qualified and experienced international consultants.

9.2.4. OPERATIONS

The Director of Operations, Azim Manji, first joined the CLP as a short-term consultant in December 2005 and started a long-term employment contract on 1 May 2006. However, in mid-January 2007 he tendered his resignation giving three months notice. In spite of having completed his contractual obligations in terms of days worked at the end of March 2007, he agreed to continue working on the programme until the end of April.

Several candidates participated in a structured selection process for this important position and in May 2007 an offer was made to Ric Goodman who at that time was

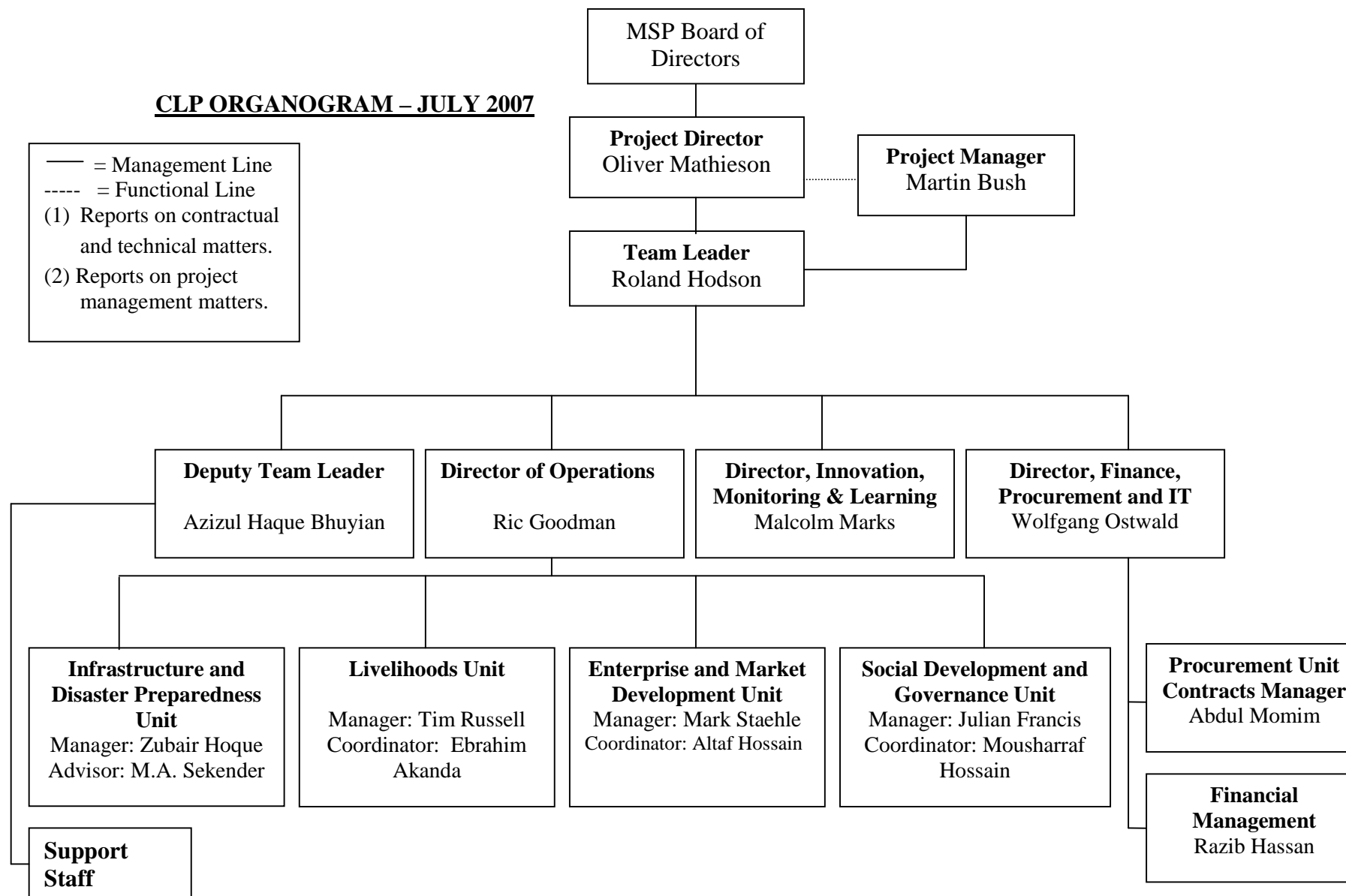
working in Zambia on a DFID-funded project. Ric Goodman accepted the offer and will join the CLP at the beginning of July 2007.

In May 2007 Phillip Choudhury joined the CLP as a Programme Design Adviser; responsible for the development of the new health and education components of the programme.

Thus from the start of July 2007, the international team leading the CLP will be back to full strength. The organogram on the next page shows the current management structure and the names of the consultants heading up the various Units.

9.2.5. TEAM LEADER

The leader of the team of international consultants, Roland Hodson, renewed his employment contract on 1 July 2007; extending his contract until 30 June 2008.

CLP ORGANOGRAM – JULY 2007

9.3 SHORT-TERM CONSULTANTS

The CLP employs several short-term consultants to ensure that the Chars Livelihoods Programme is continually examined and critically reviewed by many of the best consultants in the fields of poverty alleviation, livelihoods and social development among the extreme poor.

The table below shows the international consultants who worked on the programme over the period 1 July 2006 to 30 June 2007.

Table 12: Short-term consultants used by the CLP in 2006-07			
Name of consultant	Time worked	Approximate dates	Nature of consultancy
Julian Abrams	2 weeks	02.01.07-28.02.07	Operations management review
Dewan Alamgir	2 weeks	01.08.06-15.08.06	Design of MFI services
Hugh Allen	3 weeks	01.04.07-20.04.07	VSLA consultant
Phillip Choudhury	6 months	13.05.07-12.11.07	Program analyst and design advisor
Malcolm Harper	10 days	09.10.06-20.10.06	ATP and CFW strategy
Feyzi Ismail	3 months	21.08.06-20.11.06	IMO management and targeting
Malcolm Marks	10 days	05.11.06-15.11.06	Monitoring and Evaluation
Lucy Scott	54 days	01.11.06-28.02.07	IML analyst
Iffath Sharif	11 weeks	15.12.06 -31.07.07	Baseline data specialist
Tom Zizys	18 days	30.09.06-20.10.06	Poverty alleviation and strategy
Tom Zizys	11 days	20.03.07-02.04.07	Poverty alleviation and strategy

10 PRIORITIES FOR THE YEAR TO COME

10.1 OPERATIONAL CONSOLIDATION

The top priority for the 2007-08 year is to consolidate and improve the operational efficiency of the CLP and particularly the management and financial performance of our key partner organisations. The new Operations Director, Ric Goodman will travel extensively building relationships with the 19 IMOs and other key partners and ensuring that our partners understand and are committed to implementing the CLP programmes and priorities.

The monitoring and reporting functions of the CLP District staff and offices will be improved with a monthly meeting in each District office with the Operations Director. The relationship between CLP District staff and IMO managements will be adjusted to ensure clear accountability for performance rests with IMOs and accountability for monitoring and reporting rests with CLP District staff.

In addition to building top level relationship with the Executive Directors, the CLP will invest in a training and capacity building programme covering financial controls and management skills within the IMOs. These will lead eventually to an entirely computerised financial control and reporting system. A great deal of senior CLP management time has been spent in investigating and evaluating corruption allegations. Better financial record-keeping and understanding of the strengths and weaknesses of partners will help.

The CLP management agency also has as a top priority to ensure good scheduling and synchronisation between the different operational units of the CLP. We target the creation of a seamless and timely process of Core Beneficiary selection and verification, leading immediately into the Social Development, Asset Transfer and Homestead Plinth and Sanitation Programmes. All CLP-funded assets should be protected on a homestead plinth within one operational season and before the onset of the following flood season. There should be no ambiguity about who is a CLP beneficiary household and once selected no family should have to wait more than six months for the programme to commence.

10.1.1 FINANCIAL ACCOUNTABILITY OF GRANTS TO GOB UNITS

The CLP Management Agency has so far carried out relatively little financial supervision of grants made to Units of Local Government whether Upazila or Union Parishad. It was expected that the Government of Bangladesh would have responsibility for auditing and supervision of these grants but to date the outcome has not been satisfactory. The CLP's own staff have endeavoured to witness and verify cash payments of labourers whenever possible but this practice will be intensified and efforts made to audit and reconcile overall records to the extent possible.

10.2 PROGRAMME DEVELOPMENT

By the end of the 2007-08 Operational Year the CLP will have completed 62% of our logframe commitments in Infrastructure, principally homestead plinths and latrines and 48% of our commitment for Social Development and Livelihoods, principally asset transfer. It is understandable that Infrastructure work should be ahead of Livelihoods work after 30 months of implementation but we will be taking any opportunities presented by any additional funds made available by DFID to accelerate the Livelihoods work; which is the key to sustainable poverty reduction.

The CLP Enterprise Unit will be pushing ahead with the training and support to over 300 “Paravets” to support all households on island chars with the delivery of animal health services including vaccinations, de-worming and artificial insemination. The programme will be financed initially through issuing CLP vouchers for service that can be redeemed by service providers for cash. This will be the first wave of a series of programmes from the CLP to move service delivery in a variety of areas into the private sector. In addition to Livestock extension services we will be moving rapidly to develop health and education services on island chars.

10.2.1 HEALTH PROGRAMME DEVELOPMENT

The CLP will be delivering limited health service in over 100 island char villages throughout the year and will also be piloting a more intensive and extensive voucher-funded health scheme in several unions latter in the year. Under-nutrition and the resulting physical and mental stunting of children under age 5 has now been recognised as a strong route of inter-generational transmission of poverty. The CLP Health Programme must address this most important issue.

Health emergencies and high levels of ineffectual health expenditure by poor households and the resulting debt²⁵ have also been confirmed as one of the main “drivers of poverty”; factors that drive families further into poverty. Under the direction of Engender Health, a Dhaka-based international Health organisation and, in consultation with all relevant stakeholders including GoB, the CLP will be making a further investigation of the options for an improved hybrid health service with some aspects delivered by NGOs and other aspects delivered by Private sector suppliers and, if feasible, by GoB personnel and facilities.

10.2.2 EDUCATION PROGRAMME DEVELOPMENT

As with health, the lack of opportunity for even basic education is something that ensures the poor stay poor. While the CLP is proving to be successful at increasing

²⁵ A recent example was discovered by DFID personnel in July 2007 of a woman who had spent over 60,000 Tk, much of it begged or borrowed, on surgery for her husband who subsequently died. The surgery took place in a supposedly free Government Hospital by government employed medical staff. While the appropriateness and quality of the treatment in this case is unknown, it is widely acknowledged that the poor are regularly sold unnecessary and expensive treatment and medication that has no positive health impact but leaves the family heavily in debt

the household income, this increased income is only sustainable multi-generationally if supported by basic education opportunities.

It is widely acknowledged including in Government, that Ministries experience difficulty in delivering education services in hard to reach areas. Personnel, even when appointed, do not attend their places of work. Government is making efforts to rectify this problem but in the meantime the CLP will meet immediate needs through funding basic education in communities where none is currently available. It is expected that 250 “schools” with over 7,000 students will be running by the end of 2007.

The CLP will also be exploring whether the private sector “coaching” industry can deliver an appropriate and cost effective basic literacy training to woman living on island chars in their homes through a voucher scheme. Unemployed but semi-educated char residents will be trained and certified as providers of literacy training. They will then be able to sell their services to illiterate woman who will purchase their services with vouchers supplied by the CLP. If no training takes place no payment is made.

The CLP will also be giving attention to possible programmes for adolescent girls not in school and not yet married where there is an opportunity to provide vital skills at a key point in the young person’s life.

A full description of the Workplan priorities for 2007-08 can be found in the introduction to the 2007-08 Workplan and Budget, available separately.

ANNEX A: CLP EXPENDITURE 2006-2007

Currency Rate 1 GBP = BDT 130

Activity		Deliverable	Workplan Budget (July 06-June 07)		Additional budget approved by DfID	Revised Budget	Actual Expenditure 2006-2007		Achieveme nt
			£	Taka			£	Taka	
Summary of all Components									
1.	Infrastructure Development Component		2,487,263	323,344,250	232,699	2,719,962	2,723,805	354,094,649	100
2.	Livelihood Strengthening Component		2,086,130	271,005,380	655,454	2,741,584	2,007,638	260,992,901	73
3.	Enterprise Development Component		296,423	38,535,000	-	296,423	277,316	36,051,120	94
4.	Social Development Component		924,808	120,225,000	-	924,808	813,370	105,738,039	88
5.	Innovation, Monitoring and Learning Component		259,000	33,670,000	19,700	278,700	141,194	18,355,202	51
Total (All Components)			6,053,624	786,779,630	907,853	6,961,477	5,963,322	775,231,911	86
6.	Management Contract: Local and international TA and administration costs		1,700,000	221,000,000	-	1,700,000	1,794,094	233,232,220	106
7.	Allowances for GoB		7,634	992,420	6,900	14,534	12,889	1,675,514	89
8.	Health Pilot Expenditures		15,593	2,027,090	30,000	45,593	41,884	5,444,973	92
Total Expenditure (All Components plus Management Costs)			7,776,851	1,010,799,140	944,753	8,721,604	7,812,189	1,015,584,618	90

1.	Infrastructure Development Component								
1.1	Infrastructure through Local Government (Whole Community)								
1.1.1	Allocation of UP Funds to 125 UPs	125 UPs use these funds for raising of 7,000 homestead plinths.	472,500	61,425,000	64,500	537,000	540,414	70,253,763	101
1.1.2	Allocation of UP Reward Fund	50 UPs use performance reward fund for pro-poor infrastructure.	70,875	9,213,750	-	70,875	39,871	5,183,255	56
1.1.3	Upazila Initiatives Fund for 24 Upazilas	24 Upazila implement different pro-poor infrastructure projects.	455,600	59,228,000	-	455,600	546,252	71,012,761	120
Sub-Total			998,975	129,866,750	64,500	1,063,475	1,126,537	146,449,779	106

1.2	Infrastructure through IMOs/NGOs (Core Beneficiaries AND Whole Community)								
1.2.1	Flood proofing of individual homesteads	7,000 homesteads raised	460,385	59,850,000	112,615	573,000	540,892	70,315,942	94
1.2.2	Improve quality of drinking water	400 shallow tube wells installed	9,231	1,200,000		9,231	10,879	1,414,301	118
		1 rainwater scheme piloted	3,750	487,500		3,750	477	62,072	13
		2 deep tube wells installed	3,846	500,000		3,846	887	115,278	23
		750,000 sachets of PUR distributed	26,923	3,500,000		26,923	9,880	1,284,452	37
		Platforms constructed on 2,000 existing tube wells	24,923	3,240,000		24,923	23,647	3,074,165	95
1.2.3	Improve sanitation	7,000 water seal latrines installed	169,615	22,050,000		169,615	176,063	22,888,161	104
Sub-Total			698,673	90,827,500	112,615	811,288	762,726	99,154,372	94

1.3	Social Protection (Whole Community)								
1.3.1	Monga Alleviation through Cash for Work Schemes	Union Parishads implement cash-for-work schemes generating 810,000 person-days of employment.	498,462	64,800,000	15,038	513,500	513,053	66,696,847	100
		NGOs implement cash-for-work schemes generating 270,000 person-days of employment.	166,154	21,600,000	40,546	206,700	206,659	26,865,606	100
		Sub-Total		664,615	86,400,000	55,584	720,199	719,711	93,562,453
1.4	Staffing, Training, Monitoring, & Research								
1.4.1	Services of Mentors and Senior Mentors	Services provided by mentors and senior mentors	125,000	16,250,000		125,000	114,831	14,928,045	92
Sub-Total			125,000	16,250,000	-	125,000	114,831	14,928,045	92
Total for Infrastructure Component			2,487,263	323,344,250	232,699	2,719,962	2,723,805	354,094,649	100

2.	Livelihood Strengthening Component								
2.1	IMO Programme Delivery								
2.1.1	Programme costs for Phase II IMOs	Renewal of Phase I IMO contracts.	265,641	34,533,333		265,641	364,996	47,449,498	137
2.1.2	Programme costs for Phase I IMOs	Package of predominantly Core Beneficiary Livelihoods interventions to enhance productivity, incomes and other livelihoods approaches resulting in economic stability for 56,000 BHHs	29,885	3,885,000		29,885	2,789	362,618	9
2.1.3	Programme costs for Phase III IMOs	Package of predominantly Core Beneficiary Livelihoods interventions to enhance productivity, incomes and other	346,282	45,016,667		346,282	124,846	16,229,947	36

		livelihoods approaches resulting in economic stability for 43,000 additional households							
2.1.4	Programme costs for Final Phase (Phase IV) IMO	Package of predominantly Core Beneficiary Livelihoods interventions to enhance productivity, incomes and other livelihoods approaches resulting in economic stability for 11,000 to additional households	177,692	23,100,000		177,692	27,024	3,513,110	15
Sub-Total			819,500	106,535,000	-	819,500	519,655	67,555,173	63

2.2 Core Beneficiary Livelihoods Improvement: Asset Transfer Programme									
2.2.1	Asset Transfer Programme (Phase II)	4,300 beneficiaries each acquire 13,000 Tk. of productive assets with 18 months stipend by February 2007	661,946	86,053,000	655,454	1,317,400	1,294,907	168,337,923	98
2.2.2	Asset Transfer Programme (Phase III)	Transfer of 13,000 Tk. of assets plus stipend to 5,000 beneficiaries initiated by June 2007	138,462	18,000,000		138,462			
2.2.3	IMO Livelihoods Programmes	56,000 HHs benefit from agricultural and livestock support activities	219,936	28,591,700		219,936	23,648	3,074,197	11
Sub-Total			1,020,344	132,644,700	655,454	1,675,798	1,318,555	171,412,120	79

2.3		Whole Community Livelihoods Improvement							
2.3.1	GoB Homestead crops demonstrations	7,000 households produce vegetables, nutrition and income both increased	57,808	7,515,000		57,808	41,178	5,353,176	71
2.3.2	GoB Vaccination campaign and demonstrations	35,000 households benefit from reduced mortality, increased livestock productivity	37,731	4,905,000		37,731	20,915	2,718,966	55
2.3.3	GoB Fisheries demonstrations	1,500-2,000 households obtain income from fish marketing	38,297	4,787,100		38,297	22,884	2,974,878	60
Sub-Total			133,835	17,207,100	-	133,835	84,977	11,047,020	63

2.4 Staffing, Training, Monitoring, & Research									
2.4.1	IMO Capacity Building	Training & Study Tours for key staff of 15 IMOs arranged.	21,721	2,823,700		21,721	24,225	3,149,250	112
2.4.2	Production of training materials (flipcharts & leaflets, etc.)	15 IMOs utilising training material (flip chars, leaflets)	12,308	1,600,000		12,308	7,464	970,265	61
2.4.3	Char-based Crop & Livestock Research	Identify crop varieties and animal husbandry practices more appropriate to chars.	32,692	4,250,000		32,692	5,212	677,612	16
2.4.4	GoB awareness raising, information-sharing and coordination	20 District level meetings for information sharing purpose	3,077	400,000		3,077	-	-	-
2.4.5	Workshop/Review/Lesson Learning of 15 Upazila extension services via GoB and of 9 IMOs engaged in ATP	Review of 06/07 activities, Future planning	7,277	946,000		7,277	5,635	732,610	77
2.4.6	District Support Officers	Improved CLP efficiency	35,376	4,598,880		35,376	41,914	5,448,851	118
Sub-Total			112,451	14,618,580	-	112,451	84,451	10,978,588	75
Total for Livelihoods Strengthening Component			2,086,130	271,005,380	655,454	2,741,584	2,007,638	260,992,901	73

3.	Enterprise Development Component								
3.1	Whole Community Market Development Fund (MDF)								
3.1.1	Market Development Fund	MDF rounds two and three pilot projects; round one expanded projects	150,000	19,500,000		150,000	142,932	18,581,210	95
3.1.2	Market Development Fund events and publications	Two additional MDF events and one peer review workshop	14,423	1,875,000		14,423	9,400	1,222,010	65
Sub-Total			164,423	21,375,000	-	164,423	152,332	19,803,220	93
3.2	Whole Community Village Savings & Loans Associations (VSLAs)								
3.2.1	Capacity building - VSLA	200 associations and 4,000 members mobilized and saving by end October-06	15,000	1,950,000		15,000	35,515	4,616,885	237
3.2.2	Community-based Microfinance	12 month pilot programme initiated in July, 2006	30,000	3,900,000		30,000	39,461	5,129,924	132
Sub-Total			45,000	5,850,000	-	45,000	74,975	9,746,809	167

3.3	Whole Community Micro Finance Institutions (MFIs)								
3.3.1	PKSF Pilot Programme for Institutional Microfinance	12 month pilot programme initiated by September, 2006	65,000	8,450,000		65,000	31,706	4,121,754	49
3.3.2	PKSF Pilot Project Development TA	Programme proposal document	2,000	260,000		2,000	438	57,000	22
Sub-Total			67,000	8,710,000	-	67,000	32,144	4,178,754	48
3.4	Staffing, Training, Monitoring, & Research								
3.4.1	Research and development	Published research; technical support to IMO; ATP savings pilot developed	10,000	1,300,000		10,000	14,298	1,858,770	143
3.4.2	Monitoring and Evaluation	M&E field specialist and third party evaluations as needed	10,000	1,300,000		10,000	3,566	463,567	36
Sub-Total			20,000	2,600,000	-	20,000	17,864	2,322,337	89
Total for Enterprise Development Component			296,423	38,535,000	-	296,423	277,316	36,051,120	94

4.	Social Development Component								
4.1	IMO Programme Delivery								
4.1.2	Programme costs for Phase II IMOs	Renewal of Phase I IMO contracts.	265,641	34,533,333		265,641	387,028	50,313,602	146
4.1.3	Programme costs for Phase I IMOs	Package of group-based CLP interventions to enhance village level cooperation resulting in improved livelihoods and reductions in injustices to 6,300 additional households	29,885	3,885,000		29,885	9,415	1,223,931	32
4.1.4	Programme costs for Phase III IMOs	Package of group-based CLP interventions to enhance village level cooperation resulting in improved livelihoods and reductions in injustices to 43,000 additional households	346,282	45,016,667		346,282	277,978	36,137,172	80
4.1.5	Programme costs for Final Phase (Phase IV)	Package of group-based CLP	177,692	23,100,000		177,692	83,077	10,800,050	47

	IMOs	interventions to enhance village level cooperation resulting in improved livelihoods and reductions in injustices to 11,000 to additional households							
4.1.6	Verification of suitability of NGOs to serve as IMOs	Up to 5 new NGOs to be independently assessed and verified	6,923	900,000		6,923	2,308	300,000	33
Sub-Total			826,423	107,435,000	-	826,423	759,806	98,774,755	92
4.2	Strengthen Poverty Safety Nets for Women, Children and the Dependant Poor								
4.2.1	Research, prepare proposals, develop programmes addressing identified needs, assess and monitor pilots on various safety net programmes with beneficiary groups	Poverty safety nets resulting from impact assessment studies and pilots	9,615	1,250,000		9,615	542	70,455	6
Sub-Total			9,615	1,250,000	-	9,615	542	70,455	6

4.3		Strengthen NGO (IMO) Livelihoods Implementation Capacity in Char Areas							
4.3.1	Capacity building of UP officials through SSPs	SSPs contracted, capacity of up to 300 UP officials enhanced	28,000	3,640,000		28,000	3,206	416,801	11
4.3.2	IMO staff basic and advanced training course	Each IMO staff trained in 6-day Basic+Advanced Courses	23,077	3,000,000		23,077	21,035	2,734,491	91
Sub-Total			51,077	6,640,000	-	51,077	24,241	3,151,292	47

4.4 Staffing, Training, Monitoring, & Research									
4.4.1	Assess & monitor pilot on general rights based cases (incl. women's/girl's rights, reproductive health, adolescent vocational training)	Impact assessment report	3,077	400,000		3,077			
4.4.2	Conduct IMO implementation impact study & recommend improvements & enhancement strategy	IMO Implementation impact assessment & recommendations	10,000	1,300,000		10,000	4,591	596,886	46
4.4.3	Disseminate knowledge & experience to IMOs via 'lessons-learned' workshops and other means	Workshops, meetings, dialogues and publications	3,846	500,000		3,846	462	60,000	12
4.4.4	Recruitment, engagement and salary for 5 District and 3 Asst District Facilitators	Salaried MA supervision for 5 Districts	20,769	2,700,000		20,769	23,728	3,084,651	114
Sub-Total			37,692	4,900,000	-	37,692	28,781	3,741,537	76
Total for Social Development Component			924,808	120,225,000	-	924,808	813,370	105,738,039	88

5. Innovation, Monitoring and Learning Component									
5.1	Update and Monitor CLP Beneficiary Database	Quarterly Reports documenting lessons learned from accumulating data	30,000	3,900,000		30,000	16,583	2,155,815	55
5.2	Annual Verification Contract	Quarterly Reports documenting physical verification of inputs & outputs delivered	25,000	3,250,000		25,000	11,571	1,504,208	46
5.3	Annual Citizen Satisfaction Survey	Annual survey of public attitudes to CLP, IMO's and CLP Programmes	10,000	1,300,000		10,000	9,259	1,203,629	93
5.4	CLP Trainings and Workshops	Improved Coordination and Learning from IMO's and others	5,000	650,000		5,000	5,601	728,098	112
5.5	Commissioned Research	Five or more quality research projects resulting in improved	40,000	5,200,000	19,700	59,700	59,660	7,755,800	100

		evidence of CLP impact.							
5.6	Competitive Research	Competitive research grant programme; Improved understanding of chars poverty reduction	25,000	3,250,000		25,000	3,164	411,300	13
5.7	Capacity Creation at RDA								
5.7.1	Salaries of RDA Staff	7 Staff time devoted full time to CLP research and capacity development	12,500	1,625,000		12,500	5,652	734,785	45
5.7.2	Travel, Per Diems and Consumables	Mobility of Staff	6,500	845,000		6,500	2	288	0
5.7.3	<i>Regional Conferences</i>	Increased Learning & Capacity	20,000	2,600,000		20,000	6,242	811,498	31
5.7.4	Training in Country		5,000	650,000		5,000			
5.7.5	Overseas Masters Programme	Possible Leadership for future Chars Research Unit	15,000	1,950,000		15,000			
Sub-Total			59,000	7,670,000	-	59,000	11,897	1,546,571	20

5.8	Design & Development of MIS	Improved MIS System resulting in better monitoring and reporting	30,000	3,900,000		30,000	539	70,106	2
5.9	Publications & Dissemination	Newsletters, Web Site, PR, Press tours. Better understanding of decision makers and public of work of CLP	35,000	4,550,000		35,000	22,921	2,979,675	65
Total for Innovation, Monitoring & Learning Component			259,000	33,670,000	19,700	278,700	141,194	18,355,202	51
Grand Arithmetic Total (All Components)			6,053,624	786,779,630	907,853	6,961,477	5,963,322	775,231,911	86