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Best Practices in Poverty Alleviation and SDGs in South Asia: A Compendium





Best Practices in
Poverty Alleviation and
SDGs in South Asia:
A Compendium

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Abbreviations

ADC	Atoll Development Committee	MDGs	Millennium Development Goals
ADF	Atoll Development Fund	MFI	Micro-Finance Institutions
ADP	Annual Development Programme	MHTE	Ministry of Housing, Transport and Environment
AMEPP	Agriculture Marketing and Enterprise Promotion Program	MICS	Multiple Indicator Cluster Survey
BBS	Bangladesh Bureau of Statistics	MIF	Micro Initiative Fund
BDBL	Bhutan Development Bank Ltd.	MMR	Maternal Mortality Ratio
BDHS	Bangladesh Demographic and Health Survey	MoHF	Ministry of Health and Family
BMET	Bureau of Manpower, Employment and Training	MRA	Microfinance Regulatory Authority
BMMS	Bangladesh Maternal Mortality Survey	MSM	Men having Sex with Men
BNHA	Bangladesh National Health Accounts	MVR	Maldivian Rufiya
BOF	Business Opportunity Facility	NAPA	National Adaptation Plan of Action
BRDB	Bangladesh Rural Development Board	NER	Net Enrolment Rate
CBN	Cost of Basic Need	NFE	Non-Formal Education
CBOs	Community-Based Organizations	NGO	Non-Governmental Organization
CBR	Community-Based Rehabilitation	ODA	Official Development Assistance
CCD	Comprehensive Community Development	ODSs	Ozone Depleting Substances
CFW	Cash for Work	OGTP	One Geog Three Products
CSO	Civil Society Organization	OMS	Open Market Sales
DCI	Direct Calorie Intake	PAM	Production Accessibility and Marketing
DHS	Demographic and Health Survey	PAR	Poverty Analysis Report
DNP	Department of National Planning	PDBF	Palli Daridra Bimachan Foundation
EDC	Education Development Centre	PEFA	Public Expenditure and Financial Accountability
EGPP	Employment Generation Program for the Poorest	PESP	Public Expenditure for Social Protection
EPI	Energy Performance Initiative	PFM	Public Financial Management
FFW	Food for Work	PKSF	Palli Karma-Sahayak Foundation
FYP	Five Year Plan	PPP	Purchasing Power Parity
GDP	Gross Domestic Product	RDA	Rural Development Academy
GED	General Economic Division	REAP	Rural Economy Advancement Program
GER	Gross Enrolment Rate	RETs	Renewable Energy Technologies
GNH	Gross National Happiness	RMG	Ready-Made Garment
GNHC	Gross National Happiness Commission	RNR	Renewable Natural Resources
GR	Gratuitous Relief	RTI	Reproductive Tract Infection
HDI	Human Development Index	SAP	Strategic Action Plan
HES	Household Expenditure Survey	SDGs	SAARC Development Goals
HH	Household	SMEs	Small and Medium Enterprises
HIES	Household Income and Expenditure Survey	SMIS	School Management Information System
HPI-1	Human Poverty Index-1	SPAPA	SAARC Plan of Action on Poverty Alleviation
ICT	Information and Communications Technology	SSNPs	Social Safety Net Programmes
IFAD	International Fund for Agricultural Development	STD	Sexual Transmitted Diseases
IIDE	Institute for International and Development Economics	SVRS	Sample Vital Registration System
ILO	International Labour Organization	TVET	Technical and Vocational Education & Training System
IMF	International Monetary Fund	UNDP	United Nations Development Programme
IMR	Infant Mortality Rate	UNICEF	United Nations Children's Fund
IWDC	Island Women Development Committee	UP	Union Parishad
LDCs	Least Developed Countries	VAW	Violence Against Women
LEAs	Local Education Authorities	VCO	Virgin Coconut Oil
LFPRs	Labour Force Participation Rates	VGD	Vulnerable Group Development
LFS	Labour Force Survey	VGF	Vulnerable Group Feeding
LGA	Local Government Authority	VPA	Vulnerability and Poverty Assessment
LMIS	Labour Market Information System	WMS	Welfare Monitoring Survey
MAGIP	Market Access and Growth Intensification Project	WTO	World Trade Organization

Preface



South Asia hosts nearly one-fifth of the world's population and is home to the largest number of people living below the poverty line in the world. Our Leaders, at the Twelfth Summit in 2004 in Islamabad, declared poverty alleviation as the “over-arching goal” of SAARC to free South Asia from poverty.

The Member States have since focused on poverty alleviation through intervention in many agreed areas for regional cooperation.

The SAARC Secretariat has been disseminating the best practices/success stories in poverty alleviation amongst SAARC members through various publications on a regular basis. The Secretariat published a Compendium of Best Practices in Poverty Alleviation in 2007 and has been publishing a Regional Poverty Profile (RPP) since 2003 focusing on various aspects of poverty in the region and the initiatives taken by individual Member States in those areas. Accordingly, the fifth issue of RPP 2009-10 focused on the theme, “Food Security, Challenges for the Poor and Social Inclusion”.

The Secretariat organized a Symposium on Best Practices in Poverty Alleviation in October 2013 in Kathmandu, which was inaugurated by the Right Honourable Khil Raj Regmi, Chairman of the Council of Ministers, Government of Nepal and was attended by all Member States and Development Partners. During this Symposium, the delegates from eight Member States presented papers on as many as twenty-eight best practices, covering a wide range of developmental aspects, i.e. women empowerment, social mobilization, innovative and eco-friendly technology, local resource mobilization, upscaling of indigenous skills, sanitation, health and hygiene, education, gender and development, social inclusion, income generation through production, marketing, credit, self-help, etc. These best practices

offer prospects for alleviating poverty in the region.

It is my privilege to present the best practices in poverty alleviation in our region in the form of a Compendium in its second edition. These tested ideas, methodologies and first-hand database may provide prospects for policymaking and project development for social transformation and inclusion in the region.

My thanks go to all the country teams of Member States for their efforts and support in preparing the country reports and active participation in the Symposium, as also to UNDP for its support, to Ms. Alessandra Cassaza, Regional Policy Advisor of UNDP/APRC, Bangkok and her team, and to Dr. Basudev Guha-Khasnobis, Chief Economist, UNDP Country Office, Kathmandu. I take this opportunity to thank Mr. Anand Aditya for editing the Compendium and Mr. Manoj K. Bachchan for the help extended in finalizing the draft.

I deeply appreciate the role put in by Mr. Dhan Bahadur Oli, Information and Poverty Alleviation Division Director of the Secretariat, and his team; Dr. Y. B. Thapa, Poverty Alleviation Specialist; Mr. Pawan Kumar Dubey, Senior Personal Assistant; and Mr. Kumar Shrestha, GSS-I. Without their hard work this publication would not have been possible.

Last but not the least, no small measure of gratitude remains for the critical role played by my predecessor H. E. Mr. Ahmed Saleem in facilitating the process of this Compendium during his term of office.

(Arjun B. Thapa)
Secretary-General, SAARC
November 2014

Chapter 1

Introduction

The first Summit Declaration of the SAARC Heads of State or Government (Dhaka, 1985) stated as follows:

“4) The Heads of State or Government reaffirmed that their fundamental goal was to accelerate the process of economic and social development in their respective countries through the optimum utilization of their human and material resources, so as to promote the welfare and prosperity of their peoples and to improve their quality of life. They were conscious that peace and security was an essential prerequisite for the realization of this objective.

7) The Heads of State or Government acknowledged that the countries of South Asia, who constitute one-fifth of humanity, were faced with the formidable challenges posed by poverty, underdevelopment, low levels of production, unemployment and pressure of population compounded by exploitation of the past and other adverse legacies. They felt that, bound as their countries were by many common values rooted in their social, ethnic, cultural and historical traditions, regional cooperation provided a logical response to these problems. They were conscious of their individual and regional strengths, their potential as a huge market, their substantial human and natural resources and the complementarities of their economies. They were confident that with effective regional cooperation, they could make optimum use of these capacities for the benefit of their peoples, accelerate the pace of their economic development and enhance their national and collective self-reliance. They were convinced that their countries, which had made important contributions to the enrichment of human civilization, could together

play their due role in international relations and influence decisions which affected them.

8) The Heads of State or Government emphasized that strengthening of regional cooperation in South Asia required greater involvement of their peoples. They agreed to increase interaction and further promote people-to-people contacts at various levels among their countries. To this end, they decided to take steps to create awareness and public opinion in the region.”

As is evident from the pronouncements made by the South Asian Heads of State or Government at the First SAARC Summit (Dhaka, December 1985), SAARC was founded primarily to make optimal utilization of human and material resources to overcome the challenges posed by poverty, underemployment, low level of production, unemployment and pressure of population growth.

During their Twelfth Summit, the South Asian Heads of State or Government declared poverty alleviation as the “over-arching goal” of SAARC.

In order to reinvigorate efforts of Member States aimed at poverty alleviation, SAARC not only launched the Plan of Action on Poverty Alleviation, in 2004, but also declared 2006-2015 as the SAARC Decade for Poverty Alleviation.

In 2007, SAARC unveiled a publication, Taking Forward SDGs, with specific targets to be achieved in twenty-two areas by the year 2012, which was later

extended to 2015 to coincide with the periodicity of the Millennium Development Goals (MDGs).

In 2011, the Addu Declaration decided to form the Inter-Governmental Working Group to expedite poverty alleviation and fulfillment of SDGs. Box 1 provides some excerpts from the Addu Declaration on poverty alleviation, SDGs, and social services. These directives suggest that the progress in poverty alleviation needs to be monitored covering specific works at the community level, and this progress needs to be linked with development policy and institutional capacity in alleviating poverty and attaining SDGs.

Box 1.1 Excerpts from the Declaration of the 17th SAARC Summit, Addu, November 2011

10. To direct the convening of an Inter-governmental Expert Group Meeting to discuss the establishment of a regional mechanism to ensure empowerment of women and gender equality in the region, with focus on national legislations, including timely realization of the MDGs and SDGs.

11. To direct the finalization of the work on the elaboration of the SAARC Regional Convention on Preventing and Combating Trafficking in Women and Children for Prostitution with a view to its adoption by the next Summit.

12. To formulate an actionable framework to address the common challenge of sanitation and access to safe drinking water in the region.

The publication, *Compendium on Best Practices in Poverty Alleviation/SDGs in South Asia*, is intended to facilitate the post-PAPA (2006-15) and post-SDGs (2007-15) discourse and implementation of regional poverty alleviation investment projects in line with the Poverty Reduction Strategy Paper (PRSP) in the Member States.

In preparation of this Compendium, the SAARC Secretariat circulated to Member States a memo on the outline of papers on Best Practices for Poverty Alleviation and SDGs Progress including the subjects to be covered, structure of individual report, and a timeline.

The Secretariat also organized a Symposium in Kathmandu in October 2013 to facilitate exchange of views on the best practices with the following objectives:

1. A Compendium of Best Practices is to be published in an appropriate form, such as a printed book or an online PDF document, to be made widely available;
2. Recommendations of the Symposium can help in designing regional/sub-regional investment projects for poverty alleviation at the regional and country levels;
3. Since SAARC Secretariat Member States may carry out evaluation of the Poverty Alleviation Plan of Actions and the SDGs, the Symposium on Best Practices may cast some light from the point of view of monitoring and evaluation (M&E); and
4. The foregoing may be used to update the existing (i) “SAARC Plan of Action on Poverty Alleviation” approved by the 12th SAARC Summit, Islamabad (January 2004), and (ii) the SDGs (2007-15).

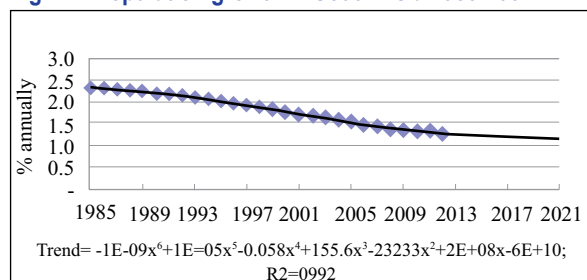
The following section briefly reviews the dimensions of poverty at the regional level, followed by sections on the methods to alleviate poverty in the region.

Dimensions of Poverty in South Asia

Poverty, hunger, and human nutrition bear more than one dimension in South Asia, in the context of the best practices in poverty alleviation and their possible regional/sub-regional applications. A quick overview of these dimensions in terms of demography, economic growth, incidence of poverty and its relation with economic growth, aspects of geographic regions, and rural-urban locality, is presented in the following paragraphs.

Population Dynamics and Structure: Population growth rate in South Asia slowed down from 1.77 % to 1.28 % annually during 2000-12, and may stabilize at a lower level of, say, 1.2% annually. The total population increased from 1.38 billion to 1.65 billion during 2000-2012 (and may be 1.8 billion by 2020). Details about population growth trends are provided in Fig. 1.1. The slowdown in population growth is a favorable development for reducing poverty because the demographic dividend, i.e. the ratio of working age population, is favorable. However, there are significant variations in population growth among the countries in the region.

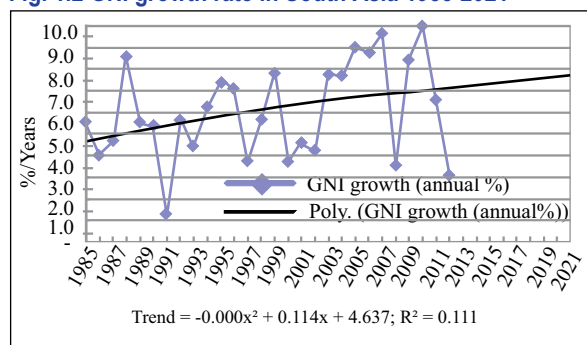
Fig. 1.1 Population growth in South Asia 1985-2001



Source: Based on WDI Dataset.

Economic Growth: Economic growth rate in South Asia has been high and is increasing. It rose from 5.7% to 6.6% annually on a tri-annual average. The GNI per capita increased from US\$ 447 to 1,422 during 2000-12. But economic growth has been widely fluctuating as Fig. 1.2

Fig. 1.2 GNI growth rate in South Asia 1985-2021



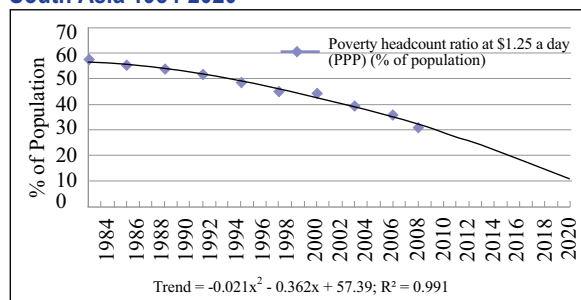
Note: GDP growth rates by country and for South Asia during 2000-2012 are from the WDI Dataset.

suggests. These fluctuations may have an uneven impact on various income classes. Further, the composition of economic growth by industry group (such as agriculture, manufacturing and services) and their geographic distribution may affect the socially inclusive development process.

Incidence of Poverty: Incidence of poverty in the region has been reduced remarkably on the basis of international purchasing power parity (PPP) of US\$ 1.25 per capita daily as well as national poverty lines (NPLs). It declined from 45.1 to 33.0 percent of population in 1999-2010 and may go down to about 15% by 2020 (Fig. 1.3).

The national poverty line (NPL) is based on the cost of basic needs (CBN) approach to afford food for a normal physical activity and other basic needs. The estimates of undernourished population

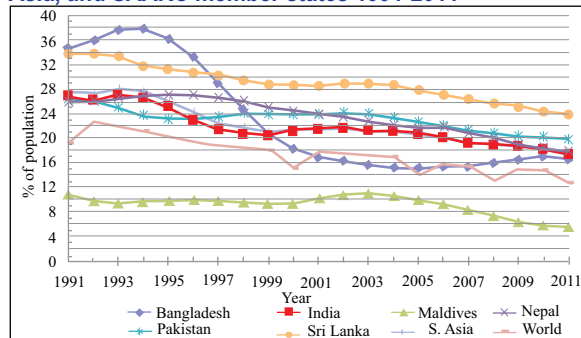
Fig. 1.3 Poverty headcount ratio at \$1.25 a day (PPP) in South Asia 1984-2020



Note: Head Count Ratio (HCR) of poverty of countries of South Asia during 2000-2012 from WDI Dataset.

based on anthropometric/clinical methods of WHO/UNICEF/FAO provide a uniform measure of people's deprivation. As shown in Fig. 1.4, the proportion of under-nourished population declined from about 28.0% to 18% in South Asia during 1991-2011. There are wide variations in the incidence of under-nutrition or its reduction rates among the countries. In Bangladesh, the proportion of under-nourished people was the highest, at 38%, but decreased to about 18% during this period; the second lowest was that of Sri Lanka. Specific measures such as safety nets adopted by countries in improving nutrition are dealt within the country chapters.

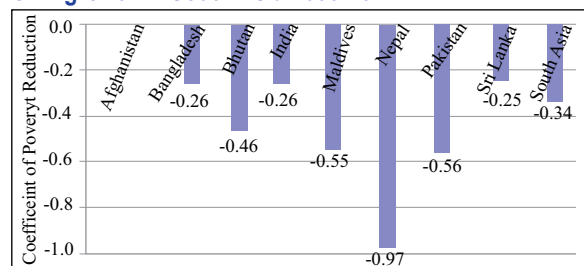
Fig. 1.4 Prevalence of undernutrition in the World, South Asia, and SAARC member states 1991-2011



Source: Based on Datasets from websites of The World Bank, FAO, and WHO.

Poverty Reduction and GDP Growth: Poverty alleviation depends on economic growth in aggregate and other country-specific factors. Estimates of reduction in the incidence of poverty due to GDP growth rates during 2000-12 are summed up in Fig. 1.5. It shows that incidence of poverty declined with a coefficient of (-) 0.34 percentage point per unit of GDP growth rate in the last decade. This reduction was the highest for Nepal, followed by the Maldives and Pakistan,

Fig. 1.5 Changes in incidence of poverty with respect to GDP growth in South Asia 2000-2012

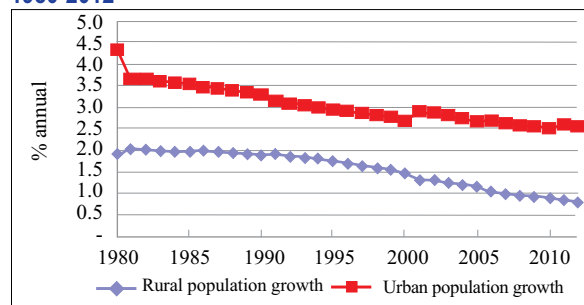


Note: For Afghanistan, data on the incidence of poverty at international poverty line of US\$1.25 are not available.

but was very low for India and Bangladesh. The issues of pro-poor growth are discussed under the country reports on best practices.

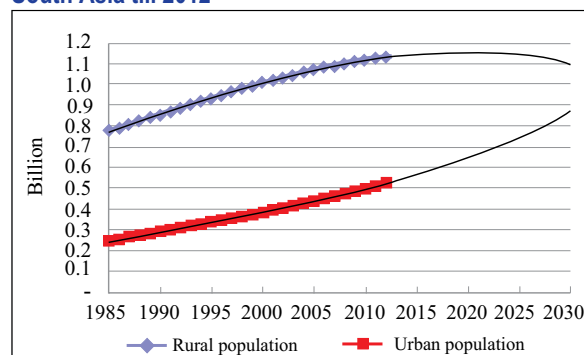
Poverty by Rural/Urban and Ecological Regions: Population growth rates in urban areas have been higher than in rural areas due to urban expansion and migration. Faster growth of urban population has implications on poverty alleviation activities. The trends of population size and growth rates in rural and urban localities are presented in Figs. 1.6 and 1.7.

Fig. 1.6 Rates of population growth in South Asia 1980-2012



Source: WDI Dataset.

Fig. 1.7 Population size by rural and urban areas in South Asia till 2012

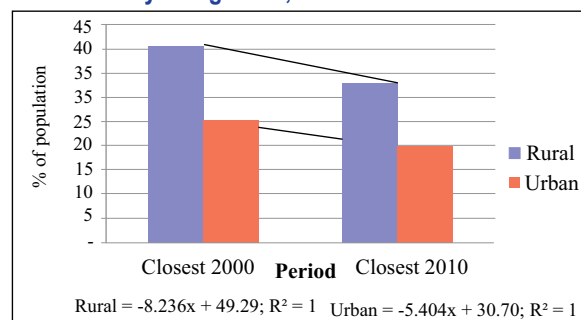


Source: WDI Dataset.

The annual population growth rate was 0.73% in rural South Asia compared to 2.52% in urban South Asia. The excess population growth rate in urban area over rural area (i.e., 2.52% – 0.73% = 1.79% in 2012) is largely due to migration of people from rural to urban areas. The size of population was 0.52 billion in urban area and 1.13 billion in rural area in 2012. The population migration and its rural/urban allocations have implications for poverty alleviation in urban areas.

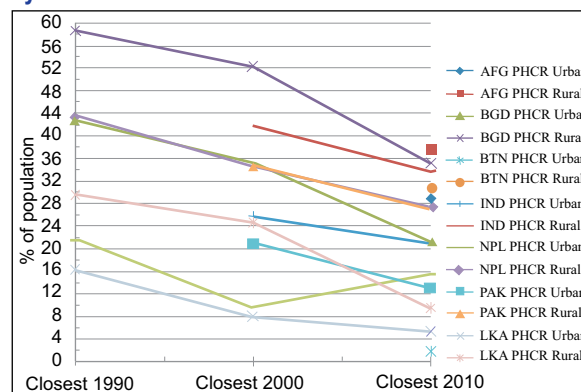
The incidence of poverty in rural and urban localities of South Asia are presented in Figs. 1.8 and 1.9. The incidence of poverty was higher in rural areas than in the urban areas. However, the rate of reduction in urban poverty was much slower than that in rural areas during 2000-10. Rural poverty declined by (-) 8.24% from 44.1% to 32.8% whereas urban poverty declined by (-) 5.40% from 25.3% to 19.5%.

Fig.1.8 Incidence of poverty in South Asia by rural and urban locality using NPLs, 2000-2010



Source: Based on SAARC RPP (various reports) and WDI Dataset.

Fig.1.9 Incidence of poverty in SAARC member states by rural and urban locations



Source: Based on SAARC RPP (various reports) and WDI Dataset.

There are significant variations in the incidence of poverty in the rural and urban localities by country. The incidence varies significantly between ecological regions such as mountains, hills, plains, plateaus, and coastal areas of the Member States. There is commonality in the situation of poverty and constraints of resources, skills, and technologies, and opportunity sets among the rural/urban localities and ecological zones. Subsequent chapters on the best practices and project opportunities reflect these conditions, constraints, and opportunities for development of cooperative programs.

2. Earlier Studies on Best Practices in Poverty Alleviation

This publication completes almost one decade of periodic compilation of the best practices in poverty alleviation across South Asia. As noted earlier, previous publications include mainly the studies done by the ISACPA (2003 and 2007) on good practices and the SAARC Secretariat (2003, 2004, 2006, 2009, and 2013) on regional poverty profiles. A total of over 100 best practices have been published so far. There is a growing tendency to classify these best practices as per the pillars of MDGs/SDGs and to refine the criteria to be considered as best practices. As a ready reference for readers, Table 1.1 enumerates the titles of the earlier best practices brought out by year, country, and source.

Table 1.1 List of studies on the best practices published by SAARC Secretariat till 2012

Source and Title	Country	Source and Title	Country
From ISACPA (2003):		27. Food Security in War-torn Areas	Sri Lanka
1. Annapurna Conservation Area Project (ACAP) and Ecotourism	Nepal	28. Employees Old-Age Benefit Institutions	Pakistan
2. Water Panchayat in Rajasthan	India	29. Rehabilitation of Child Labour: The Bavita School	India
3. Community Forestry and Leasehold Forestry	Nepal	30. Grameen II	Bangladesh
4. Resettlement of Landless People and Those Living on Degraded Lands	Bhutan	31. Janasaviya Trust Fund	Sri Lanka
5. Environment Friendly Sustainable Tourism	Maldives	32. Apex Micro-Credit Institution: PKSF	Bangladesh
6. Indigenous Philanthropy	Pakistan	33. Local Government Legislation	Nepal
7. Health and Education Delivery	Sri Lanka	34. Decentralization as a Means of Poverty Alleviation	Bhutan
8. Pro-Active Welfare State	Bhutan	35. Rural Energy for Development	Nepal
9. Universal Basic Education for All	Maldives	36. Decentralized Rural Infrastructure: the LGED Story	Bangladesh
10. Female Secondary Stipend Project	Bangladesh	From SAARC Secretariat (2004):	
11. SEWA	India	37. Noonu Project	Maldives
12. Women's Corner in Market-Centers	Bangladesh	38. The Change Agent Programme and Elderly Experiments in Social Mobilization	Sri Lanka
13. SIND Institute of Urology and Transplantation	Pakistan	39. National Rural Support Programme	Pakistan
14. Edi Foundation Ambulance Service	Pakistan	40. PKSF- An Institutional Innovation	Bangladesh
15. Village Pay Phones	Bangladesh	41. Rehabilitation Scheme Through Zakat Fund	Pakistan
16. Chaupal Project of ITC	India	42. Incorporating the Ultra Poor	Nepal
17. Mechanization of Fishing Boats to Transform Fishermen's Lives	Maldives	43. The Safe Motherhood Initiative Reducing Maternal Deaths and Raising Status of Women	Sri Lanka
18. Information Village Research Project	India	44. Maternal and Child Health Care	Bhutan
19. The Organi Pilot Project	Pakistan	45. Rural Health Infrastructure	Bhutan
20. Urban Waste Management	Bangladesh	46. Poverty Reduction by Multiple Means	India
21. Kuda Ki Busti	Pakistan	47. Impressive Reduction in Fertility	Bangladesh
22. South Asia Poverty Alleviation Programme (SAPAP) -Andhra Pradesh	India	48. Decentralized Development Experiences	India
23. National Rural Support Programme	Pakistan	49. Towards Solving Problem of Urban Waste	Sri Lanka
24. The Disaster Mitigation Institute - Ahmadabad	India	50. Women can do it - Muna Chaulai Hastakala Udhog	Nepal
25. Re-building War-devastated Livelihoods ... :Reviving the Famous Jaffna Leather Factory	Sri Lanka	From SAARC Secretariat (2005):	
26. Food Aid to Students in Food Insecure Districts and Road Workers	Bhutan	51. Micro-Credit Brings Poor Women's Economic Emancipation	Bangladesh
		52. Sibaram Model Primary Government School: An Alternative Development Model	Bangladesh
		53. Herbal Village of Natore: Changing Faces of Livelihoods	Bangladesh

Source and Title	Country	Source and Title	Country
54. Rural Roads and Poverty Alleviation	Bhutan	81. Rural Community Infrastructure Works: Building Environmentally Friendly, Low Maintenance Rural Green Roads through Local Participation	Nepal
55. Government - BGO Partnership in Managing Juvenile Homes	India	82. Kussghal Pakistan Programme	Pakistan
56. People's Initiatives in Water Management	India	83. The Community Development and Livelihood Development Project, 'Gamidiriya'	Sri Lanka
57. Mushrooms, a Weapon Against Poverty in Jharkhand	India	From ISACPA (2007):	
58. South Asia Poverty Alleviation Programme (SAPAP)	Maldives	84. Community-Based Flood Plain Agriculture: The Daudkandi Model	Bangladesh
59. Mechanization of Fishing Boats (Masdhoni) to Increase Fish Catch	Maldives	85. Local Development Initiatives	Bhutan
60. Mobile Health Services	Maldives	86. Targeted Poverty Reduction Interventions	Bhutan
61. Poverty Reduction through High Value Agriculture: Experience of CEAPRED	Nepal	87. Helping the Targeted Disadvantaged Youth through Traditional Arts and Crafts Training	Bhutan
62. Village Development Programme under PDDP/LGP	Nepal	88. Improvement of Socio-Economic Conditions of Bhutanese Women: NWAB	Bhutan
63. Community Forestry in Nepal and its contribution to Poverty Reduction	Nepal	89. Livelihood Through Community Pastures	India
64. Devolution - from Transition to Consolidation	Pakistan	90. National Rural Employment Guarantee Programme and Social Audit in Dungapur	India
65. Al Sipfa Trust Eye Hospital	Pakistan	91. Mainstreaming the Invisible and the Voiceless Home net South Asia	India
66. Pakistan Participatory Poverty Assessment - Voices of the Poor	Pakistan	92. Poverty Alleviation Fund	Nepal
67. Micro Insurance for the Poor	Sri Lanka	93. Case Study on Katch Abadis (Slums)	Pakistan
68. Micro Finance - Samurdhi Banking Societies	Sri Lanka	94. Case Study on Microfinance	Pakistan
69. Help Women (Palisarana Kantha) Programme	Sri Lanka	95. Sansa- Thrift and Credit Co-operative Movement	Sri Lanka
From SAARC Secretariat (2006):		96. Gemi Diriya Community Development and Livelihood Project	Sri Lanka
70. An Initiative to Reach the Poorest of the Poor: Struggling (Beggar) Members Programme of Gramin Bank	Bangladesh	97. Education for Nomadic Tribes	India
71. Khushhali Bank (Access to micro-credit for self-employment)	Pakistan	98. Free School Text Book Programme	Sri Lanka
72. Jana Pubudhu	Sri Lanka	99. Health Care in Tribal Area	India
73. Pioneering Venture by the Government Primary Education Stipend Project	Bangladesh	100. National Vitamin A Programme	Nepal
74. Educational Development in Himanchal Pradesh	India	101. Reduction of Wood Consumption through Efficient and Smokeless Stoves	Bhutan
75. Poverty Alleviation Fund	Nepal	102. System of Rice Intensification: A New Approach	India
76. Skill Development for Employment Generation, NRSP	Pakistan	103. Rural Water Supply and Sanitation Fund Development Board : An Approach for Sustainable Rural Development	Nepal
77. Dairy as a Viable Livelihood Option for Women	India	104. Community Forestry Programme	Nepal
78. Youth Development Fund's Carpentry Skills Training Programme for Out-of-School Youth in Zhemgang District	Bhutan	From SAARC Secretariat (2013):	
79. An Institutional Innovation for Rural Employment Generation: Palli Karma-Shayak Foundation	Bangladesh	105. Lease farming by marginalized women in Kerala under poverty eradication (Kudumbashree)	India
80. Rural Renewable Energy and Livelihoods	India	106. Innovative land redistribution experiments in some States	India
		107. My Land, My Garden: Cultivation and Dwelling Plot Scheme	India

Sources: ISCAPA (2003) refers to "Our Future Our Responsibility: Road Map Towards a Poverty Free South Asia". ISCAPA (2007) refers to "A Compendium of Best Practices Towards Attainment of the SAARC Development Goals (SDGs): Learning from Good and Innovative Practices". SAARC Secretariat refers to RPP Profile 2003; RPPe 2004: Changing Face of Poverty in South Asia; RPP 2005: Poverty Reduction in South Asia through Productive Employment; RPP 2007-08: Infrastructure Development and Poverty Reduction in South Asia; and RPP 2009-10: Food Security Challenges for the Poor and Social Inclusion.

Notes: (1) SAARC Secretariat (2003) SAARC RPP 2003 has listed 36 best practices in poverty alleviation and provides details for 14 projects. The table above includes these 14 best practices only. (2) SAARC Secretariat (2013) SAARC RPP 2009-10 included, besides the above list, some exemplary programs from countries such as India: Aam Admi Bima Yojana, Rashtriya Swasthya Bima Yojana, The Unorganized Workers' Social Security Act 2008, Right of Children to Free and Compulsory Education Act 2009, National Program of Mid-Day Meals in Schools, Rajiv Awas Yojana, Pradhan Mantri Swasthya Suraksha Yojana, Integrated Child Development Services Scheme, Rajiv Gandhi Scheme for Empowerment of Adolescent Girls; Pakistan: Benazir Income Support Program, Pakistan Bait-ul-Mal, Employees' Old Age Benefits Institution; and Sri Lanka: National Poverty Alleviation Program (Samrudhi).

3. Template for Best Practices

The SAARC Secretariat circulated a detailed Concept Note in October 2012 on the procedure and formats for preparing papers on the best practices in poverty alleviation by the Member

States. The Concept Note included decisions of the Summits and other meetings with respect to the best practices in poverty alleviation, the criteria to be employed for screening interventions as possible best practices, a template for reporting country best practices and another template for

reporting preparations on a synthesis report of best practices at the regional level, and suggestions for follow-up programs. The Concept Note also indicated the possibility of choosing select best practices for their upscaling as investment projects for poverty alleviation at the regional/sub-regional levels. The template is included as an annex to this report, suggesting elaboration on the following among others:

1. Criteria for selection of project/policy intervention as the best practices in a particular country.
2. Template for preparing country reports from each SAARC Member State, and
3. Template for preparing a regional synthesis based on the country reports.

Best Practices: In general, a Best Practice that is effective in one place needs to be adapted to be effective elsewhere, though often only a few core principles can be transferred. This is a ‘rational approach’. With increasing globalization, it is a ‘learning approach’ that is likely to gain impetus in the years to come. In the meantime, it is an uncertain approach because the social, economic, and cultural variations as well as variations in target groups are likely to disturb direct transfer of one successful program to a different culture. The idea of developing a Best Practice Database stems from the fact that carefully documented case histories can provide excellent guidelines for policymaking and planning of new programs. The goal of the Database on Best Practices is to present and promote creative, successful, and sustainable solutions to economic and social problems arising from poverty and social exclusion in order to build a bridge between empirical solutions, research, and policy, contributing to the ultimate goal of poverty reduction.

Areas to be Covered, and Selection of themes for Best Practices: The Concept Note tasked the country authors to select studies based on their departmental decisions. The poverty alleviation program stated differently as livelihoods are a sub-set of the SDGs. However, it was indicated that the Member States might choose to document the Best Practices with respect to various aspects of Plan of Action on Poverty Alleviation (PAPA) or some indicators of the SDGs. The Secretariat made available various aspects of PAPA or indicators of SDGs for choosing the best practices

in the form of tables which were included as appendices in Tables 1 and 2 of the Template³.

1. The Plan of Action on Poverty Alleviation lists the Internal Policies under 12 main headings, and the External Policies under four main headings. Using these 16 headings and points under each of them, one could choose any topic for study on the best practices from a menu of 62 instruments. In general, these topics will be based on the prevailing regional issues with due consideration to the issues that are emerging. Examples include demography and migration, youth employment, profiles of poverty. Details are provided in Table 1 of the appendix on template.
2. ISACPA’s Taking SDGs Forward (2007-12) has 22 goals and 67 indicators. Since the SDGs are a South Asia version of MDGs, the studies conducted for MDGs would also be helpful for SDGs. Details are provided in Table 2 of the appendix on template.

Structure of Individual Case Studies and Experience Sharing:

The outline of the report is designed to facilitate input/cost-analysis of Best Practices. This is important to derive lessons for investment projects. Individual Best Practices studies in the member countries need to follow a common template as far as possible to facilitate comparison and synthesis at the regional level to produce the main report. The Country Reports included in this publication are quite varied.

Layout Plan for Regional Synthesis of Country Report:

The documentation of country-wise reports on the best practices, floor discussions on the theme, notes of the rapporteur, and concluding remarks of the Chairs of sessions have contributed to the preparation of the Main Report or Compendium of the Best Practices, including a synthesis chapter.

The Concept Note also suggested some procedures for interaction between country authors and the Secretariat to develop and finalize the papers. The Secretariat made available the Concept Note to the Member States via the established channel of the Ministry of Foreign Affairs/External Affairs for its onward submission to the relevant line agency to choose authors of the Best Practices and community-level beneficiaries. The Secretariat

also provided feedbacks in the form of reviews as per the criteria and methods on draft papers to seven out of the eight country authors. The final decision on the structure and content of these reports was taken by country authors in their specific contexts. Accordingly, the present Compendium includes country reports/best practices of poverty alleviation as deemed appropriate by the Member States to which a regional synthesis report has been added.

4. Symposium on Best Practices

The Symposium on the Best Practices in Poverty Alleviation aimed to facilitate interaction of participants about their program design, efficiency, impact, sustainability, and the potential to upscale these interventions as investment projects in the region. To this end, the Symposium's module of deliberations included the following:

1. A complete session for each country suggesting presentation of its best practices with at least four such interventions;
2. Authors from the respective Member States present their best practices emphasizing the context, design of interventions, outcomes, and recommendations;
3. A select beneficiary of a project from the community with information on their experience in improving the livelihoods of people and opinion about the follow-up actions;
4. After country presentations and discussions, another plenary session with subject matter specialists as defined in the concept notes such as urban slum upgrading, renewable energy, micro-credit/micro-insurance, connectivity, etc as potential regional projects;
5. Group division of the participants from Member States and Development Partners to arrive at prioritization of the best practices for further development into regional/sub-regional investment cooperation.
6. The chair for each country presentation, project concept note, and group work summing up the deliberations emphasizing the way forward.

Chapter 10 synthesizes recommendations from the perspective of regional cooperation for poverty alleviation and other MDG/SDG indicators.

5. Organization of the Report

The present Compendium of the Best Practices, second in the series, is organized into ten chapters. Chapter 1 begins by outlining the emphasis of SAARC institutions on poverty alleviation from 1985 to 2012 when the Poverty Alleviation Ministers' meeting extended the periodicity of the SAARC Development Goals upto 2015. It also deals with the dimensions of poverty in the region, prior studies on the best practices, methods in terms of a common template for analysis of the best practices and report writing, and the process followed by the symposium.

Chapters 2-9 deal in alphabetical order with the Member States' respective reports on the best practices with emphasis on recent works and future prospects. These reports vary substantially in their program/projects' specificity, analysis, proven knowledge, and inventory of reported interventions. Altogether, the Member States have reported 28 prioritized programs/practices (Tables 1-2).

Table 1.2 States and prioritized programs

Member State	Number of reports detailed and specific interventions
Afghanistan	4
Bangladesh	5
Bhutan	3
India	4
Maldives	4
Nepal	3
Pakistan	1
Sri Lanka	4
Total	28

Chapter 10 sheds light on a regional perspective, with conclusions from the above mentioned 28 studies, additional project concept notes, and group works tasked to suggest conclusions and recommendations from the Symposium in terms of the way forward.

* * *

Chapter 2

Afghanistan



Contributors:

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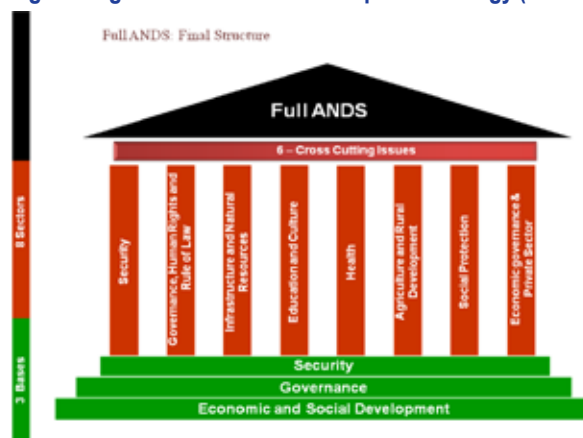
Afghanistan emerged in late 2001 as a State that suffered devastation of unprecedented proportions in its modern history. Beginning in December 5, 2001, the Bonn Agreement guided Afghanistan's transformation toward a new era of democratic self-governance. On December 22, 2001, the Afghan Interim Authority was officially inaugurated. On October 9, 2004, the presidential election was held when 9.8 million voters (41% women) took part and among 18 candidates Hamid Karzai was chosen as the president. On 18 September 2005, 249 member National Assembly was elected with 49 seats for women.

Decades of war and destruction ruined the entire socio-economic infrastructure and everything in Afghanistan had to start from zero. Fortunately, in a few years, as a result of the partnership between Afghanistan and the international community, a new democratic Constitution came up embracing the freedom of speech and equal rights for women. Today, over five million Afghan refugees have returned home in one of the largest movements of people in history to their homeland.

Thousands of schools have also been built, with almost eight million boys and girls going to schools, the highest level Afghanistan ever experienced. More than one thousand health clinics have been established boosting the country's basic health coverage from a depressing 9% ten years ago to over 85%. The rapid economic growth with a double digit figure for every year has brought a higher income and better living conditions for the people. With a developing road network and a state-of-the-art communications infrastructure, Afghanistan is now better placed to serve as an economic land-bridge in the our region.

These achievements would not have been possible without the unwavering support of the international community and the strong determination of the Afghan people. But the achievements must not distract the state from enormous tasks that lie ahead. Terrorism and narcotics still threaten Afghanistan and the region. The nation's progress is still undermined by the betrayal of public trust

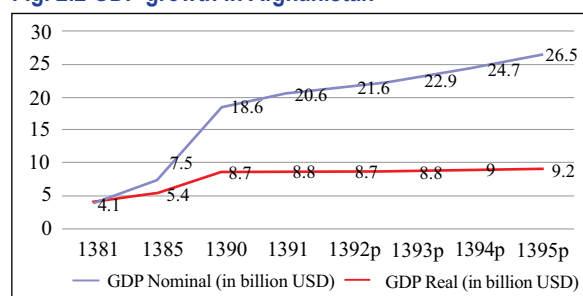
Fig. 2.1 Afghanistan national development strategy (ANDS)



by some state functionaries and uncoordinated and inefficient aid delivery. Strengthening governance and rebuilding judiciary remain the most difficult tasks.

In order to meet the results expected on poverty alleviation and overcome challenges, the Afghan government adopted Millennium Development Goals (MDGs) Declaration in late 2004 and based on the MDGs' preplanned frameworks, Afghanistan National Development Strategy (ANDS) has been developed which serves as the Poverty Reduction Strategy Paper (PRSP) for the country (figs. 2.1-2.3).

Fig. 2.2 GDP growth in Afghanistan



Status of Poverty

According to the information available from the National Risk and Vulnerability Assessment (NRVA 2007/2008), 36% of the country's population now leaves under the poverty line. The population is mainly rural with a very low urbanization rate of 25%. Many people live in highly isolated small rural settlements which obviously affect the ability to provide public services at high transition costs. Population

growth now is rapidly pushing up the urban density and as education improves, especially young people from the rural areas try to find better living incities.

Adhering to the international best practices, the poverty line was set as the level of per capita consumption at which the members of a household can be expected to meet their ‘basic needs’ in terms of both food and non-food consumption¹. Updating the original poverty line, as opposed to setting a new one, has the advantage of preserving the comparability of poverty estimates over time, allowing analysis of changes in poverty.

Afghan youths generally lack educational and employment opportunities and hardly ever participate in decision-making at the local and national levels. This encourages the narcotics industry, illegal armed groups, and terrorist organizations, violence, trafficking, and illegal migration since there is a profound lack of alternatives to engage and empower the vulnerable communities.

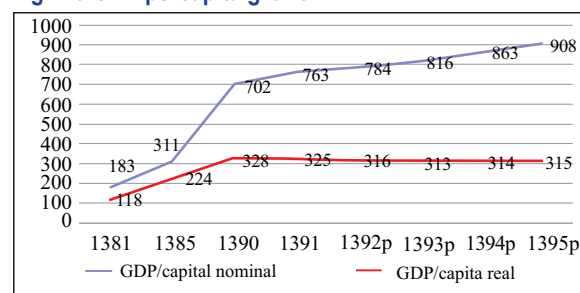
The Sustainable Livelihoods Approach (SLA) adopted by the Afghan government is a way to improve the livelihoods of poor people. It draws on the main factors that affect poor people’s livelihoods and the typical relationships between these factors. It can be used in planning new development activities and in assessing the contribution that the existing activities have made to sustainable livelihood.

The two key components of SLA are:

- a framework that helps in understanding the complexities of poverty;
- a set of principles to guide action to address and overcome poverty.

The SLA framework places people, particularly the poor in the rural areas, at the center of a web of inter-related influences that affect how these people create a livelihood for themselves and their households. Closest to the people at the center of the framework are the resources and livelihood assets that they have access to natural resources,

Fig. 2.3 GDP percapita growth



technologies, skills, knowledge and capacity’s their health, access to education, sources of credit; and their networks of social support. Their access to these assets is strongly influenced by their vulnerability, which takes account of trends like economic, political, and technological shocks such as epidemics, natural disasters, civil strives and seasonality as also prices and production, and employment opportunities.

People are the main concern, rather than the resources they use or their government. SLA is used to identify the main constraints and opportunities faced by poor people, as expressed by them. It builds on these definitions and then supports poor people as they address the constraints or take advantage of opportunities. The framework is neither a model that aims to incorporate all the key elements of people’s livelihoods, nor a universal solution. Rather, it is a means of stimulating thought and analysis which needs to be adjusted and elaborated depending on the situation (tables 2.1-2.2).

Poverty Alleviation Programs

Socio-economic development over the past ten years ensures that there is good scope to move forward and break the vicious cycle of poverty and deprivation in the country.

i. Microfinance

Entrepreneurs across Afghanistan use Small Loans Programs to expand their business and improve the lives of poor people. Some 2.6 million households today live below the poverty line, about 288,000 of whom have access to microfinance services.

This sector experienced limited growth around 11% by the end of 2010, due to deteriorating security environment and poor consolidation of the microfinance sector. AKAM Foundation offers loans to carpenters throughout Afghanistan as many areas, including Kabul, are going through a building boom. Building windows and doors can be a profitable enterprise for people with the right skills.

The First Micro-Finance Bank in Afghanistan (FMFB-A) currently is the largest microfinance institution in the country in terms of outstanding portfolio size with US\$ 45.7 million in 2010 in microfinance loans compared to US\$ 39.8 million in 2009. It sought to consolidate its position as the leading Afghan microfinance institution and recorded a small client growth in 2010 while other microfinance institutions were struggling to offer services to people in need as their clients.

With the support of the International Finance Corporation, a housing microfinance loan product was developed, currently available in all urban branches. FMFB-A is working on replicating and adapting the product to rural areas. FMFB-A's pursuit of social goals is supported by adherence to principles of financial stability and sustainability. It is through this model that the Bank can help the long-term development of Afghanistan.

Small and Medium-sized Enterprises (SMEs) and their supporting private sector institutions advocate policy reforms to eliminate barriers to establishing and sustaining successful businesses, support development of local business infrastructure, facilitate public-private partnerships, support practical business training for private sector leaders, and facilitate internal and external market linkages for Afghan SMEs.

As a practical example, Mrs. Shamim and Mr. Mohammad Hafiz believe that Micro-Finance Loan Program is a helpful business partner that they cannot survive without. Each received a small loan to expand business and each says the capital has made a big difference in their lives and now they earn profit and enjoy good future prospects. Small loans can thus bring about big changes in the lives of poor and needy people

and just a small amount can bring changes in the line of business to a sustainable level to eradicate extreme poverty.

ii. Food-for-Work Program

For Afghan families in drought-affected areas, a basket of food in exchange for labor may mean the difference between health and acute malnutrition. The World Food Program (WFP) initiated a new policy of Food-for-Work program, which supports families with a basket of wheat, vegetable oils, pulses, and salt in exchange for productive labor. In Shiberghan (Jawzjan Province), the work involves cleaning drainage canals and moving soil out of flood-prone areas which is a good move for socio-economic development in the country.

Table 2.1 Average land-size in jeribs distributed among households engaged in agriculture sector by region, Afghanistan

Region	Non-Poor	Poor	Total
Central	4.4	2.7	3.9
South	7.9	4.0	6.4
East	3.3	2.6	3.1
Northeast	15.2	10.8	13.7
North	17.6	12.2	15.5
West	16.4	13.5	15.5
Southwest	11.9	8.4	11.3
West Central	7.9	5.9	7.0
National	10.9	7.5	9.8

Source: NRVA 2007-2008.

The Program has done very well in poverty alleviation in the country. USAID and other donors pledged US\$72 million to support WFP's emergency operation in 14 drought-affected provinces in northern and central Afghanistan. Nearly 60% of the country's children are afflicted by stunting, a condition caused by acute malnutrition that affects growth. But WFP is trying to pre-empt this with a blanket supplementary feeding program for 4,000 children aged between six months and five years in Shiberghan district. It provides vital nutrients and will run till the next harvest.

Here is a practical example. Mr. Abdul Jalil is a master mason in Jawzjan province in the north of Afghanistan, but he earns too little to feed his family of twelve. His family is one of many that go to bed hungry. The next day's fare may

once again be nan and tea. It is much the same story for Mohammed Sadeq, an unskilled worker who plies his trade in Shiberghan, barely a few miles away. The only hope for them is Food-for-Work program of WFP whence they can earn healthy foods for their family and contribute in infrastructure development of Afghanistan.

Table 2.2 Poverty rate by region, Afghanistan

Region	Poverty Incidence (%)
Central	30
South	44
East	44
Northeast	36
North	40
West	35
Southwest	22
West Central	48
National	36

Source: NRVA 2007-2008.

iii. National Solidarity Program (NSP)

The National Solidarity Programme (NSP) that lays the foundation for a sustainable form of inclusive local governance, rural reconstruction, and poverty alleviation in the country was initiated in 2009 by the Government to develop the ability of Afghan communities to identify, plan, manage, and monitor their own development projects. It promotes development whereby communities get empowered to make decisions and manage resources through all stages of the project implementation cycle.

NSP is the largest community development program in the history of Afghanistan. Known in Dari as ‘Hambastagi Milli’ and in Pashtu as ‘Milli Paiwastoon’, it is based on the Afghan traditions of ‘Ashar’ (i.e. community members working together on a volunteer basis to improve community infrastructure) and ‘Jirga’ – councils comprising of respected members of the community. Islamic values of unity, equity, and justice are encouraged. The following principles guide the course: implementation of participatory and inclusive decision-making processes, gender equity, transparency, accountability in the use of program funds, and sustainability (including but not limited to requiring community contribution for operation and maintenance).

The Program is executed by the Government with funding from the International Development Association (IDA) of the World Bank Group, the Afghanistan Reconstruction Trust Fund (ARTF), and other donors. The main elements are:

- Facilitation at the community level to assist communities to establish inclusive community institutions through secret ballot and democratic election; reaching consensus on priorities and corresponding sub-project activities; development of eligible subproject proposals that comply with NSP appraisal criteria; and implementation of approved subprojects;
- Building the capacities of Community Development Councils (CDCs) and community members (men and women) in participation, consensus-building, accounting, procurement and contract management, operations and maintenance, and monitoring;
- Providing direct block grant transfers to fund-approved subprojects; and
- Linking CDCs to government agencies, NGOs, and donors to improve access to services and resources.

iv. Safety Net Program

In line with the Afghanistan National Development Strategy (ANDS) Goals and Planned Targets, this Program has been designed to support implementation of the Social Protection Sector Strategy. Poverty in Afghanistan is largely a rural phenomenon and the poor are among the largest vulnerable mass in the country. The target beneficiary will be based on available poverty analysis and data collected mainly through the NRVAs. As mentioned already, vulnerability in winter is much greater than during summer and the rural population is less vulnerable during the harvest period.

The Safety Net Program benefit will be distributed in the form of cash transfers. It will include only ‘light’ conditionality: households will be asked to participate in information sharing and awareness raising activities such as how to use microfinance scheme and how to use cash transfer most

productively. Cash transfer will cover a period of six months aimed at enhancing the food security of the poorest households during winter (winterization).

Vulnerable households will on average receive a total amount of around US\$ 360. As US\$ 1.4 million will be available for cash transfer, it will enable around 3900 most vulnerable families to be covered under this program each year. In order to decrease costs, cash transfer will be distributed once a year, and before winter (in November). This program will focus on supporting the following:

- Poor families with large numbers of children
- Poor families headed by a disabled person
- Poor families with disabled member/members
- Female-headed poor families
- Elders without family support
- Poor IDP families.

v. Sustainable Decent Work

Facilitation of Sustainable Decent Work through Skills Development and Employment Policies for Job-Rich Growth Program is organized around the shared belief that the government, private sector, and civil society should work together coherently in development of human resources capacity to maximize benefits for all Afghan citizens.

Despite a wide range of educational initiatives, evidence suggests that neither recent graduates nor the labor force as a whole fully meet the skill demands of the market. Three components address the current needs while considering the priority target groups and provincial and district-level demographics. Each of them plays a vital and interconnected role in Afghanistan's path to economic and political stability. Job-rich economic growth must be matched by a corresponding growth in skilled workers and meeting skill demands, as well as governmental capacity to lead and respond to the changing labor market needs.

Component A- Employment Policies and Labor Market Information Systems for Promoting Job-Rich Growth and Decent Work: It aims to strengthen the policy and institutional framework needed to ensure that the Afghan labor force responds to the market needs in terms of

quality, types of skills offered, and facilitating gainful employment of Afghans in decent work conditions.

Component B- Occupational Literacy in Technical and Vocational Education (Literacy for Labor): It recognizes some of the failures of the current approaches to literacy training, particularly with regard to integrating literacy and skills training. Under this component, a shift in operational and strategic approach is proposed to target occupational skills to make it a more beneficial and efficient training for the participant.

Component C- Improved Quality and Increased Access to Technical and Vocational Education and Training: It addresses the gap between labor supply and market demands. Activities under this Component move beyond fundamental literacy to an expanded program of market-driven short courses, based on the increased flow of data stemming from new initiatives and units in Component A, and through a range of initiatives to increase participation of the private sector in the skill development system. This Component aims to 1) Ensure high quality technical and vocational education responsive to labor market needs; 2) Expand the number of Afghan women and men with access to technical and vocational education and training; and 3) Improve the institutional capacity to more effectively answer the increasing demands for technical and vocational education and training.

vi. Capacity Development

National Action Plan for the Women of Afghanistan (NAPWA) leads to (a) increased capacity of the Ministry of Women to serve as a substantive leader with oversight on NAPWA implementation; (b) a critical mass of gender professionals in ministries and local government units with capacity and commitment to foster NAPWA implementation; (c) model approaches on gender mainstreaming in policies and programs for each cluster; (d) institutionalized approach to gender research in aid of policy; (e) reduced social resistance to women's empowerment and gender equality efforts of

Woman empowerment in Afghanistan



government; and (f) functional compliance monitoring in aid of NAPWA implementation and gender policymaking. Collectively, these results are expected to raise the capacity of women to contribute to national development, access better welfare and social services more efficiently, and enjoy rights as human beings. The government adopted the NAPWA on 19 May 2008 as its primary vehicle for implementing its commitments to women's empowerment and gender equality.

vii. National Skills Development Program

National Skills Development Program (NSDP) is the guiding strategy for the Ministry of Labor and Social Affairs, TVET activities. Its mandate revolves around two main objectives:

- Funding and facilitating market-driven skills training for the unemployed and the under-employed; and

Women engaged in sports in Afghanistan



- Supporting the development of the TVET system by providing NOSS to the MoE for integration into the curricula, conducting labor market studies, mapping, registering, and assessing the capacity of TVET providers

Whilst education in general and TVET in particular has been recognized as a driver of poverty reduction and sustainable development, considerable challenges remain:

- Around 11 million workers have no formal skills and very low or no educational attainment. Only 36% of the population is literate.
- Unemployment and underemployment in Afghanistan is a pervasive problem due to the absence of a dynamic formal private sector (90%).
- Afghanistan's population is growing rapidly and shows a massive 'youth bulge' (400,000/year). Afghanistan is among the poorest countries in the world where 36% of the people live below the nationally defined poverty line.
- Afghanistan is predominantly an agrarian economy where 70% of the population lives in rural areas.

viii. Provincial Development Plans (PDP)

The role of PDP, which is not a separate organ of the government, will be a coordinating body to strengthen the horizontal links between sectoral ministries and other stakeholders to plan and implement development in the provinces. It will be tasked to provide assistance to provincial administration for improved and structured decision-making capacity to development projects and program activities. In particular, PDP will provide help in planning, implementation, monitoring, evaluation and assessment of progress of work, and mobilization of resources within the framework of the provincial administration duties and responsibilities.

Effective provincial coordination and planning requires establishment of appropriate bodies for consultation and coordination and structures as well, to support their efforts. Since a variety of coordination bodies already exist at the provincial

level, the government seeks to articulate a policy framework for the establishment of a single policy and coordinating body at the provincial level that is empowered to coordinate government and external resources for achieving higher standards of integrated planning and implementation of development programs, projects, and activities. These must conform to the reformed structure of public administration at the provincial level.

PDP will function within the framework of the National Development Strategy formulated in the near future, setting up policy and program priorities for a provincial development plan and implementation strategies in accordance with the agreed parameters with the central government.

ix. AID Effectiveness

Since 2001, Afghanistan has received more than \$15 billion in development assistance. The amount of assistance received will be significantly more if security-related off-budget aid, which is often under-reported, is taken into consideration. Current estimates on the total amount of assistance (ODA and security-related expenditures) received by Afghanistan put the figure at over \$40 billion. Together with domestic revenue raising efforts, which by 2007 was able to finance about 67 percent of operating expenses, the annual GDP growth rate averaged 14.8 percent during 2002-2007.

The Government of Afghanistan is strongly committed to making aid more effective by working with donors to achieve the benchmarks of the Paris Declaration and the Afghanistan Compact. The Government of Afghanistan will continue to work on several fronts to deepen the ownership and implementation of the ANDS to achieve the MDGs. These benchmarks, targets, and goals will be achieved with the full cooperation and assistance of the donor community. The motivation behind this commitment is simple: realization that making aid more effective by reducing overlap, duplication, and administrative cost of aid in the short run would leave a larger impact on increasing the benefits of aid in the longer term.

In addition to the key principles of the Paris Declaration on Aid Effectiveness, Afghanistan's Aid Policy Strategy is also shaped by the following four principles to make aid more effective over the ANDS period:

A results-based approach, with improved monitoring and evaluation of development programs and projects by both the Government of Afghanistan and donors.

Good governance: Good governance provides a broad setting for development and its quality has a profound effect on development success and aid effectiveness.

Building capacity: Enhanced capacity in public and private sectors is also critical to sustainable development. Past aid programming often failed because it focused on resource transfers by donors but did not provide enough support to local capacity development efforts to sustain these investments once the donors withdraw support.

Engaging civil society: Participatory processes, particularly those engaging civil society and the people expected to benefit, are essential to establishing clear, locally owned priorities so that aid becomes demand-driven and has maximum impact. This will also ensure aid investments to help meet the needs of the poorest and the most marginalized people.

Assessing SAARC Development Goals

i. Livelihood SDGs

The Sustainable Livelihood Approach (SLA) in Afghanistan is a way to improve understanding of the livelihood of poor people which draws on the main factors affecting poor people's livelihood and the typical relationships between these factors. It can be used in planning new development activities and assessing the contribution the existing activities have made to sustaining livelihood. Livelihood Objectives are:

- Improving the quality of life of the poor people;
- Securing the necessities of life of the poor people;

- Availability of and accessibility to the basic needs of life; and
- Accessibility to information, cultural knowledge, social networks, and legal rights.

Women at skill development in Afghanistan



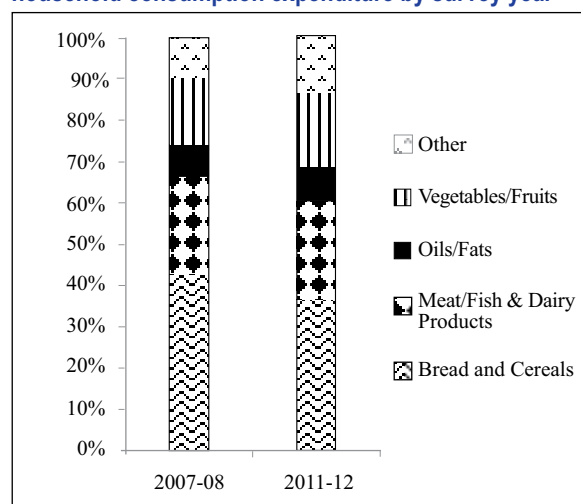
In Afghanistan, more than 48% of the employed work an average of less than 35 hours per week. Underemployment is particularly severe in rural areas where it affects 53% of the workers.

Child labor in Afghanistan mainly affects boys and is higher in rural labor markets. Out of nearly eight million (25%) Afghan children between the ages of 6 and 15 years, eight percent are engaged in some form of economic activity (working either for pay in family business, handicrafts, assisting with agriculture or livestock). Male child labor is almost twice that of females and child labor is almost three times higher in the rural areas than in the urban areas.

Goal 1: Eradication of Hunger/Poverty

The official national average poverty line for Afghanistan is 1253 Afs per person per month. This represents the typical cost of attaining 2100 calories per person per day and of meeting basic nonfood needs, in terms of fall 2007 prices from the urban areas of central Afghanistan. The poverty line reflects regional differences in the cost of living, and also accounts for inflation over the time of the survey. According to RAWA, a not-for-profit and nongovernmental organization, 59% of the total population of children under 5 are suffering from malnutrition in Afghanistan (ref. Fig 2.4).

Fig. 2.4 Share of various kinds of food groups in household consumption expenditure by survey year



Goal 2: Halve the Proportion of People in Poverty by 2010

The percentage of people living on less than 1\$ per day (PPP): According to ANDS annual progress report for the year 1,390 (2010 and 2011), 36% of the population are living under \$1/day. Head count poverty ratio is identified as \$1/Day for Afghanistan (Table 2.3).

The updated poverty line is estimated by pricing the original food basket at the survey prices obtained from the NRVA 11-12 survey. With the “updated” food poverty line, the non-food poverty line is estimated following the same methodology used as baseline, namely estimating the median non-food expenditure of a balanced sample comprising 20% of the households consuming food around poverty line.

A comparative analysis of food consumption patterns from the two survey rounds shows a reduction over time in the relative share of staple food (bread and cereals) over total, and increase in consumption of relatively more nutritious food items in meat and fish, dairy, and vegetables categories.

Table 2.3 Share of consumption aggregate components, by quintile (in percentage), Afghanistan

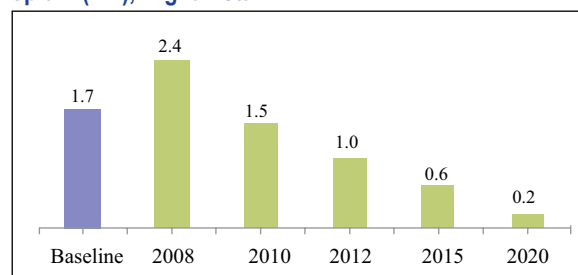
Quintile	Food		Non-Food		Durables		Rent	
	2007-08	2011-12	2007-08	2011-12	2007-08	2011-12	2007-08	2011-12
1 (Poorest)	69	63	22	24	2	2	7	11
2	67	64	24	25	2	2	7	10
3	64	64	25	24	3	3	8	9
4	61	63	27	24	3	4	9	10
5 (Richest)	53	58	29	26	5	6	14	10
Total	63	62	25	24	3	3	9	10

Children looking for livelihood, Afghanistan**Goal 3: Ensure Adequate Nutrition and Dietary Improvement for the Poor**

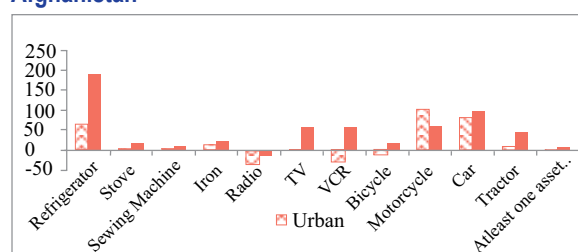
According to UNICEF report (2011), almost 96% people of Afghanistan have access to Vitamin A and 28% to iodized salt (Fig. 2.8).

Goal 4: Ensure a Robust Pro-Poor Growth Process

Reduce the number of Afghans dependent on opium for their livelihoods by 75% by 2015 and by 90% by 2020 from the 2005 level (millions). In 2003, at least 1.7 million people sourced their livelihood from opium. MDGs target requires this number to be reduced by 75% to 425,000 people by 2015 and to 170,000 (90% reduction) by 2020. However, due to security challenges and problems in law enforcement, the Government is committed to reduce this number only to 600,000 people in 2015 and 200,000 people in 2020. The figure of one million people sourcing their livelihood from opium is an estimate provided by the Ministry of Counter-Narcotics. The target of 0.6 million will squarely correlate with the improvement of security, particularly in insecure provinces where cultivation is high (Fig. 2.9).

Fig. 2.5 Number of people sourcing their livelihood from opium (mn), Afghanistan

Consumer durables are included in the consumption aggregate using their 'rental equivalent', to reflect the opportunity cost of money tied up in the durable goods and its lifetime and depreciation¹ (Fig. 2.10). As done in the previous survey round, asset life is assumed to be 10 years (with a flat-line depreciation of 10 percent per year), and an interest rate of 4 percent, implying the effective discount rate of 14 percent.

Fig. 2.6 Household expenditure on Consumer durables, Afghanistan**Goal 5: Strengthen Connectivity for Poorer Regions and of Poor as Social Groups**

Communication connectivity: (The percentage of people using telephone/cell phone) Around 15 million people used mobile phone in 2011.

Goal 6: Reduce Social and Institutional Vulnerabilities of the Poor, Women, and Children

The percentage of children at work: According

to Afghanistan Child Labor Report, twenty-five percent of children are working to earn money for their families.

Sex ratio at birth: According to the UNICEF report of 2011, the sex birth ratio in Afghanistan is 1.05 male/female.

Poorer households are larger with an average size of 8, while non-poor households have on average 6.9 members. The relative difference in household size between the poor and the non-poor households is slightly greater in urban areas.

Goal 7: Ensure Access to Affordable Justice

Afghanistan is on its way to a brighter future than the last thirty years offered, and access to justice and the rule of law is an important component of this long-term objective. Stakeholders such as the international community, aid donors, NGOs, the Afghan government, and civil society need to better communicate, cooperate, and collaborate to expedite social progress and transformation in improving access to justice and protection of citizen rights.

The ratio of girls to boys in primary education: As can be noted from the data reported from the MoE, there has been a steady rise in the ratio of girls to boys in primary education. A clear improvement is evident: From 2008 (59%) to 2010 (66%); the rise was 7% in three years, on average 2.3%. However, from 2010 to 2012 (71%), this rise was 5%, which meant an average of 2.5% progress a year. If the trend is assumed to continue, the target of 83% for 2015 is likely to be underachieved by 4.5%, rendering overall progress under this indicator to 91%, little short of 100%, a too ambitious target.

The Afghanistan Justice Sector Support Program (JSSP) is a multi-pronged effort to develop and strengthen the capacity of Afghan criminal justice sector institutions and justice professionals. Gender Justice Assistance Section (GJAS) is tasked with promoting gender justice initiatives, with specific focus on the rights of women.

This is done by providing advisory services and support to various state entities, including the Ministry of Women's Affairs and agencies that provide direct frontline support to women, such as Family Response Units and Victim Advocacy Referral Centers. GJAS also provides training and capacity building services to police, prosecutors, defense attorney, and corrections officers, so they are able to understand and correctly apply laws that directly affect women.

- Establishment of the Human Rights Support Unit and its official inauguration in the Ministry of Justice;
- Seven Justice facilities, including court houses, detention centers and residences, handed over to district officials in Balkh and Baghlan Provinces and nine new projects initiated in Faryab, Jawzjan, and Badakhshan Provinces;
- Trained 55 Judges, 59 Prosecutors, 39 Huquq Officers, 18 Judicial Police, 638 Religious Leaders, 465 Teachers, and 46,500 Students in Public Legal Awareness of Human Rights;
- Established the Supreme Court Translation Unit including a full-equipped Knowledge Resource Center. In 2010, the Unit translated the main UN human rights instruments, including the International Convention on Civil and Political Rights (ICCPR) and the Convention on Elimination of all forms of Discrimination against Women (CEDAW) into Pashto to increase the ability of Afghan judges to access international laws; and
- Conducted a nationwide media campaign on access to justice and human rights, and awareness trainings for students.

Goal 8: Ensure Effective Participation of the Poor and Women in Anti-poverty Policies and Programs

The vicious cycle of the lack of education, poverty, illiteracy, and violence and insecurity fueling and supporting the highly patriarchal society, even fundamentalism and militancy, continues to operate in today's Afghanistan. Breaking the cycle will take great resolve and courage, as many Afghan women and men have demonstrated, sometimes paying with their lives.

The Afghan Youth generally lack educational and employment opportunities and hardly ever participate in decision-making at the local or national level. The situation of Afghan girls is of particular concern. It is under traditional pressures. Many of them marry early and go through early motherhood. The Afghan youth is also at risk of under-employment. The destitution of young males leads to increased risk of narcotics industry, illegal armed groups, and terrorist organizations while girls are vulnerable to increased levels of violence including trafficking. This generation of youth having experienced conflict and exile generally lacks sufficient alternatives and initiatives to empower them.

Issues and Plans Addressing Gender:

- Women's participation to be increased to 30% in the governmental sector by 2020
- Decreasing gender inequity in the judiciary up to 2015 and eliminating it completely by 2020
- Decreasing 50% mortality rate among mothers up to 2015 and 25% by 2020
- Providing necessary facilities for women in prisons
- Training of 150,000 of women and men in market-needed skills
- Decreasing Maternity Mortality Rate (MMR) by 15%
- Decreasing by 20% the severe poverty rate among poor women
- Increasing job by 20% for women in severe poverty
- Developing women's access to the Media
- Enrolments of 60% of girls in schools
- Increasing the female share in teaching by 50%

Table 2.4 Some Vital statistics, Afghanistan

	Baseline 2002	2008	2010	2011	2012	2014	2015	2016	2020
Maternal Mortality Ratio (in 100,000)	1,600	-	327	NA	NA	320	315	312	400
Proportion of births attended by skilled health personnel (%)	6	28	34	37	47	40	43	46	75
Contraceptive Prevalence Rate (%)	5	15	20	21	21	-	50	-	60
Adolescent Birth Rate	146	122	80	-	NA	-	-	-	-
Fertility Rate (number of live births per woman)	6.2	6.27	5.1	NA	NA	-	4.7	-	3.1
Antenatal Coverage (at least one visit)	5	36	60	48	53	61	65	69	100

* Original target for Maternal Mortality Ratio for 2015 was 800 but Afghanistan achieved this target in 2010. A new target of 315 was set for 2015.

** The original target for the proportion of women receiving professional antenatal coverage for 2015 was 25%, but it was also achieved as early as 2008 and therefore a new target of 65% was set for 2015.

ii. Health SDGs/MDGs

The Vision of this sector is a better physical, mental, and social health for all Afghans and the mission of the HNS is to improve the health and nutritional status of the people of Afghanistan through quality HCSP and promotion of healthy life styles in an equitable and sustainable manner.

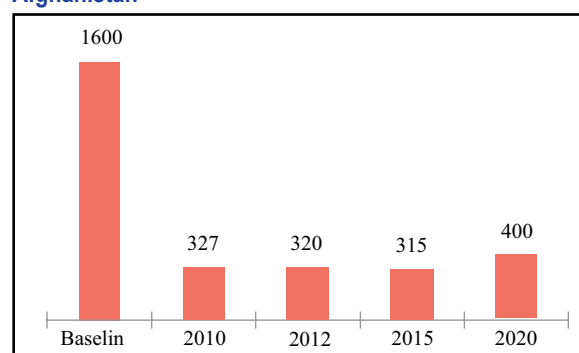
Child protection, Afghanistan



Goal 9: Maternal Mortality Rate in 100,000 Live Births

The result for this goal is 327/100,000 live births in 2010 (Table 2.3).

Fig. 2.7 Maternal Mortality Ratio (per 100,000 births), Afghanistan



For the first time in the country, around 10 million children were vaccinated. In the year 2001, about 8% of Afghans had access to basic health services, but today about 87% have such access to healthcare facilities with a doctor, nurse or midwife. There are more than 1600 health centers functioning across the country (Fig. 2.11).

Healthcare began to improve since 2002. For example, in 2011, 42% skilled attendance was carried out in the case of deliveries and malaria cases have declined by 16% in the year 2011.

Child vaccination, training of medical staff, and establishment of new hospitals have reduced infant mortality by 22% after 2003. About 66% of the population lives within two hours' walking distance of the nearest health facility.

Still every half an hour, on the average, one woman dies from pregnancy-related complications; another dies of tuberculosis; and 14 children die from preventable causes. The average life expectancy is just 44 years.

In fact, the nation has the highest infant mortality rate in the world – 111 deaths per 1000 live births. Maternal mortality is 327/100,000 and 70% of the population lacks access to clean water. The Afghan Ministry of Public Health plans to bring infant mortality down to 400 from 1,600 for every 100,000 live births by 2020.

According to World Bank the life expectancy ratio of women to men is 48/48 (2010).

The age-specific fertility rate of girls (15-24 years) as per the World Bank was 6.3 in 2010.

Goal 10: Child Health

Immunization Coverage: More than 7 million children in 34 provinces of Afghanistan got immunized against polio and 16 million were vaccinated against measles (Fig. 2.12).

Under 5 Child Mortality Rate (CMR): 97 out of every 1000 babies die before they reach the age of 5 according to the ANDS Annual Report 2010/2011.

Infant Mortality Rate: According to the UNICEF Report 2011, Infant Mortality Rate is 134 per 1000 live births.

Neo-Natal Mortality Rate: According to the UNICEF Report 2010, 45 women out of every 1000 live births die before they give birth and the Global Fact Health 2011 Report for Afghanistan says, 62% of the population has access to immunization.

The 50% original target would be reducing the ratio of Mortality Rate to 800 per 100,000, and a further reduction of 25% would bring the ratio to 400.

Goal 11: Affordable Healthcare

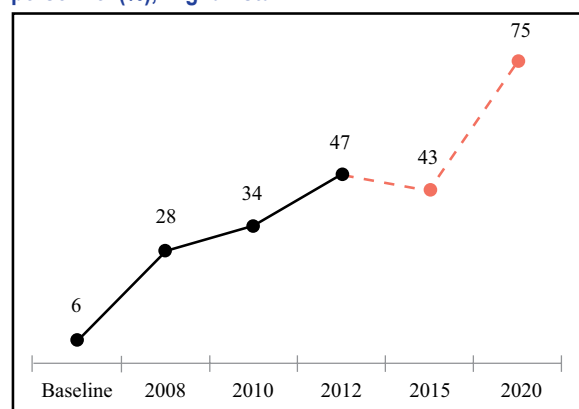
Of the households in Afghanistan, 90 percent pay for their healthcare out of their pockets.

Total government expenditure on health as a percentage of GDP: As per the report of WHO/UN in 2010, 7.6% of the GDP of Afghanistan is spent on health.

The Global Health Report for Afghanistan 2010 says, for each 10,000 individual there are 2 doctors, infant mortality rate is 1110, and maternal mortality rate is 327/100000.

More than 4000 new health clinics have been built. Polio has been nearly eradicated. Of the 300 hospitals functioning in the country, 140 hospitals are state run; the rest are private hospitals. Cholera and diarrheal diseases are

Fig. 2.8 Proportion of births attended by skilled health personnel (%), Afghanistan



being tackled through health education, water chlorination, and construction of wells throughout the country. Children aged 12 to 23 months old are fully vaccinated and immunization is having a real impact.

Goal 12: Improved Hygiene and Public Health

According to November 2011 UNICEF Report, 48% of the population has access to safe drinking water and 37% to sanitation (2011).

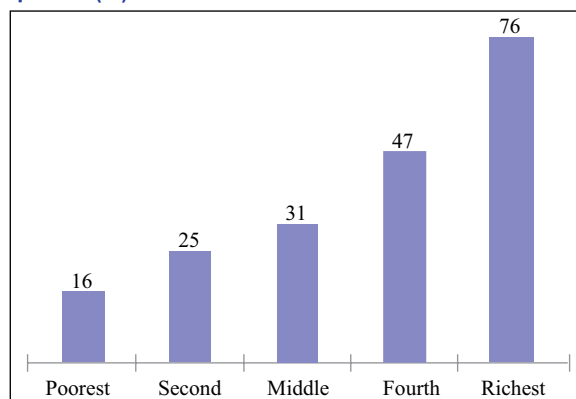
In 2010-11, 8,205 TB incidents were diagnosed and treated and a total of 624 new incidents of HIV (520 male, 124 female) and 392,463 Malaria cases were recorded in 2011.

One important component in the effort to reduce the health risks of mothers and children is to increase the proportion of babies delivered in a safe, clean environment under the supervision of health professionals. Afghanistan is promoting safe motherhood through various activities, especially delivery by Skilled Birth Attendants (SBA). The baseline value was set at 6% in 2003 by MoPH. In 2006, the data recorded was 18.9%, and in 2008, 24%.

The adolescent birth rate (birth per 1,000 women aged 15-19 years) in Afghanistan (Afghanistan Mortality Survey 2010) improved significantly over the past 7 years which declined from 146 in 2003 to 80 in 2010. However, the country still needs to decrease that figure significantly.

The Afghan Civil Law sets the minimum age for marriage at sixteen for girls and at eighteen for

Fig. 2.10 Proportion of skilled birth attendance by wealth quintile (%)



boys. A fifteen year-old girl may, however, marry with her father's approval or with a positive ruling from the court. The Ministry of Public Health highlights a persuasive strategy in preventing childhood marriage. The National Child and Adolescent Strategy 2009-2013 says that all levels of the health system will communicate with adolescent girls, families, and communities to draw attention to the risk that encourages them to postpone marriage till the age of 18. The laws on elimination of violence against women (2009) also prohibit marriage before the legal age. Nonetheless, these laws are not strictly enforced, especially in the remote areas of the country.

Fig. 2.11 Adolescent Birth Rate by Residence (%)

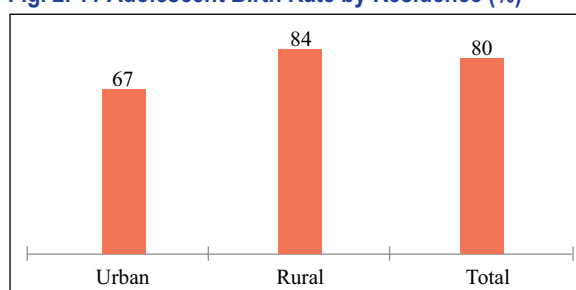
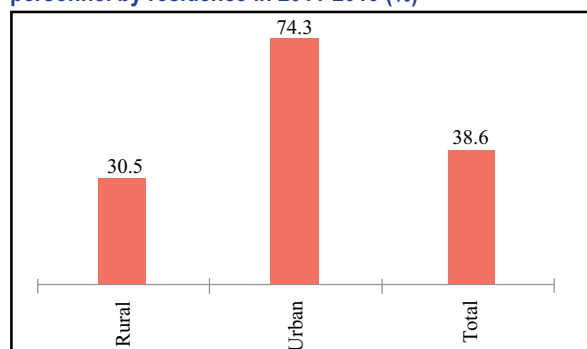


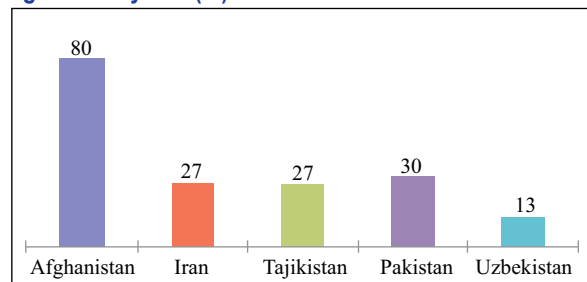
Fig. 2.9 Proportion of births attended by skilled health personnel by residence in 2011-2013 (%)



In reality, it has become a norm for Afghan females below 16 to be married off to much older men for a dowry. The girls do not have a say in such arranged marriages. Financial difficulties are one of the main reasons for the parents to marry off their under-aged daughters. The government tries to persuade families in realizing the drawbacks of under-age marriage. However, cultural and traditional practices have rendered early marriage quiet common in Afghan society. According to

Afghanistan Multiple Indicator Cluster Survey 2010/2011 (MICS), 15.2 percent of the women surveyed were married before the age of 15, and 46 percent before 18.

Fig. 2.12 Adolescent birth rate in neighboring countries aged 15-19 years (%)



iii. Education SDGs/MDGs

Regardless of gender, ethnicity, socioeconomic status or religious affiliation, all Afghans will have equal access to quality education to enable them to develop their knowledge and skills and maximize their potential for increased income and improve the quality of their lives.

School girl at study



Goal 13: Access to Primary/Communal School for All Children

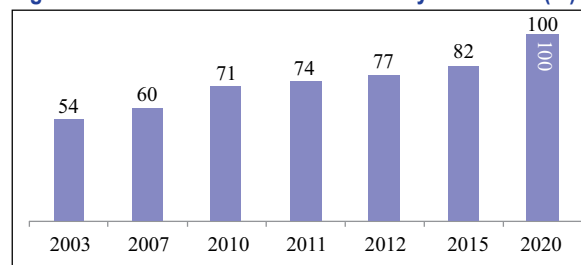
Net Enrollment Ratios in Primary Education: As can be noted from the Fig. 2.14, steady progress can be noticed in the Net Enrollment Ratio in Primary Education since 2010 when the last MDG Report was published. By 2011, the figure was 74%, a 3% increase and 77 % in 2012.

If the pace is maintained, the required average progress for the next three years 2013-15 looks attainable. Between 2013 and 2016, an estimated 4105 new schools are to be built.

Gross Enrolment Rate/Net Enrolment Rate: In 2011, 8,008,676 students are enrolled in schools (Annual Report of the Ministry of Education, 2011).

Gender parity at primary and secondary schools: 38.8% of the students enrolled in the schools are female and 61.2% male (Annual Report of The Ministry of Education, 2011).

Fig. 2.13 Net Enrollment Ratio in Primary Education (%)



More than 8 million students are now going to schools, of whom more than 3 million are females. The total number of teachers in the country is 180,000; the total number of schools is more than 14,000; and the total number of universities 69, out of which 26 are state universities, the rest private universities. However, there are still significant obstacles to education in Afghanistan, such as lack of funding, unsafe school buildings, and cultural norms. There is also a great lack of qualified teachers, especially in the rural areas. Some parents do not allow their daughters to be taught by male teachers.

Goal 14: Completion of Primary Education Cycle

In completion rate of primary education (% relevant age group), the trend is a positive one, with the average of 4% for 2010 and 65% for 2012. Considering the pace, the 75% target for 2015 may be achieved as also the 80% target for 2020.

Fig. 2.14 Gross Enrollment Ratio in Primary Education (%)

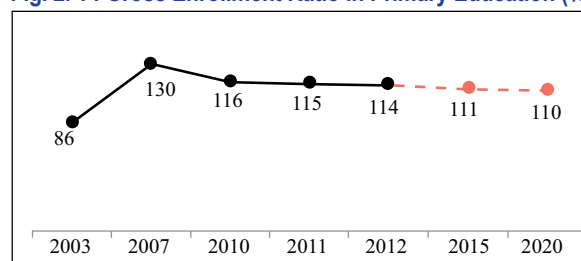


Table 2.5 Some MDG education-related targets in Afghanistan by year (%)

Indicators	2003	2007	2010	2011	2012	2015	2020
Ensure that, by 2020, children everywhere, boys and girls alike, will be able to complete a full course of primary schooling							
Net Enrollment ratio in primary education	54	60	71	74	77	82	100
Gross enrolment ratio in primary education	86	130	116	115	114	111	110
Proportion of pupils starting grade 1 who reach last grade of primary	45	NA	60	62	64	76	80
Primary completion rate total (% of relevant age group)	NA	NA	58	62	65	75	80
Literacy rate of 15- 24 years old	34	37	39	45	47	50	100

Goal 15: Universal Functional Literacy

The Literacy Rate of 15-24 year-old, between 2003 and 2007 rose from 34% to 37% (3%), between 2007 and 2010 it was 37% to 39% (2%). However, the preliminary data of NRVA 2011-2012 provided by the Central Statistics Office (CSO) suggested a noticeable hike between 2010 and 2012: from 39% 47%.

Compared to the 2003-2007 and 2007-2010 intervals, the jump noticed between 2010 and 2012 can be explained by the overthrow of the Taliban regime and the ambitious Back to School Campaign as well as the overall progress and focus that the education sector received over the decade; the increasing number of high schools recently built, re-opened and made functional; the successful campaign for literacy through short courses; as also vocational literacy trainings.

Fig. 2.15 Literacy rate of 15-24 years old (%)

The literacy rate of the population at large is still very low, possibly 36%, but is improving rapidly. Female literacy may have been as low as 15% in 2010.

The number of free and privately owned media has grown to about 500 and people now express their political views more freely and almost daily.

Goal 16: Quality Education at Primary, Secondary, and Vocational Levels

Percentage of trained teachers: 23 (Afghanistan Ministry of Economy Annual Report).

Student-Teacher ratio (STR): 43.7% (ANDS Report of Ministry of Economy of Afghanistan 2011).

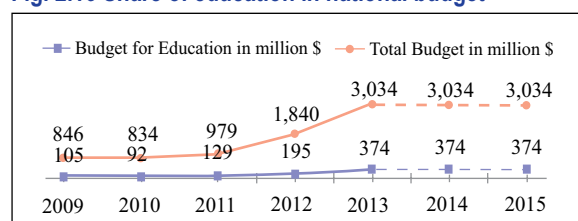
The Afghan government has invested a significant proportion of the total budget in education, over 12% since 2009, and the international community and donors have also put in efforts to allow Afghan families to send their children to school. This has enabled more than nine million Afghan children to continue their education; these efforts do not cover all Afghan children, regionally and gender-wise, but require further investment and rigorous action to meet the MDG targets by 2020.

As to the proportion of pupils starting grade one who reach the last grade, the progress between 2010 and 2012 from 60% to 64% was on average 2%, which means the 76% target for 2015 is unlikely to be achieved. The end target for 2020 is 80%, but efforts can be maintained with sufficient funding to aim for the optimum of a 90% target.

Education Sector: Main Achievements

Attention and access given to education:

- 1,087,009 students (female 41.53%) enrolled in Grade 1
- The number of students increased from 7.1 million in 2010 to 8.0081 million (Male 4,905,687; Female 3,102,989); Total 8,008,676
- Teachers: Male 118,485; Female 54,436; Total 172,921
- Schools Total: 14,562

Fig. 2.16 Share of education in national budget

In 2011

- 150,201 students (female 30%) graduated from the 12th grade.
- 185,000 teachers teach, including 56,656 or 30% female in 14,592 schools.
- This year literacy program provided learning opportunity for more than 553,000 learners (female 53%), taught by 15,018 temporary teachers (including 3,494 government teachers) (female 37%) in over 22,000 courses.

School Textbooks Printed

5.9 million (grades 7-9).

- 7.5 million (grades 10-12) prepared.
- 15.8 million, including textbooks for grades 10-12, teacher guidebooks and printed in other eight local languages
- The contract for printing 16.4 million textbooks for grades 1-6 was signed up with an Indian Printing Press.

Other Achievements

- 243 public awareness campaigns conducted all over the country through mosques, schools, flip charts, posters, media, and brochures.
- 602 schools upgraded from primary to secondary.
- 443 schools upgraded from secondary to upper secondary schools.
- Approximately 80% of the students in 2011 participated in school final exams (the remaining 20% did not participate due to temporary or permanent absence).

Private Schools Licenses and Permits

- 71 private schools received activation licenses and started their activities.
- The number of private schools across the country increased from 440 in 2010 to 511 in 2011.
- In 60 primary, 106 secondary, and 345 upper secondary schools in 2011, a total of 124,408 students enrolled.

Construction of Schools

- This year 519 additional schools were contracted involving 36 projects from the core development budget and 483 from the external development budget.

- Construction of 729 schools and 1,025 projects (repairing walls, toilets, and digging wells) were completed and submitted to MoE providing 204,120 students with safe learning spaces.
- 208 schools were provided with toilets.
- 142,424 tables and chairs were supplied for schools.
- Some schools were renovated through the MoE's ordinary budget.

Extracurricular Activities

- 2,250 sports teams in Afghan schools are engaged in sports.
- 1,595 schools are equipped with sports facilities and equipment.
- Singing the Afghanistan National Anthem is one of the extracurricular activities conducted before starting school lessons everyday by students.

Student Services

- 25 general education schools have dormitories providing 5,622 students with residence, food, and allowances.
- The MoE and its development partners have provided stationery materials and other learning items to 3,171,688 primary students.
- The World Food Program (WFP) has provided food assistance to 2,872,348 students and girls of primary schools in the secondary grades.
- The MoE, in close collaboration with MoPH and development partners, intends to examine the eyesight and hearing of newly enrolled students and, in case of need, to refer them to relevant health clinics.

Academic Supervision

- This year, 75 supervisors have been trained to apply new methods and techniques of supervision in order to enhance the quality of teaching and learning in schools.
- New monitoring systems are being developed to better monitor school activities and progress.

Management and Coordination

- With the establishment of 1,333 new school Shuras this year, the number of school Shuras

has increased to 12,209. The members of these Shuras consist of teachers, parents, elected representatives of communities, and influential elders.

- In total, 1,110 students have been offered long-term scholarships (for bachelor degree) out of the country (420 to India, 400 to Pakistan, 90 to Kazakhstan, 100 to Turkey, and 100 to Russia).

Challenges in Implementation

- Untrained teachers: In general education 68% of the teachers do not meet the standard qualification for trained professional teacher.
- Approximately 360,231 students have dropped out of schools.
- Shortage of teachers: the average student-teacher ratio was 43.7:1. In 2011, student enrolment increased by 14%, but the total number of new positions provided by the Ministry of Finance (MoF) in education was only 4.6% (10,000) including teachers and administrative staff.
- There are no qualified female teachers in 230 districts out of total 412 districts.
- This affects the retention and continuation of girls' education in secondary grades. In fact, there is no girl in the upper secondary grades in 159 districts.

Shortage of School Buildings

Due to the lack of school buildings, private premises have been rented on which the MoE pays substantially every year to cover the rental costs. The 813 buildings rented cost more than 193.4 million Afs yearly. Yet, many classes are held under a tent or in open air.

Insecurity in Provinces

- In the current year, 502 schools in 71 districts of 10 provinces (Farah, Kandahar, Zabul, Uruzgan, Paktika, Helmand, Khost, Paktia, Badghis, and Nimroz) remained closed and approximately 114,000 students could not continue their education.

Low School Management Capacity

- A large number of school principals lack adequate school management capacity and access to resources to address school needs.

Access to Islamic Education

- Altogether, 746 new teachers (female 5%) have been recruited and deployed to Islamic schools bringing the total number of Islamic education teachers from 5,041 (female 3.4%) in 2010 to 5,787 (female 5%) in 2011.
- In 2011, 164 new Islamic schools were established increasing their number from 519 in 2010 to 683 in 2011.

Table 2.6 Some MDG environment related target in Afghanistan by year (%)

Indicator	Baseline	2008	2010	2012	Targets	
					2015	2020
Integrate the Principles of Sustainable Development into Country Policies and Programs and Reverse the Loss of Environmental Resources						
Proportion of land area covered by forest (%)	1.60	1.30	1.70	2.00	2.10	*
Ratio of area protected to maintain biological diversity to surface area (%)	0.34	0.30	0.36	0.50	0.50	*
Energy use (kg oil equivalent) per US \$1000 GDP (PPP)	Refer to Note 7.1					
Proportion of species threatened with extinction (%)	**	**	3	3	3	3
Carbon dioxide emissions (MT per capita)	0.04	0.51	1.90	2.00	*	*
Consumption of ozone depleting substances (MT)	99.40	47.90	24.90	17.34	21.10	13.70
Proportion of population using solid fuels (%)	100.00	94.00	92.00	91.00	90.00	*
Halve By 2020, the Proportion of People without Sustainable Access to Safe Drinking Water and Sanitation						
Proportion of population with sustainable access to an improved water source (urban and rural) (%)	23.00	41.40	27.20	31.00	*	61.50
Proportion of population with access to improved sanitation (urban and rural by %)	12.00	5.20	5.10	8.00	*	66.00
By 2020, to Have Achieved a Significant Improvement in the Lives of All Slum Dwellers						
Proportion of households with access to secure tenure (%)	1.50	61.00	61.00	61.00	58.10	72.30
Total slum population (million)	2.46	4.50	4.60	4.90	1.54	

** No target was set for that specific year.

** No proper study was carried out before 2010 for this indicator.

Islamic Education in 2011

- Female students 32,014, Male students 169,940, Total 201,954; Female teachers 312, Male teachers 5475, Total 5787; Total number of Islamic Education Centers 741.

Budget and Expenditure in Education

National Budget Report of 2011 shows the following budget spent on education:

Operation \$522 million

Development \$122 million

Total \$644 million

iv. Environment SDGs

Afghanistan's environment is under great pressure. Decades of conflict, ongoing instability, overall poverty, prolonged droughts and susceptibility to other natural hazards, population increase and influx of displaced and returning population have all exacted a heavy toll on the environment and natural resource base of the country.

Over 75% of the Afghan population lives in rural areas practicing agricultural and related rural activities, relying heavily on the use of natural resources. Although estimates vary, of Afghanistan's 650,000 sq km landlocked territory, only 12% is arable and 4-5% irrigated; 7% is rain-fed and cropped opportunistically; 45% is rangeland under permanent pastures; and less than 1.5% is under forest cover, with the remaining 39% being mountainous. The UN Common Country Assessment (CCA) in 2004 found that agriculture, not including poppy cultivation, generates about 40% of the GDP and employs about 70% of the labor force and is the major source of livelihood in the country.

A typical landscape in Afghanistan



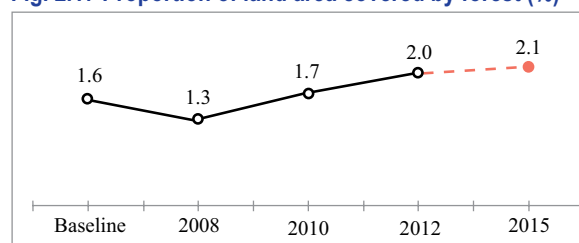
The degradation of natural resource base directly and severely impacts the livelihood of the majority of Afghan population as well as the country's economic development as a whole. Poor, uncoordinated management and excessive extraction of water for agriculture purposes, combined with long years of drought, has drastically reduced the water flow in the Helmand River which is an important source of agricultural production, leading to 99% desiccation downstream.

Goal 17: Acceptable Level of Forest Cover

Only 2% of the total land of Afghanistan is covered with wild forests and deforestation and degradation during the decades of war and anarchy and illegal felling of timber for fuelwood and smuggling have taken their toll.

Attempts to revive forests are underway. Uncontrolled felling of trees is being curbed and plantation projects by government and the international community are underway. Under one campaign sponsored by the USAID, more than 1.2 million saplings of eucalyptus, poplar, shisham, and lucina were planted in eastern Afghanistan in 2009. The Ministry of Rural Rehabilitation and Development (MRRD) also has reported planting of at least 14,182 new saplings from 2010 to 2012.

Fig. 2.17 Proportion of land area covered by forest (%)



As of 2012, NEPA has reported that the proportion of land covered by forests has gone up to 2%. By 2015, at least 2.1% of the country's land is expected to be recovered by forests, the efforts which will continue beyond 2015.

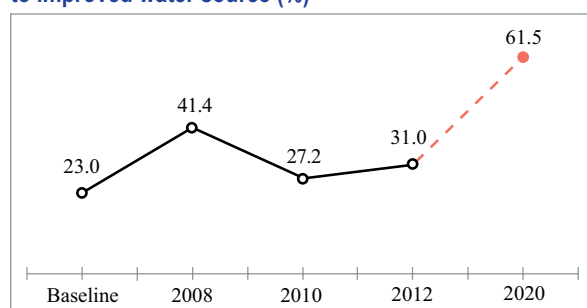
Goal 18: Percentage of Contaminated Wells/ Water Resources

Chemical fertilizers/pesticide consumption per ha of arable land: In 2011, the World Bank reported that 4.5 kg of chemical fertilizers was

used per hectare. International agencies at work in Afghanistan claimed in 2011 that 77.5% of the wells and water sources were contaminated.

Afghanistan government has set targets to provide access to improved water sources for at least 61.5% of the population and to improved sanitation for at least 66% by 2020. The status of achievements and practicality of projections for such targets are discussed under the following indicators.

Fig. 2.18 Proportion of population with sustainable access to improved water source (%)



There were, however, discrepancies in collection and analysis of previous data. In 2008, 41.4% of the people had been reported to have sustainable access to improved water source, but in 2010 the figure was adjusted back to 27.2%, the later data regarded as more reliable as precision in data collection has increased in government institutions over the past years.

The baseline value for the proportion of population with access to improved water source was set to be 23% as of 2003. In 2012, MRRD reported that 31% of the population in Afghanistan had sustainable access to improved water source.

The target planned for 2020 is 61% for both rural and urban areas (Fig. 2.18). The progress seems behind the schedule for 2020.

Goal 19: Acceptable Level of Air Quality

According to the UN 2011 Report, carbon dioxide emission has been identified as 0.2065 MT per capita.

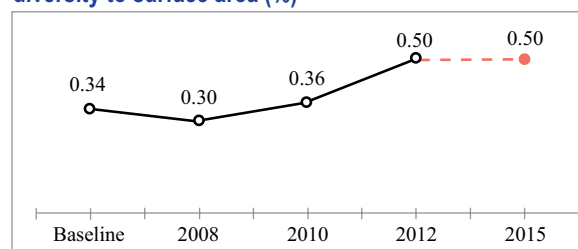
Other problems affecting Afghanistan are: air pollution from rehabilitation and construction activities in cities; probability of air and

ground water contamination by decades of usage of military ammunition in the country, specifically in the last decade by international security forces; probability of groundwater contamination by unstandardized septic tanks of households; carbon dioxide emissions from old cars, brickyards, bakeries, bathhouses, central heating systems, and industry.

Goal 20: Conservation of Biodiversity

The National Environmental Protection Agency (NEPA), with the cooperation of the Ministry of Agriculture, Irrigation and Livestock (MAIL) has developed the National Protected Areas System Plan. The task of NEPA is to work on scientific issues and development of an administrative basis. MAIL is working on the management of protected areas.

Fig. 2.19 Ratio of area protected to maintain biological diversity to surface area (%)



NEPA's achievement so far in this regard is declaration of Band-e-Amir as a National Park (protected area) as the first national park of Afghanistan. Comprehensive assessment of other potential areas is underway to introduce national parks, wildlife reserves, sanctuaries, and natural habitats in the near future. Preparation and implementation of Band-e-Amir management plan and development of Band-e-Amir Protected Areas Committee is underway.

Fig. 2.2 shows the activities mentioned above have enabled NEPA to increase the percentage of protected areas from 0.36% in 2010 to 0.5% in 2012 and achieve the 2015 target ahead of schedule. Security in several areas, budget gaps, and limited cooperation with stakeholders were the key challenges in achieving this goal.

The Biodiversity Conservation Project, implemented by the Wildlife Conservation Society (WCS), seeks

to preserve biological diversity in northeastern Afghanistan and to enhance sustainable management of natural resources to provide viable economic opportunities to the rural communities.

Goal 21: Wetland Conservation

Afghanistan is a landlocked country of about 65.2 million ha in Central Asia. The country's natural resources include forests (2.2 million ha), arable land (7.9 million ha) and rangelands (5.0-14.7 million ha). Altitudes range from 400 m above sea level in the Seistan basin to over 6000 m in the Zebak. The country lies at the confluence of the Palearctic and Indo-Malayan biogeographical realms, and is endowed with rich biodiversity. The climate is characterized by arid and semi-arid conditions with hot summers and cold winters (ICIMOD, 1997).

Afghanistan's diverse habitats host 119 species of mammals, 400 species of birds, two species of amphibians, and 4,000 species of vascular plants. The country is divided into three distinct regions: the Hindu Kush Highlands, the Northern Plains, and the Southern Plains (Smith et al., 1973). This has given rise to the ethno-cultural division of the country into Pukhtoon, Hazara, Uzbek, and Tajik regions.

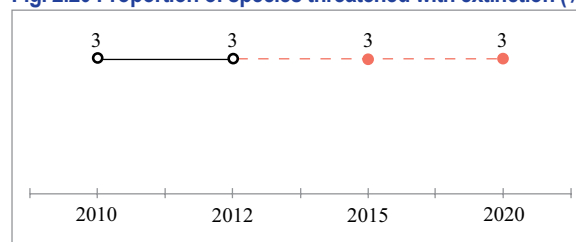
Soviet troops invaded Afghanistan in 1979, hampering development activities followed by decades of war. The war brought not only suffering to communities living at subsistence level, but also devastation of structures and institutions, natural resources, wetlands, and biodiversity.

The wetland habitats of Afghanistan consist of three major types: rivers, lakes and marshes, and man-made reservoirs. Since most of Afghanistan is very dry, the few wetlands that exist are of considerable ecological and social importance. Most of the watercourses are liable to great seasonal variation in water level, and subject to intensive human use. Many of Afghanistan's rivers drain into depressions where they have no outlet, resulting in the formation of large shallow saline lakes and marshes. Many thousands of birds use internationally significant wetlands of Ab-i-Estada, Dasht-i-Nawar, Band-i-Amir, and Kol-e-Hashmat Khan (ICIMOD, 1997).

Goal 22: Ban on Dumping of Hazardous Waste, including Radio-active Waste

Solid waste per capita (kg): The 2011 Report of Asian Development Bank sets solid waste generated per capita at 0.4 kg.

Fig. 2.20 Proportion of species threatened with extinction (%)



Carbon dioxide emission: No target has been set for the expected amount of carbon emissions for 2015 and 2020, but the emission has been on the rise since the baseline data was set at 0.0371mt/capita by UN in the beginning of the millennium. The figure is expected to rise further due to the current stage of development. Emissions are at a low level from the industrial point of view, but emissions from other sources are considerable. The economic and social development desired is likely to push up commercial and industrial production, higher income and vehicular traffic, increased heating in winter and other changes in the pattern of fuel consumption.

Fig. 2.21 Carbon dioxide emission (MT per capita)

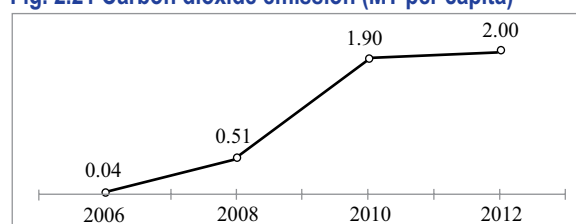


Fig. 2.22 Consumption of ozone depleting substances (MT)

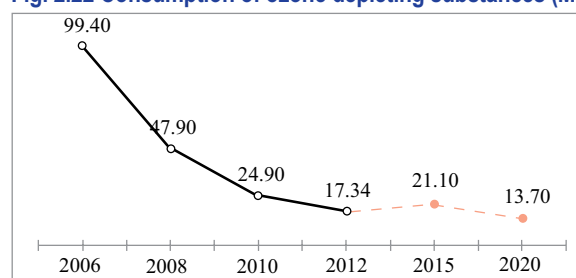
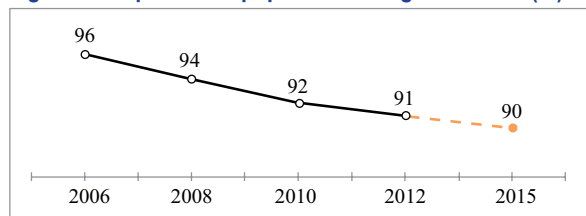
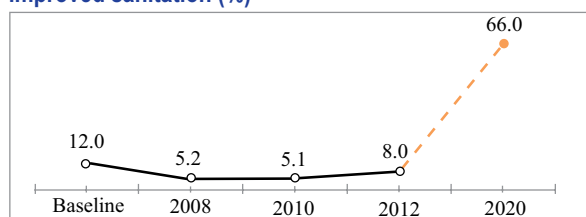
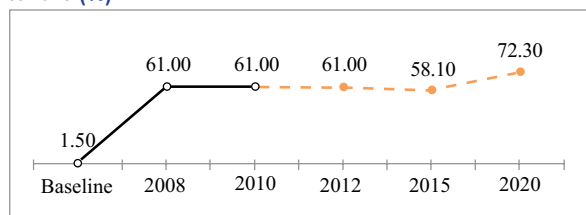


Fig. 2.23 Proportion of population using solid fuels (%)

In 2008, 2010, and 2012, 94%, 92%, and 91% of people used solid fuels respectively which can be expected to come down to 90% by 2015.

On one of the indicators, energy use (kg oil equivalent) per US \$1000 GDP (PPP) under Goal 7, data are not available. No baseline data were set for it and even estimates went unreported. The problem with this indicator is the measuring unit used for the indicator [kg oil equivalent per US \$1000 GDP (PPP)] which has caused some confusion.

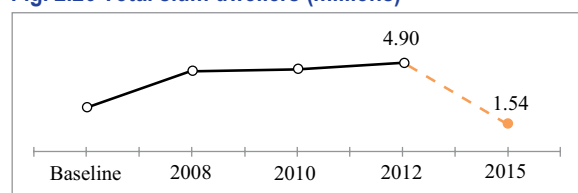
Proportion of population with access to improved sanitation (urban and rural): Fig. 2.24 shows progress in the proportion of people with access to sustainable sanitation is marginal and has barely improved over the past few years. The baseline data was set to be 12% in 2003, but surveys done in 2008 and 2010 suggest only 5.2% and 5.1% of population had such access.

Fig. 2.24 Proportion of population with access to improved sanitation (%)**Fig. 2.25 Proportion of households with access to secure tenure (%)**

For 2012, MRRD reported that 8% of the population has access to improved sanitation and by 2020, 66% of population will have access. Considering the past

performance, the target does not seem achievable. Concerted and systematic efforts, particularly in the major population centers and rural areas, are required to improve sanitation since Afghanistan still lacks a proper sanitation system in the urban sector.

Total slum population: The baseline data on slum dweller population in Afghanistan set by UN was 2.46 million in the 1990s during the civil war. During the preparation of the first MDG Report of Afghanistan, 2005 was set as a new baseline year but a new figure for this baseline remained undecided, the unofficial data point being 2.46 million. MUDA estimated that 4.5 million people lived in slums as of 2008 and a target was set to reduce to 1.54 million by 2015 (Fig. 2.26).

Fig. 2.26 Total slum dwellers (millions)

Communication and Information Technology

Vision: Make affordable information and communication services available in every district and village of Afghanistan through enabling market economy.

Following were the main achievements during 2011 in Afghanistan:

Expansion of ICT Coverage: the MoICT has installed about 67 towers while the private companies have built 618 communication towers. To date, 3977 towers across the country have been installed.

Customers: The number of users of both digital and mobile phones increased to 2.8 million in 2011 with 18 million people across the country having access to telecommunication.

In ICT, 1.6 billion USD was invested to date.

ICT brought 140 million USD as revenue income for the government and 100,000 jobs were created through ICT.

3131 kms of optic fiber were contracted, with 75% of it already completed. This means Afghanistan will soon be connected to all of its neighboring countries via technology.

So far, 30 Internet Companies licensed by the government are operating in the country.

Main Challenges: Regional Context

Afghanistan is facing fundamental economic and social change. The structure and size of the population as well as their development over time are the principal components in development planning. The challenges that lie ahead are rapid population growth, fuelled by very high fertility and significant in-migration in recent years.

The Cost of Basic Needs estimate of poverty reveals that 36% of the Afghan population are unable to meet their basic needs. Poverty is unevenly distributed and pockets with very high poverty rates are found among the Kuchi population (54%) and in the southern, west-central, and eastern regions of the country (more than 44%). Poverty among the Kuchis is not only more widespread, the poor among them are also significantly poorer than the rural and urban poor.

Although the national Gini Index of 29 is low in international perspective, substantial inequality exists in shares of consumption; whereas the richest quintile of the population has a share of 39 percent of the total consumption, the poorest quintile has only 9 percent. Noticeably, the average consumption level of the second – non-poor – quintile lies just above the poverty threshold of 1,255 Afs, suggesting that a significant proportion is vulnerable to falling under the poverty line. The average per capita monthly consumption expenditure of poor Afghans is 950 Afs, but the corresponding figure for the non-poor is still less than 2,100 Afs.

Poverty is significantly associated with household size and number of children in the household. High fertility can be an important contributing factor to poverty. Various factors related to the head of household members are correlated with poverty. This is particularly the

case for the sex of the household head, and the head's educational attainment, employment status, and industry of work.

Child labor and seasonal migration are employed by poor households as strategies to cope with poverty among whom the net primary and secondary enrolment of children are 50% and 13% respectively, more than those for non-poor children (53% and 18%).

Access to land is also importantly related to poverty: whereas 26 percent of the land-owning households are poor, 42 percent of the households that cultivate land on the basis of renting, sharecropping or mortgaging arrangements remain poor. Poverty is evident also in poor access to basic services like safe drinking water, improved sanitation, and electricity.

Afghanistan has an exceptionally high share of children under 15-49%, and a very small proportion of elderly aged 65 and over – 3%. The overall dependency ratio is 133.

The labor force participation rate of the population aged 16 and over is 67% that reveals a large gender difference: men 86%, women 47%. The employment-to-population ratio also shows a large gender difference: 80 percent for males and 43 percent for females, with an overall ratio of 62 percent.

The overwhelming majority of 93 percent of the labor force is employed for at least one hour a week. The corresponding unemployment rate is a modest 7 percent in the sense that in the dire economic conditions of Afghanistan, very few can afford not to work, even if it is an unproductive work and for just a few hours per week. Pockets of high unemployment are found among youth under 25 (12%) and educated women (18%). Most employed people (77%) have insecure jobs as own-account workers or unpaid family workers. Almost all women and Kuchi (95 and 90% respectively) are in vulnerable employment.

Agriculture and livestock represent the dominant economic sector of employment. Overall, 59

percent of the population is engaged; for the rural and Kuchi populations, the respective shares are 67 and 87%. Of all children aged 6-17, 21 percent (1.9 million) are working of which at least 1.2 million (13%) are child laborers. The proportion of working children not attending school is twice as high as that of children not working.

Afghanistan is committed to increase environmental sustainability throughout its developmental activities and plans. In ANDS, environmental issues are given cross-cutting importance. Obviously, climate change and rise in global temperature are “inconvenient truths” that cannot be ignored as they pose serious threat to the planet and its inhabitants. However, combating environmental degradation and attaining environmental sustainability is a collective task and need to be taken up by countries equitably on the scale of the damage they have caused or are causing to environment: it is a “common but differentiated responsibility”.

Afghanistan has not been involved in much of today’s environmental problems around the world, but has to pay the cost. Changes in weather patterns, frequent droughts, water shortages, rise in global temperature or global warming, and other environmental misfortunes are mostly caused by the world’s major developed countries. Yet, it is the developing and least developed countries that are bearing the brunt and consequences.

Severe winters and extreme summers have proven unbearable and have already taken a huge human toll on many of the least developed or developing countries. Many people in these countries have also lost their crops and plantations to recent droughts and are now left without any compensatory assistance, a common practice in developed countries. In contrast, changes in weather patterns have caused unprecedented floods, eroding and damaging unprotected agricultural lands. Afghanistan, as a least developed country, is not spared from such environmental problems.

During the preparation of this Country Profile Report on SAARC SDGs, the following issues

were identified as common challenges that need further action:

- Persistence of poverty;
- Provision of necessary infrastructure, e.g., improving governance, strengthening macroeconomic policymaking, increasing job opportunities, promoting gender equality, empowering women, and widening access to education and vocational courses for the alleviation of poverty;
- Cooperation between the international aid workers such as NGOs and the local community;
- Steadily rising inequality;
- Inadequate investment in social sectors, agriculture, and rural infrastructure development;
- Multiplication and acceleration of national and regional efforts to meet the SDGs; and
- Unbalanced and non-inclusive growth.

Best Practices in Poverty Alleviation Program

The pace of socio-economic development over the past ten years suggests that there is a good scope to move forward and break the vicious cycle of poverty and deprivation in the country and achieve the results planned for poverty alleviation.

Projects on Poverty Alleviation

1. Microfinance Program
2. National Solidarity Program (NSP)
3. National Skills Development Program (NSDP)
4. On-Farm Water Management (OFWM).

1. Microfinance Program

Entrepreneurs across Afghanistan use Small Loans Programs to expand their business and improve the life of poor people. Now 2.6 million households lie below the poverty line, with about 288,000 having access to microfinance services.

Microfinance Investment Support Facility is a successful program in poverty alleviation. The creation of a microfinance sector in 2003, following the fall of the Taliban, was initially driven by its significance as a social protection measure. Millions of Afghan refugees were

expected to return and the government just formed lacked the capacity to create jobs and provide public services.

Microfinance helped by providing financial assistance to those with skills to start a business or expand an existing one, to create employment and assets for themselves and their families, and prevent backsliding into poverty. Nearly ten years later, the program has stabilized. The microfinance sector has had its share of problems and struggles, but the program has also achieved success in ensuring social protection for a number of families covered.

Women, especially, have greatly benefited. Women borrowers, who comprise 60 percent of the total borrowers, have become economic decision makers in their households as active participants in socio-economic activities across the country. The rural areas, where people need assistance the most, have now more access to finance than ever before. Microfinance is thus a growing focus area for the Government, as also for MISFA and microfinance institutions (MFIs) operating in the country.

The Small and Medium-sized Enterprises (SMEs) and their supporting private sector institutions advocate policy reforms to eliminate the barriers to establishing and sustaining successful business, support the development of local business infrastructure, facilitate public-private partnerships, support practical business training for private sector leaders, and facilitate internal and external market linkages for Afghan SMEs.

The First Micro-Finance Bank in Afghanistan (FMFB-A), currently, is the largest microfinance institution in the country in terms of outstanding portfolio size with US\$ 45.7 million in 2010 in microfinance loans compared to US\$ 39.8 million in 2009. It sought to consolidate its position as the leading Afghan microfinance institution and recorded a small client growth in 2010 while other microfinance institutions were struggling to offer services to their clients, the needy people.

With the support of the International Finance Corporation, a housing microfinance loan project has been developed. The project is currently available in all the urban branches and FMFB-A is working on replicating and adapting the project to rural areas. FMFB-A's pursuit of social goals is supported by adherence to the principles of financial stability and sustainability. It is through this model that the Bank will be able to help the long-term development of Afghanistan.

2. National Solidarity Program (NSP)

The National Solidarity Program (NSP) was created in 2003 by the Ministry of Rural Rehabilitation and Development, to develop the ability of Afghan communities to identify, plan, manage, and monitor their own development projects. The program is inclusively supporting all communities, including the poorest and vulnerable people in the rural areas. NSP promotes a unique development paradigm, whereby communities can make important decisions and participate in all stages of their development, contributing their own resources. More than 76% of the rural communities have been mobilized, and 31,245 have elected local councils to represent themselves. These Community Development Councils (CDCs) have prioritized needs and planned, managed, and monitored over 72,266 sub-projects made possible by block grants under which more than USD 1,212 million have been supplied for community-driven rural reconstruction and development. In this process, NSP has led the new nation's 'reach' to rural communities and laid the foundation for inclusive and progressive local governance in almost 390 districts and every province of Afghanistan. NSP, in fact, today is the largest community development program in the history of Afghanistan. Known in Dari as Hambastagi Milli and in Pashtu as Milli Paiwastoon, it is based on the Afghan traditions of "Ashar" (community members working together on a volunteer basis to improve community infrastructure) and "Jirga" (councils comprising of respected members of the community). Islamic values of unity, equity, and justice are encouraged.

The following principles guide the Program: Participatory and Inclusive Decision-Making Processes, Gender Equity, Transparency and Accountability in the use of Program Fund, and Sustainability (including but not limited to requiring community contributions for operation and maintenance).

The Program is executed by the Government of Afghanistan with funding from the International Development Association (IDA) of the World Bank Group, the Afghanistan Reconstruction Trust Fund (ARTF), and other donors. Its main elements are:

- Facilitation at the community level to assist communities in establishing inclusive community institutions through secret ballot and democratic elections; reach consensus on priorities and corresponding sub-project activities; develop eligible sub-project proposals that comply with NSP appraisal criteria; and implementing approved sub-projects;
- Building the capacities of Community Development Councils (CDCs) and community members (men and women) in participation, consensus-building, accounting, procurement and contract management, operation and maintenance, and monitoring;
- Providing direct block grant transfers to fund-approved subprojects; and
- Linking CDCs to government agencies, NGOs, and donors to improve access to services and resources.

3. National Skills Development Program

The National Skills Development Program (NSDP) is a National Priority Program announced by the President in April 2004 in Berlin, Germany.

The overall goal is to contribute to the socio-economic recovery of Afghanistan through the development of national Technical and Vocational Education and Training (TVET) system, responsive to labor market needs, and provide Afghan women and men with the knowledge and skills for decent work.

NSDP works through two components: Funding of short-term vocational training and building the

TVET system. Under the former, NSDP funds short-term market-driven vocational training through government procurement procedures where private and NGOs training providers can apply and participate in bidding. Under the latter, NSDP develops National Occupation Skills Standards (NOSS), assists in the development of Afghanistan National Qualification Framework (ANQF), and builds the capacity of trainers and training providers.

NSDP facilitates sustainable decent work through skills development and is organized around the belief that the government, private sector, and civil society should work together to form a coherent approach to the development of human resource capacity to maximize benefits for all Afghan citizens.

While education in general and TVET in particular has been recognized as a driver for poverty reduction and sustainable development, considerable challenges remain:

- Around 11 million workers have no formal skills and very low or no educational attainment. Only 36% of the population is literate.
- Unemployment and underemployment in Afghanistan are pervasive problems due to the absence of a dynamic formal private sector (90%).
- Afghanistan's population is growing rapidly and shows a massive "youth bulge" (400,000/year). Afghanistan, in fact, is among the poorest countries in the world where 36% of the people live below the nationally defined poverty line.
- Afghanistan is predominantly an agrarian economy where 70% of the population lives in rural areas.

4. On-Farm Water Management (OFWM)

Afghanistan has a semi-arid to sub-humid climate with high inter-annual variations in precipitation. Therefore, irrigation is essential for production of all summer crops. Irrigation has a long tradition in Afghanistan and utilizes a number of sophisticated methods, such as Karez irrigation. Currently, the country has only 1.8 million hectares ready for irrigation.

Objectives of the Project

1. To improve the food security and livelihood of the rural communities of five northern provinces (Baghlan, Kunduz, Takhar, Sar-ePul, Samargan) and promotion and expansion of improved irrigation schemes;
2. To enhance agricultural production and productivity by introducing farmer-friendly techniques for improving water use efficiency and farm-based water irrigation management.

Expected Outputs

1. Irrigation schemes have been set up to cover 2000 ha of rice fields in each of the three provinces of the Northern Region.
2. Water users associations have been organized in these irrigation schemes.
3. Extension officers and farmers have been trained in irrigation management.
4. Ten pilot farms have been established for farm-based water management and agriculture

and extension officers have been trained.

5. The positive results of the experiments have been documented and widely disseminated.

Required Budget for this project: USD \$8.5 million.

Key Challenges

1. Lack of Technical Skills
2. Absence of proper farm level irrigation systems (basins, furrows)
3. Water losses due to seepage in earthen canals and lack of control structures
4. Lack of proper water distribution system
5. Lack of sufficient water storage capacity
6. Breakdown of traditional irrigation management organizations
7. Lack of a proper water management organization to take care of the operation and maintenance of the irrigation systems
8. Lack of farmer knowledge on crop water requirements and new technologies.

* * *

Chapter 3

Bangladesh



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Bangladesh has been struggling for long to reduce poverty and improve the living standards of its millions of impoverished citizens. In recent decades, it has made commendable progress in alleviation of poverty and hunger where the percentage of population living below the poverty line went down from 80% in early 1970s to 31.5 in 2010 (Table 3.1a); the rate of reduction was faster in the present decade than in the earlier one. The recent Household Income and Expenditure Survey of Bangladesh Bureau of Statistics (BBS, 2011) data reveal that poverty has been declining annually at 2.46% during 1991-92 to 2010 against the MDG target of 2.12, success due to few major interventions made by the state, development partners, and NGOs, such as the government's Annual Development Programme (ADP) of project implementation for stimulating growth through government public investment of which more than fifty percent is poverty focused projects and programs, Social Safety Net Programs (SSNP), microfinance programs by the NGOs and Micro Finance Institutes (MFI), and several health, education, nutrition, and population-related programs designed by development partners.

Over the past four decades since independence, Bangladesh increased its real per capita income by more than 130%, estimated to be USD 840 in FY2012. The population was 7.5 million in 1971 which is 15.2 million in 2012. Poverty has declined by more than half. If 83% of the total population was below poverty line in 1973, it decreased to 31.5% in 2010 and is estimated to be 26.4 in 2012. Life expectancy was 40 years in 1974 but was 68.94 in 2011. Now the country is well set to achieve most of the targets of Millennium Development Goals, specially the goals set for poverty, health, and those related to gender. The country's development experience is particularly remarkable in that it stands out as a positive example of a resilient young nation that has fought many natural and global disasters as well as internal political debacles and yet has stayed firm on the development path. Though population growth was 1.37 and population density 1024 in 2011, Bangladesh has increased

production of rice, its major cereal crop, up to 34.5 million tons. Nevertheless, it still is one of the most vulnerable economies, characterized by high population density, low resource base, and frequent incidence of natural disasters. These have negative implications for long-term savings, investment, and growth. Therefore, poverty is still its single most important socio-economic policy challenge.

In order to achieve a prosperous Bangladesh grounded in political and economic freedoms to become a reality in 2021, the "Perspective Plan of Bangladesh (2010-2021): Making Vision 2021 a Reality", has been prepared, which is a strategic articulation of the development vision, mission, and goals of the Government. Specific strategies and tasks will be achieved through two consecutive five-year plans. The existing Sixth Five Year Plan has been also motivated toward poverty alleviation and reduction of inequality through higher growth rate.

Table 3.1a Headcount Poverty Rate (%)

Year	Rural	Urban	National	Growth Rate
1973-74	82.9	81.4	83.0	
1981-82	73.8	66.0	74.0	2.38
1991-92	61.2	44.9	58.8	5.04
1995-96	55.2	29.4	51.0	4.62
2000	52.3	35.2	48.9	5.94
2005	43.8	28.4	40.0	5.96
2010	35.2	21.3	31.5	6.07

Source: HES, HIES.

A notable feature of poverty reduction between 2005 and 2010 was a sizeable decline in the incidence of extreme poverty. The percentage of population under the lower poverty line, the threshold for extreme poverty¹, fell by 29.6% from 25% of the population in 2005 to 17.6% in 2010. A fall of 47% occurred in urban areas and of 26% in rural areas. The percentage decline in extreme poverty rate was thus more than that in the poverty rate.

The commendable progress in poverty alleviation was possible due to the relatively inclusive growth pattern and robust growth in GDP accompanied by gradual transformation of the sectoral composition of GDP culminating in greater share of manufacturing and service sectors and declining share of agriculture.

Sustained growth (6% in recent years) has been accompanied by corresponding improvements in several social indices such as increased life expectancy and lower fertility rate despite the world's highest population density. Using the data on long-term decline in poverty between 2000 and 2010, the value of growth elasticity of poverty turns out to be 0.76. Based on this value, the head count poverty rate in the terminal year of MDG becomes 24.5% by 2015. However, using the more recent 2005-2010 poverty figures, the growth elasticity of poverty estimate becomes 0.89 which implies head count poverty rate in the terminal year would reach 22.5%. Inclusive and robust growth has thus resulted in an impressive poverty reduction here at an annual rate of 2.46% between 1991-92 and 2010, a reduction that is faster in the present decade than the earlier one.

Table 3.1b Incidence of poverty (Head Count Rate) by CBN method, 2010 for the division level and national level

Proverty Line Division ¹	National	Rura	Urban
Using Lower Poverty Line (Extreme Poverty)			
National Division	17.6	21.1	7.7
Barisal	26.7	27.3	24.2
Chittagong	13.1	16.2	4.0
Dhaka	15.6	23.5	3.8
Khulna	15.4	15.2	16.4
Rajshahi	21.6	22.7	15.6
Sylhet	20.7	23.5	5.5
Using Lower Poverty Line			
National Division	31.5	35.2	21.3
Barisal	39.4	39.2	39.9
Chittagong	26.2	31.0	11.8
Dhaka	30.5	38.8	18.0
Khulna	32.1	31.0	35.8
Rajshahi	35.7	36.6	30.7
Sylhet	28.1	30.5	15.0

Recently, Bangladesh has also been pursuing policies, undertaking and implementing programs/ projects in line with the MDGs/SDGs and other international commitments to match local suitability for alleviation of poverty. A brief picture of the SDGs vis-à-vis MDGs achievements made so far is presented below.

SDGs and the Goals

The SDGs centered on 22 goals in four areas to fight against poverty.

i. Livelihood SDGs

Goal 1: Eradicate Hunger Poverty

Nearly two-thirds of Bangladesh's children under five years of age were underweight in 1990 and less than half as of 2009, indicating considerable progress during the last two decades. However, since 2000 the fall has been quite slow and in the 2005-2009 period there has hardly been any improvement. According to HIES-2005 data following Direct Calorie Intake (DCI), between 1990 and 2010, there was a modest decrease in population not obtaining the minimum level of dietary energy consumption (2,122 kcal/day) from 47.5% to 31.5%. More than one quarter of the population was estimated to be consuming less than 1,805 kcal/day in 1990; by 2010 the rate had reduced considerably to 17.6%. Despite the progress, Bangladesh, in all likelihood, will not be able to meet its targets to halve the proportion of population below the minimum level of dietary energy consumption by 2015.

Goal 2: Halve proportion of the people in Poverty by 2010

Bangladesh has been successful in achieving significant reduction in poverty since 1990. Based on HIES-2010, following the Cost of Basic Need (CBN) method, significant decline in poverty occurred from 1991-92 to 2010: National poverty headcount declined from 56.6% to 31.5%. The fall in poverty headcount rates was significantly more than the population growth during 2005-2010 leading to a decline in the number of poor people. The size of population below the upper poverty and the lower poverty lines declined by nearly 8.58 million and 8.61 million respectively. The levels and distribution of consumption among the poor improved as well, evident from reductions in poverty gap (depth) and squared poverty gap (severity) measures by 28 and 31% respectively.

Goal 3: Ensure adequate nutrition and dietary improvement for the poor

According to Bangladesh Household Food Security and Nutrition Assessment Report-2009, 76.5% of the children received Vitamin A

supplementation in the prior six months, falling short of the recommended minimum coverage of 80%. According to Multiple Indicator Cluster Survey (MICS)-2006 data, 84.3% households consume iodized salt.

Goal 4: Ensure a robust pro-poor growth process

Expenditure for pro-poor growth sectors was 8.95% of GDP, and 55.92% of total government expenditures in the Budget of 2009-10, while in the Budget of 2010-11 provisions were 9.74% and 57.50% respectively. About 37.08 million (cumulative) people have been covered by micro-credit programs as of December 2009 by the Nationalized Scheduled Banks and major NGOs.

The data of HIES-2010 show an increase in the income Gini coefficient from 0.451 in 2000 to 0.458 in 2010 due to an increase in rural income inequality. The rural income Gini coefficient increased from 0.393 in 2000 to 0.4301 in 2010. The urban income Gini coefficient remained unchanged at 0.497 during 2000 and 2005 but declined to 0.452 in 2010.

Labor force participation rate in Bangladesh is very low ranging between 50% and 60% over the last two decades. The latest available data based on Monitoring of Employment Survey-2009 and Labour Force Survey (LFS) 2010 reveal that as of 2009, only 59.3% (53.7 million) of the population over 15 years of age was economically active. Participation rate of women was low at just 29% in 2006.

The result of Welfare Monitoring Survey (WMS), conducted in March 2009, is consistent with the HIES-2010 result where the highest level of poverty incidence prevails in landownership (0.50 acre). Between the mid-1980s and end-1990s the annual average growth rates in income share of the lowest 20% households were negative, whereas the corresponding rates for the top 20% households were positive (except during 1989-92). However, during 2005-2010 the former has been positive whereas the latter has been close to zero.

Goal 5: Strengthen connectivity of the poorer regions and of the poor as social groups

In December 2002, the total number of mobile and Public Switched Telephone Network (PSTN) subscribers was only 1.75 million which is now 76.434 million (June 2011). As a result, tele-density rose to 52.39% from 1.25% in 2002. According to HIES-2010, mobile phone use increased to 63.74% in 2010 from a meagre 11.29% in 2005. As per the Bangladesh Telecommunication Regulatory Commission (BTRC) data of 2012, 64.56% of the total population use mobile phones, but only 0.75% people use land phones. On the other hand, in 2012, nearly 20.52% people had internet access, which was just 10.33% in 2011.

Bangladesh's per capita electricity consumption was 212 Kwh in 2011 with 50% of the total population having access to electricity. Rural electrification ratio expanded rapidly from the early 1990s, growing from 10% in 1994 to 37% in 2008. According to WMS-2009, 50.2% of the households use electricity as a source of lighting and 38.6% of the rural population have access to electricity. However, the recently completed HIES-2010 data reveal access to electricity increased to 55.26% in the 2010 from 44.23% in 2005; in rural areas, to 42.49% from 31.19% and in the urban ones, to 90.10% from 82.61%. According to the Welfare Monitoring Survey-2009, 40% households have radio/television.

Goal 6: Reduce social and institutional vulnerabilities of the poor, women, and children

According to MICS-2009, based on the percentage of children aged 6-14 years who are not attending school, nationally, child labor prevalence stood at 2.3 percent. In general, it was higher among boys than among girls in both the rural and urban areas, particularly in the municipalities. The share of women in employment was 31.5% according to the Monitoring of Employment Survey-2009. The amount of public expenditure on Social Safety Net Programs was 2.42% of GDP in the Budget of FY2009-10. The allocation for Social Protection stands at 2.40% of GDP in FY2012. Though

the total amount spent on social protection has increased, it is not increasing at the pace of GDP growth.

As per the MICS-2006, one-third of the girls 15 years and nearly three quarters aged below 18 years are married. In 2007, 66% of women aged 20-24 were married before the age of 18. The birth of 53.6% of children under five has been registered, an increase of 43.8% age points from the 9.8% of 2006 (MICS-2009).

Goal 7: Ensure access to affordable justice

There is no time fixed for disposal of various legal disputes in the higher and lower rungs of the judiciary in Bangladesh. A review of one-year activities of criminal and civil cases of ten districts suggests the average time required for disposal of civil and criminal cases is 490 days and 384 days respectively. Against the backdrop of the huge number of cases pending in the courts, the Government attaches importance to the Alternative Dispute Resolution (ADR) mechanism. Judicial officers are encouraged to promote ADR, especially in the lower judiciary where bulk of the poor litigants seek justice.

With a view to providing legal aid service to the poor and vulnerable justice seekers, the Government has enacted “Legal Aid Services Act, 2000”, through which the present legal aid program of the Government is administered. A total of 20,426 and 17,501 applicants received free legal aid from the government’s legal aid program in 2009 and 2010 respectively. The aggregate number of jail appeal cases disposed of by the Supreme Court lawyers during 2003-2010 was 1,003.

Goal 8: Ensure effective participation of the poor and women in anti-poverty policies and programs

Women’s participation in the Parliament was 19% in 2008, where the reserved seat has increased to 45 from 30. The present Parliament has also got 19 women parliamentarians directly elected. Moreover, the current government has highest figure of six women members in the cabinet including the Prime Minister. However, in other

areas of decision-making, such as the bureaucracy and high level jobs, which entail visibility and exercise of authority, women’s presence remains negligible. The budgetary expenditure for gender was 24.65% of the total in 2009-10 and allocation for the same is 25.96% of the total in 2010-11.

ii. Health SDGS

Goal 9: Maternal health

Maternal Mortality Ratio (MMR) in Bangladesh is very high despite modest reductions over the year since 1990. The first Bangladesh Maternal Mortality Survey (BMMS-2001) had showed 44.25% decline of MMR to 322 on 100,000 live births from 1990. The second survey (BMMS-2010) has shown remarkable decline of MMR to 194 per 100,000 live births, a 40% drop from the figures of previous survey. The overall proportion of births attended by skilled health personnel has increased more than fivefold in the last two decades. According to the MICS-2009 survey data, only 24.4% of all births were delivered by a medically trained provider, which is found to be 26.50% in BMMS-2010. But the latest data from Bangladesh Health Survey (BDHS) 2011 reveal that 31.7% of the births were attended by skilled personnel. In Bangladesh, life expectancy has increased from 46.2 years in 1974 to 67.2 in 2009. Reversing the past trend from 2001, women now live longer than men.

Goal 10: Child health

The Energy Performance Initiative (EPI) Coverage Evaluation Survey-2009 shows that measles immunization coverage increased from 54% in 1991 to 83% in 2009. The Welfare Monitoring Survey-2009 conducted by BBS shows that 89.3% of the children are vaccinated (88.4% children were from the rural and 92.7% from urban areas). BDHS-2011 shows a remarkable decline in under-five mortality rate since 1990. The Sample Vital Registration System (SVRS) suggests the under-five mortality rate was 47 per 1,000 live births in 2010 compared to 60 in 2007. Similarly, substantial reductions have been documented in Infant Mortality Rate in the BDHS-2011 (43 per 1000 live births). SVRS-2010 suggests that IMR

is 36 per 1,000 live births compared to 53 in 2003. In 2007, the neonatal mortality rate per 1000 live births declined to 37 from 52 in 1994. However, SVRS shows the neonatal mortality rate declined to 28 per 1000 live births in 2009 from 36 per 1000 live births in 2003.

Goal 11: Affordable healthcare

As per Bangladesh National Health Accounts (BNHA-III), out of pocket expenditure is 64% of the total health expenditure. Total health expenditure as a% of GDP was 3.4% in 2007. However, according to the Ministry of Finance, in the budget of 2009-10, total public expenditure on health was 1.04% of GDP and 6.16% of the total budget of FY2009-10 was allocated to primary healthcare.

Goal 12: Improved hygiene and public health education SDGs

Almost 22% of the tube wells are contaminated by arsenic in the country. The MICS-2009 reveals that access to improved source of water adjusted for arsenic contamination has increased to 86%. Access to improved sanitation facility has also gone from 39% in 1990 to 54% in 2009. The strategies and plan for communicable diseases are Bangladesh National HIV/AIDS Strategic Plan, The National Malaria Control Programme, and The National TB Control strategy. Data show that the prevalence of HIV/AIDS in Bangladesh currently is less than 0.1% in the general population, prevalence of TB is 79 per 100,000 people, and the current status of malarial prevalence is 513 per 100,000 people.

iii. Education SDGs

Goal 13: Access to primary/communal school for all children, boys, and girls

According to MICS-2009, Net Attendance Rate in primary school is 81.3%. Annual School Survey-2009 reveals that the Gross Enrolment Rate (GER) in 2009 was 103.5%, of which boys' rate was 100.1% and that of girls' was 107.1%. The Net Enrolment Rate (NER) in 2009 was 93.9% (99.1% for girls). In 2008, public spending on education as percentage of GDP was about

2.3% and was about 14 of the total government expenditure. Gender parity in primary school enrolment has already been achieved in the country. Since 1990, primary school enrolment has increased 1.4 times from 11.9 million in 1990 (6.6 million boys and 5.4 million girls) to 16.7 million in 2008, half of whom were girls. Since 1991, the secondary education enrolment for female students has increased significantly and finally in 2000, girls' enrolment surpassed boys' (52% for girls and 48% for boys). However, the MICS-2009 data show that gender parity at the primary level is 1.0 and at the secondary level 1.2.

Goal 14: Completion of primary education cycle

Survival to the last grade of primary schooling (grade 5) has not kept pace with the impressive progress made in net and gross enrolment rates. The grade 5 survival rate in 2008 was 54.9% which implies a modest increase from the 43% during the period of 1990-95. However, the 2009 MICS household survey conducted by BBS shows a survival rate of 79.8%. In 2011, it was found that 70.4% of the primary school going children had completed their primary education along with gender parity.

Goal 15: Universal functional literacy

According to the Literacy Assessment Survey-2008 report, 33% were non-literate, 18% were semi-literate², and 49% were literate. However, SVRS-2010 reported adult male and female literacy rates to be 62.9% and 55.4% respectively, with the overall adult literacy rate as 58.6%.

Goal 16: Quality education at primary, secondary, and vocational levels

The Annual School Census-2009 put the share of the total trained teachers at 79.5% (male 83.9%, female 4%). At the national level, one teacher is responsible to teach 46 students in the primary schools.

iv. Environment SDGs

Goal 17: Acceptable level of forest cover

The analysis made by FAO, published in 2007, shows that 19.2% of the country's land has tree

coverage of 10%. Bangladesh is globally known for its achievements in social forestry. This improvement is quite visible in the social forestry sector where about 11% of the country's total land has been brought under tree cover through extension of social forestry activities.

Goal 18: Acceptable level of water and soil quality

The latest Multiple Indicator Survey (MICS-2009) reveals that access to improved source of water adjusted for arsenic contamination has increased to 86%. Yet, approximately 20 million people are still exposed to drinking arsenic contaminated water exceeding the Bangladesh drinking water standard.

Goal 19: Acceptable level of air quality

In 2007, CO₂ emission was 0.30 tonnes per capita and is expected to go up to 0.38 tonnes in 2015. The figures for average monthly Particulate Matter (PM) for Dhaka in June 2008 were 66 PM₁₀ (µg/m³) and 25 PM_{2.5} (µg/m³) compared to December 2008's 179 PM₁₀ (µg/m³) and 115 PM_{2.5} (µg/m³).

Goal 20: Conservation of biodiversity

According to the United Nations Statistics Division, the proportion of terrestrial and marine areas protected in Bangladesh was 1.82% in 2008. In 2007, the protected forest areas were 1.68%, a very small increase from 1991 (0.04%). There are 28 protected areas, out of which management plans have been prepared for 5 areas only. Based on the data of 2000, IUCN has reported that among the 895 species of inland and resident vertebrates of Bangladesh, 13 have now become extinct and 201 are threatened. In the case of fish resources, 54 inland fish species are threatened. However, none of the species is so far declared as protected in the country.

Goal 21: Wetland conservation

There are seven wetland protected areas in the country covering an area of 85,000 ha (about 0.57% of the country's total land area); two of them, the 'Sundarbans' and 'Tanguar Haor' 'Ramsar sites' have been declared as internationally important.

Goal 22: Ban on dumping of hazardous waste, including radioactive waste

A study of 2005 shows that waste generation per capita for urban area is 0.41kg/day, but for the capital city Dhaka, it is 0.56 kg/day. In the major urban cities, the rate of collection of the waste generated in 2005 was 44.30% which increased to 76.47% in 2011, but for the capital, it is 43.5%. Solid waste is disposed mainly through uncontrolled land-filling and there is yet no site or facility for treatment, recycling or disposal of radioactive hazardous waste in Bangladesh.

Best Practices in Poverty Alleviation³

The practices in respect of policy designing and implementation of programs/projects contributive to achieving the aforesaid progresses of SDGs are manifold. These relate to market-generated rural employment, microfinance, strong persistent growth rate, private sector participation, GO-NGO collaboration, monitoring and evaluation, employment and empowerment of women, population management, Information and Communication Technology (ICTs), international migration and remittances, development of export-oriented ready-made garment (RMG), sustainable agricultural development, community participation, integrated pest management, green farming, and so forth. It is very difficult to quantify the contribution of individual practices in achieving the SDGs or alleviation of poverty in Bangladesh. The practices combined together to help in alleviating poverty. Some of the major practices which are thought to help contribute in alleviating poverty are discussed in brief below.

Major Program Areas

1. Strengthening Participation of the Poor

It is recognized that full participation of the poor in growth activities will not be possible unless the constraints are removed. The main constraints in Bangladesh are lack of access to factors of production and lack of human capital. The two are inter-related and a comprehensive poverty reduction strategy must work on both fronts. The discussion below focuses on Bangladesh's

Table 3.2 Poverty Rate and Occupation 2005

Occupation of Head of Household	Poverty Rate %			Population Share %		
	Urban	Rural	Total	Urban	Rural	Total
Self-employed: agriculture	27	33	33	6	29	23
Self-employed: non-agriculture	23	38	33	31	17	20
Salaried employee	17	27	22	31	10	15
Daily wage: agriculture	72	72	72	5	19	16
Daily wage: non-agriculture	55	60	59	15	12	13

Source: Bangladesh Bureau of Statistics, HIES 2005.

strategy for strengthening access of the poor to factors of production.

Some 80% of the Bangladeshi poor live in rural areas. The correlation between occupation of head of household and rate of poverty in 2005 is shown in Table 3.2. For both rural and urban areas, the incidence of poverty is highest for households where the head is employed as a daily wage earner in agriculture or outside agriculture. The incidence is lowest for households in urban areas where the head is a salaried employee.

The poor by population share suggests that much of the rural poor are engaged in agriculture, either as small holders or as daily laborers. A significant share of the poor population is also engaged in non-farm enterprises. The share of salaried population is the smallest, only 10%. Salaried head of household is relatively better off in both urban and rural areas although poverty rate is much higher among the rural salaried heads than in the urban areas. The results of Table 3.2 have major implications for designing employment strategies for the poor.

First, the creation of good paying salaried jobs in both urban and rural areas is important. This suggests the need for supporting the development of modern service sectors. The expansion of banking, government services, health, education, IT, trading, and transport services will augur well for job creation in the service sector. Employment in the service sector of the poor will require major improvements in education, training, and health services. Hence, access to better human capital for the poor will be critical.

Second, better access to credit and farm inputs is essential to enable the marginal farmers and

daily farm laborers to get out of the poverty trap. The most critical factor here is land. Landless and near landless households tend to have a high incidence of poverty in rural Bangladesh (Table 3.3). The one positive development is that some of the landless have moved out of poverty by finding other sources of income. Nevertheless, landownership remains a major determinant of rural poverty in Bangladesh. The policy options, however, are rather limited. With growing population pressures, land has become a scarce factor of production. Also, average size holdings are relatively small with limited redistribution prospects through land reforms. Government land has, moreover, been encroached upon by land grabbers leaving little scope for redistribution. However, government policy has been contributing by improving the functioning of land markets through digital record keeping of ownership and transactions, proper land valuation, proper zoning policies, and preventing encroachment of government lands.

Table 3.3 Landownership and poverty in rural Bangladesh

Land Size	2000	2005	2010
Landless (less than 0.05 acre)	63.5	56.8	45.1
Functionally landless (0.05-0.5 acres)	59.7	48.8	33.3
Marginal (0.5-1.5 acres)	47.2	35.1	25.3
Small (1.5-2.5 acres)	35.4	23.7	14.4
Medium-large holding (2.5 acres or more)	20.7	12.8	10.8

Source: Bangladesh Bureau of Statistics, HIES 2000, 2005, 2010.

On the agricultural input side, better prospects exist for policy intervention through better distribution of farm subsidies on water, seeds and fertilizers. Indeed, better access of the poor to these inputs has increased farm productivity and is helping both small holders and farm workers. Another potential intervention is through research and development and agricultural extension services focused on the poor.

Third, effective support to agricultural marketing could be another pro-poor policy intervention. The imperfections in the marketing of farm produce are well known. Much of this has to do with the lack of adequate farm-to-market roads and proper storage facilities. Government investment in rural roads is a very powerful pro-poor policy intervention.

Fourth, the difficulties of providing the poor farmers with credit for investment and working capital are a well known problem. Better targeted provision of farm credit through commercial banks can play an important role in reducing rural poverty.

Fifth, growing land constraint and the need to raise farm productivity suggests that increasingly more reliance needs to be put on the non-farm sources of income and employment. This transformation is already underway, but needs to be boosted further. A host of factors impact on the growth and dynamism of non-farm enterprises including technology, entrepreneurship, and access to infrastructure, especially electricity, but perhaps the most important factor is access to credit. The ongoing microcredit revolution pioneered in Bangladesh has already demonstrated the power of micro-credits in reducing poverty.

Finally, access to remittance income is a significant positive determinant of poverty reduction. Special efforts have been made to support expansion of migrant workers to international markets, particularly from the districts lagging behind.

2. Microfinance for Poverty Alleviation

A review of the characteristics of the poor in Bangladesh shows that lack of assets is a critical determinant of poverty. This is in terms of physical assets, financial assets as well as human capital. Human development policies focused on health and education is a powerful instrument for equipping the poor with human capital and is a great equalizer of opportunities. Regarding physical assets, short of redistributing land, possibly the most potent way of enhancing the opportunities for capital accumulation is through ensuring better access to financial resources at an affordable price.

Three financial service requirements have been identified that can help reduce income vulnerability and enhance the level of income. They are:

- i. Access to credit of poor households:** It relaxes liquidity constraint of the resource-constrained poor households and creates economic opportunities, though the marginal benefit of such access to credit will depend on access to economic information and skills of the borrowers.
- ii. Access to social safety net programs:** The poor are subject to both income and consumption vulnerability. Social safety net programs can minimize income and consumption vulnerability for the extreme poor households. Expansion of such programs can be complementary to the first requirement that we have mentioned. Consequently, the marginal benefits of access to credit will be higher.
- iii. Access to insurance for protection and preservation of assets/wealth:** Poor households, like everybody else, are subject to life and property risk as well as credit risk. Death or disability of the bread earner or damage to property due to natural calamities makes poor households more destitute. In such a situation, access to micro insurance can protect a family from income shocks and can preserve wealth.

Microfinance revolution that started some three decades back has brought changes in the financial landscape in rural financial markets. The poor that did not have access to credit can now access credit. Microfinance institutions address the problem of formal market failure due to adverse selection and moral hazard. On the other hand, they also offer an institutional framework that can make rural financial market more effective. The major elements of microfinance are: (i) self-selected group; (ii) compulsory savings; (iii) participation of poor members in investment decisions; and (iv) joint liability of the group members for loan default. Along with these elements micro-insurance has been introduced in Bangladesh by an insurance company Green Delta of Bangladesh. Inspired by the micro-credit innovator, Grameen Bank, it came forward in 1988 to provide financial

security to the poor in the form of micro-insurance at a small amount of monthly premium. After its introduction in Bangladesh, micro-insurance spread among other life insurance companies at a rapid pace. To date, almost every life insurance company in Bangladesh operates at least more than a single micro-insurance project. For eight life insurance companies, more than 50% of the premium income comes from micro-insurance. For others, micro-insurance constitutes an average of 30% of the total premium income. In 2008, about two million new policies were sold under micro-insurance, compared to a million under ordinary individual life. Total micro-insurance premium in 2008 amounted to around half of the ordinary and other life insurance premiums. For the last few years, micro-insurance portfolio of different companies' has grown at an average rate of more than 20% per annum.

Microfinance addresses the needs of the ultra-Poor: Targeting the ultra-poor is another frontier of microfinance movement in Bangladesh. These households live below the lower poverty line, defined as the line where average food consumption per capita is equal to average total consumption implying that the households did not have any non-food expenditure. It is also defined in terms of minimum food calorie, 1805 kilocalorie, which is equivalent to the basal metabolic rate. These households are also called ultra-poor. MFIs have been addressing the needs of the ultra-poor through various programs.

Beggars, destitutes, landless, daily wage earners, bonded labor, female-headed poor households, physically handicapped, seasonal labor, poor households living in char (River Island) and/or flood-prone or river-eroded areas and households with no regular income are generally under the Union Parishad (UP) programs, such as Ultra-Poor Programme of Partner Organizations Palli Karma-Shahayak Foundation (PKSF). In the case of structural poverty, special focus is needed to push them up.

Microfinance Institutes (MFIs) in Bangladesh have been pursuing a flexible system to provide

financial services to the ultra-poor. There are variations in the approaches practiced. Although generally the group approach is pursued, most of the MFIs tend to follow the individual approach. Flexible loan contract as well as low interest rates are offered. The common lending interest rate is 20%. In the case of ultra-poor programs, interest rates vary between zero and 15%. The existing system of low interest rate for Ultra-Poor Programs is subsidized by the fund generated by other activities of MFIs and especial support from Development Partners along with funds from government machinery through PKSF. In general, MFIs have a tendency to avoid risky borrowers, usually the ultra-poor, in order to maintain high repayment rate despite the fact that the group works as a collateral to enforce borrowers' loan contracts with POs. On the contrary, the ultra-poor voluntarily exclude themselves from microcredit at times because of the fear of not being able to repay in time and getting further indebted. The mandatory requirements of microcredit operations like weekly meeting, weekly repayment, and weekly savings also discourage the ultra-poor. Moreover, the ever-increasing emphasis of POs on viability of their microcredit operations particularly dependent on supplying larger volumes of loans to the same borrower virtually keeps out the ultra-poor from the financial system. Acknowledging all this, PKSF has introduced a flexible microcredit program especially tailored to suit the needs of the ultra-poor. Repayment installment system is flexible. Flexible payment system based on the ability of the ultra-poor is followed. As in the traditional microfinance programs, saving is the dominating element. The major MFIs in Bangladesh have been implementing separate programs for the ultra-poor.

Bangladesh MFIs have made a significant progress in reaching out to the ultra-poor. Around 4%⁴ of the total members/beneficiaries in MFIs are ultra-poor members when microfinance coverage of the ultra-poor is compared with the total number of members mobilized.

Microfinance has expanded tremendously, both horizontally and vertically. With a wider branch network, MFIs have been able to expand

financial services to millions of poor members and borrowers. Financial products are diversified – from traditional small business to livestock development and manufacturing. From the portfolio mix of the lenders, one is able to derive information on the demand side. Livestock has a higher demand which is also less risky. Small business remains a prominent sector exemplified by Small Enterprise (raw material, shop etc), Handicrafts (Bamboo, cane etc), Food Processing, Rickshaw/Van, Tailoring/Embroidery, Goat Rearing, and Duck and Chicken Rearing. The demand for loans for financing these ventures has grown over time. Increase in the supply of loans is a testimony of such higher demand.

Role of Microfinance in Reducing Seasonal Poverty and Vulnerability: Poor households are vulnerable because of idiosyncratic risk and covariate risk. The presence of these risks affects both the poor and the non-poor. In either case, it makes them vulnerable. In some cases, covariate risk, like flood, cyclone, tornado, and other natural disasters, may contribute to seasonal poverty.

Monga (seasonal famine-like situation), frequent in north-western Bangladesh caused by flood or draught and inadequate employment opportunities for the poor during September-November when there is no farming, is also observed in Southern Bangladesh where the intensity of covariate risk is colossal, caused by cyclone, for example. In the north-western region of Bangladesh, intensity of poverty increases during Monga, although poverty is structural in nature. The Government has been expanding social safety net programs like Food-for-Work programs, 100-day employment guarantee scheme, and old age pension scheme. Despite expansion, its ability to outweigh marginal loss from covariate risk is limited as not all the poor are under these programs and the amount of benefit is small. In such a situation, more long-term interventions are required. In the case of Monga type of situation, off-farm economic activities need to be created so that farm-based employments can be largely substituted by off-farm based employment opportunities. The case of cyclone-driven covariate risk requires larger

interventions. In either or both the cases, two financial services will be required – first, the provision of microcredit, and second, provision for micro-insurance.

Microfinance in Bangladesh: Present Scenario: Bangladesh has experience of over two decades in microfinance. Almost 750 microfinance institutions with a network of some 16,000 branches have been operating micro-enterprise borrowers. In addition, microcredit is targeted for the ultra-poor. More than 12% of the borrowers are ultra-poor.

Access to Rural Credit: Although non-government microfinance programs dominate the microcredit market structure, the GoB micro-credit programs are no less important. The noted sources are Bangladesh Rural Development Board (BRDB) and Palli Daridro Bimochan Foundation (PDBF), regulated and funded by the Ministry of Local Government and Rural Development. Bangladesh Rural Development Board is the prime government agency engaged in rural development and poverty alleviation. BRDB basically operates by organizing small and marginal farmers into cooperative societies for increasing agricultural production through improved means and by forming formal or informal groups of landless men and distressed women to promote income generating activities in the rural areas. PDBF is one of the emerging large organizations working in the microfinance sector in Bangladesh, established by the parliament in November 1999 by passing Law 23. The creation of PDBF is the result of an initiative to transfer a microcredit and poverty alleviation program, ‘RD-12’ of Bangladesh Rural Development Board, to an independent autonomous organization. BRDB has been promoting rural development by providing both rural finance including microfinance and skill development training. Nevertheless, both PDBF and BRDB have expanded credit substantially during the past years.

Recognizing the strong social capital and other qualities of the poor people and considering the potential of micro-savings in developing

the asset base for the poor, the Government has designed and developed the Project “One House – One Farm” popularly known as “Ekti Bari – Ekti Khamar”. The project components include: formation of comprehensive village development cooperative societies, introducing contributory micro-savings to attract poor people for making small savings through incentives, providing seasonal micro-credit to support micro-investment in the farm sector, development of farm-based volunteers (mainly in the field of homestead agriculture, poultry, fish culture, livestock farming, forest nursery, and horticulture). This program will develop cooperative marketing to ensure proper prices for the farmers and promote food processing and other agricultural product processing at the grassroots level. Efforts will be made to develop community food storage system to ensure food supply and food security at a lower cost at the community level.

Main Issues and Challenges in Microcredit:

Over the years, various challenges with regard to micro-credit have emerged. These are:

(i) prevalence of high interest rates which are going down, but further reduction of interest rate is necessary; (ii) vicious cycle of micro-credit – the poor are borrowing from one micro-credit organization to repay another; (iii) micro-credit programs have not been very successful in including the hard core poor; (iv) rate of graduation to above the poverty line among the micro-credit borrowers is low, indicating persistent dependency on microcredit; (v) most of the micro-credit recipients are women, who bear the key burden of repayment; (vi) microcredit organizations compete with each other and often put pressure on the potential clients to borrow; (vii) profitability of micro-enterprises is small and often is not sustainable on a long-term basis because of enterprise de-capitalization, saturation of markets for products that are traditionally produced by micro-credit borrowers, weak coordination among NGOs and MFIs, and a weak financial system. Moreover, the dominance of weekly payment system has attracted micro-credit investment in the non-farm sector and the farm sector remains unsaturated. Seasonal micro-

credit is needed to saturate the farm sector. In the case of some NGO-MFIs, they have initiated seasonal loan for farm activities; one such NGO is Shojag, Savar, Dhaka, financed by PKSF. The credit is disbursed for a period of time which is the gestation period of generating income from the creditor's farm harvest. On the other hand, the conventional microcredit does not have any such gestation period.

Strategies for Microfinance Expansion: The microfinance expansion program consists of the following:

- Formal rural credit should be expanded from the present level, which is quite low and has to be enhanced to create more demand for credit to finance off-farm economic activities including SMEs.
- There is a formal market failure to address the demand for finance of poor households. Public sector banks are inefficient and costly, and are not able to expand financial services to poor households for their high transaction costs and perceived associated risk of non-recovery of loans. Under these circumstances and in view of the successful experiences of microfinancial institutions (MFIs), the Government emphasizes expanding financial services to poor households with equal opportunity for women through microfinance institutions because of their wider network and commitment.
- Greater emphasis has been placed to increase the coverage of the program to a larger number of deserving households, introduce a uniform approach of operation both by NGOs and the public sector, and strengthen the regulatory framework for streamlining the activities of the microfinance program in the country. The Government would channel more resources for microfinance operations, minimize interest rate and increase the effectiveness of microfinance for poverty alleviation, avoid overlapping and reduce seasonal vulnerability through microfinance. Local governments will be involved in microfinance delivery.
- A Micro-finance Regulatory Authority (MRA)⁵ has been established to provide the

appropriate regulatory framework. A national microfinance policy will be framed to provide guidelines about the operation of microfinance. It is also necessary to rationalize interest rates. Necessary mechanism will be devised to ensure that microfinance reaches the ultra-poor and the hard-to-reach areas, especially those located in regions with higher incidence of poverty.

- Up-scaling microfinance is a natural consequence of microfinance program as the progressive microfinance recipients demonstrate their entrepreneurial ability to handle larger size loans requiring expansion, deepening, and diversification of loan products. Some of the microfinance organizations, notably some partner organizations with support of Palli Karma-Shahayak Foundation (PKSF), have increased their loan ceilings. The micro-enterprise loan not only helps reduce poverty of the borrowing household but also creates employment opportunity for other poor people. It is expected that as more and more borrowers graduate out of the regular microfinance program, the demand for larger size loans will increase. Special emphasis will be placed on micro-enterprise development finance and access to information and training will be required for micro-enterprise development. Particular attention will be given to women who are lagging behind in micro-enterprise development and they will be provided with better access to business and vocational training, micro-enterprise credit and better market information.
- Skill development of borrowers would contribute to income growth and efficiency in microfinance market. MFIs would be involved in the process.
- Access to better information for microfinance borrowers will improve the productivity of credit. Special effort will be made to target the benefits of the ICT expansion program for these borrowers.

3. International Migration and Remittance

Bangladesh has benefitted tremendously from the large inflow of remittances. Evidence from

Bangladesh and other South Asian countries shows that income from remittances has been a major positive factor in poverty reduction. The Government has been striving hard to deepen overseas employment opportunities abroad. The major host countries for Bangladesh workforce have been Saudi Arabia, Malaysia, and the United Arab Emirates (UAE) in terms of remittances and number of employments. The concerned Ministry and the Bureau of Manpower, Employment and Training (BMET) have concentrated on the incentive structure required for cost-effective work force export as well as for remittances of foreign currency through the formal channels.

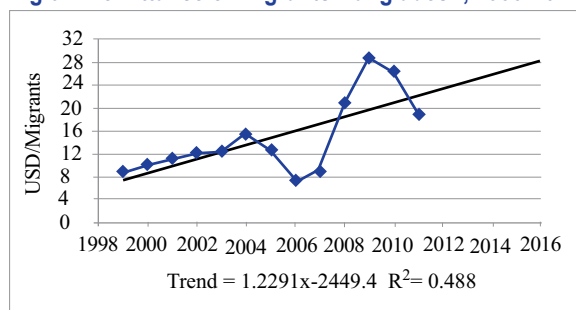
Nowadays, about seven million people are residing outside the country, in the Middle East and East Asia, for example, from where emigrants are remitting their earning to Bangladesh. More than USD 10 billion has, thus, been injected into Bangladesh economy which has an enormous positive impact on poverty reduction. The household with an emigrant member has higher expenditure on its consumption pattern and the livelihood of the families is also changing. The Household Income and Expenditure Survey (HIES) 2010, shows that the eastern and north eastern districts are better off with a smaller number of poor people than the western and the north western districts. At the same time, the Bureau of Manpower and Employment Training shows that more people from the eastern districts of Bangladesh are going abroad than from the west. Households with foreign wage earners have a second major source of income. This secondary income means a better life for the people in Bangladesh. Also, when these people consume more, there is a positive spillover effect and the country's aggregated demand creates more employment. All these aspects leave a positive effect on poverty alleviation and remittance thus becomes one of the major reasons behind poverty reduction in Bangladesh. Historical data on inward remittance and poverty reduction show that in the last decade a higher growth of remittance was correlated to a higher pace of poverty reduction. Table 3.4 shows the number of exported work force and the amount of remittances received.

Table 3.4 Trend in the number of employment abroad and amount of remittances

Year	Number of migrants	Remittance in million US\$	Remittance in million take
1999-2000	222,686	1,949.32	98,070.30
2000-2001	188,965	1,882.10	101,700.10
2001-2002	225,256	2,501.13	143,770.30
2002-2003	254,190	3,061.97	177,288.20
2003-2004	272,958	3,371.97	198,698.00
2004-2005	252,702	3,848.29	236,469.70
2005-2006	381,516	4,802.41	322,756.80
2006-2007	832,609	5,998.47	412,985.29
2007-2008	875,055	7,914.78	542,951.40
2008-2009	465,351	9,689.26	666,758.50
2009-2010	383,150	10,987.40	760,109.59
2010-2011	439,375	11,650.32	830,046.20
2011-2012	691,402	12,843.43	1,018,827.80

Source: Bangladesh Bank.

Further efforts are being made to promote migration, especially from the backward districts of the northern and north-western regions of the country. Two major interventions will be undertaken – skill development through training programs and financing of migration. There are 96 textile and engineering training institutes all over the country. Other than these, 355 private polytechnic and engineering institutes also exist, administered by the private sector. BMET currently has been running 12 skill and training enhancement projects for boosting up the training for emigrant labor. In order to finance workers in their migration process, the Probashi Kalyan Bank (PKB) was established in April 2011 by the government. The ‘Colombo Process’, thus formed, comprising countries that send their workforce abroad for jobs, had a meeting with minister-level representatives of the forum held in Dhaka. The bank, which has already started operation and disbursed loan to thousands of people, has reached all the divisional headquarters and also opened offices in some other countries and will spread toward district towns across the country. Its target is not only the areas with large numbers of overseas job seekers—it is also focusing on areas like Dinajpur, Rangpur, and the northern districts of the country with fewer migrant workers. The bank is going to these places so that more people of the areas can go abroad through the PKB loan. The bank not only encourages but also motivates people of these areas to emigrate abroad to earn

Fig.3.1 Remittance of migrants Bangladesh, 1999-2012

foreign currency for Bangladesh and help out their families. In the existing scenario, there is a need to develop a mechanism to support the expected migrant workers so that they can easily be trained by the BMET efforts and get financing support from PKB or any other financial institutes. Efforts will also continue to reduce the transaction costs of remittances through better banking support to migrant workers as also to ensure that male and female migrant workers are treated well and with dignity in host countries through the oversight of local embassies and through a high-level policy dialogue with host governments.

4. Social Protection Programs

The Importance of Social Protection

The diverse causes of poverty in Bangladesh include vulnerability, social exclusion, and lack of assets and productive employment, although the main symptom is often hunger and malnutrition. The extremely vulnerable poor can lift themselves out of poverty with an appropriate short to medium-term support. The extremely dependent poor, who are old, disabled or chronically sick, will depend on long-term social protection to survive. The children of the extreme poor, who are stunted or malnourished, are vulnerable to harassment, and have limited, or no access to education. A sharp rise in inequality may not just undermine the growth, but may also threaten social cohesion, and breeding instability and discontent. Both the poor and non-poor families are vulnerable to shocks (e.g., natural disasters, health problems) that can push them quickly into extreme poverty. There are four major concerns that the current rate of progress in reducing extreme poverty may not be maintained: (1) a slowdown in the global

economy together with domestic factors; (2) growing population density that force more of the poorest people to live in the most vulnerable areas; (3) climate change exacerbating the vulnerability of poor people to environmental shocks, with the predicted increase in extreme climate events; and (4) demographic and social changes further increasing vulnerability and social exclusion.

Risks and vulnerability are mainstream problems in the lives of the average Bangladeshi citizen and are recognized as such by governments, individuals, and communities. Social Safety Net Programs to address risk and vulnerability have been an integral part of the anti-poverty strategy of the present as well as previous governments. However, with inadequate informal social support, newer risks are emerging from rapid urbanization and global economic integration, and, stronger assertion of demands for mitigation from a democratizing polity, and thus a holistic re-thinking the direction, scope, and design of safety net policies, in particular, and social protection policy, in general, is necessary. Social protection includes safety nets, various forms of social insurance, labor market policies as well as processes of self-help existing or emerging within the society. Risk reduction and social protection are important not only in themselves but also because an unaddressed risk atmosphere carries negative psychological consequences for the livelihood of the poor and for community efforts needed for social cohesion as well. Effective policy initiative on a holistic approach to social protection requires a sharper profiling of risks, old and new. These include disasters, anticipated risks such as Monga and seasonal poverty, public health risks associated with the urbanization process, social ills such as dowry, erosion of family-based safety nets and emergence of new vulnerable groups such as the elderly and the disabled, and, the uneven globalization process which may give rise to new categories of poor whether in terms of worker displacement, livelihood losses or victims of environmental disasters.

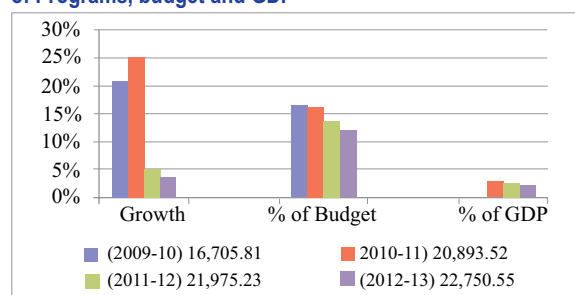
An important corollary of moving toward a comprehensive approach on social protection

programs will be the need to streamline the institutional strategy on implementation. The potential of local government bodies, particularly the Union Parishad⁵, to coordinate a streamlined institutional strategy, needs to be actively explored.

The Government's Social Protection Programs

The Social Protection Programs address the basic needs of the poor and vulnerable people, namely food, shelter, education, and health. Among the primary government programs are: Food for Work (FFW), Vulnerable Group Development (VGD), Vulnerable Group Feeding (VGF), Open Market Sales (OMS), Cash for Work (CFW), Gratuitous Relief (GR), Employment Generation program for the Poorest (EGPP), Test Relief, old-age allowances and allowances for retarded people, allowances for widow and distressed women, and grants for orphanages. There are also allowances for freedom fighters, programs for the physically challenged, and so on. Distressed people, particularly women, children, and disabled persons, have been given priority. Programs are implemented through both non-development and development budget. Currently, more than twenty separate ministries are running more than 90 social protection programs which are not coordinated in the real sense. Realizing the importance of social protection programs for minimizing poverty, the government established a high level Central Monitoring Committee, chaired by the Cabinet Secretary, to oversee the implementation of programs. Under the supervision of this high powered committee, Bangladesh Planning Commission is preparing a

Fig. 3.2 Growth of allocation for Social Safety Net percentage of Programs, budget and GDP



Source: Ministry of Finance.

National Social Protection Strategy and the General Economics Division of Planning Commission will coordinate and monitor implementation of the strategy so that the programs can be more effective in reducing poverty.

The Government views poverty from two broad perspectives – income poverty and human poverty. It identifies direct and indirect social protection programs to address these two types of poverty, where the direct measures (income/employment generating programs) are considered as those that are targeted toward the poor, and indirect measures (human development program) are growth-oriented and hence expected to leave indirect effects on poverty reduction. Examples of indirect or growth-oriented measures cover mostly infrastructural development and rehabilitation programs. However, there are also safety net programs that merge the two concepts of direct and indirect measures. For example, a direct measure like Food-for-Work program that is targeted toward the poor is also used to start infrastructural services, falling in the category of indirect measure. Table 3.5 presents the names and examples of the major types of social protection programs in Bangladesh.

Table 3.5 The main types of social protection programs in Bangladesh

Type	Program Example
Cash transfer	Old Age Allowance Widowed and Distressed Women Allowance
Condition cash transfer	Primary Education Stipend Program Stipends for Female Secondary Students
Public works or training-based cash or in kind transfer	Rural Maintenance Program; Food-for-work Vulnerable Generation Programme (EGP)
Emergency or Seasonal Relief	Vulnerable Group Feeding (VGP) Gratuitous Relief (GR); Test Relief (TR) Open Market Sale (OM)

Source: Ministry of Finance.

Vulnerable Group Development (VGD)

The Vulnerable Group Development (VGD) programme is the largest social safety net programme of the Government of Bangladesh that exclusively targets ultra-poor households. About 750,000 direct ultra-poor participants across the country receive monthly food ration for household and development support services (inclusive of

life skills and income generating skills training, savings, and access to credit) in 482 Upazilas (Sub-districts). To ensure sustainability of development results and provide women with opportunities to further improve their livelihoods VGD participants are mainstreamed into regular NGO development programs after completing the cycle.

Objective: The NGOs shall aim to improve the socio-economic status of VGD women and make best effort in materializing it. The main objectives are to build the income-earning capacities of VGD women and to socially empower them through training on awareness raising, provision of training on a variety of Income Generating Activities (IGA), provision of credit and other support services during and beyond the food completion of the contract period and NGO shall continue the follow-up services to the VGD women for three years after the completion of the VGD cycle.

Service Delivery: The development support services consist of providing training on awareness and Income Generating Activity (IGA) issues and savings management, and may bring access to credit. The targets for development support services are:

- Awareness training for all VGD women.
- IGA training for at least 90% of the total VGD women.
- Savings management skills to be imparted to all VGD women.
- Access to credit for those who are interested to get microcredit from the NGO.

Apart from their poverty focus, a part of the social protection programs is aimed at addressing the special needs of target groups within the poor and underprivileged groups: physically challenged children, disabled persons, socially excluded population in tribal areas, and poor women. Another part is transitory in nature that comes into play during natural disasters. For all programs, institutional arrangements are as important as their financing. Evidence suggests that the scope for improving the design of programs, their targeting, and associated institutions is substantial. With limited resources, the emphasis on these aspects will

be critical. A few recommendations were prepared by a study⁶ toward improving the programs, especially VGDs which are explained below.

- The allocation of cards to the Upazillas (Sub-districts) and Union Parishads (UPs) should be viewed as part of a safety net package available at the local level. The amount of resources needed at the local level depends on the level of poverty in the area and the availability of other poverty alleviation programs. Some special provisions should be made for Upazillas that have larger numbers of people who need to receive food assistance.
- The practice of reserving funds for giving small amounts of grain to poor women, who are not participating in the VGD program, is very common. This practice is not bad per se, but if accepted, the process should become transparent. One option is to work in collaboration with other food alleviation channels to provide short-term forms of assistance to women that are not participating in the program. Another option is to reduce the size of rations and increase the number of participants.
- All the women who participated in the group discussions had very high expectations from the saving and training components. Efforts should be made to ensure that they receive this training.

In addition to the programs mentioned in Table 3.5, other social protection programs managed by various ministries are:

- Programs under the Livestock Sector to alleviate poverty
- Fund for Housing the Homeless
- Program for Generating Employment for the Unemployed Youth by the Karmashanghstan Bank
- ‘Abashan’ (Poverty Reduction and Rehabilitation) Project
- Fund for Mitigating Risks due to Natural Disasters
- Program for Mitigating Economic Shocks
- Programs for Reducing Poverty and Generating Employment under the Ministry of Women and Children Affairs.

A range of specialized institutions manage the various social protection programs:

- Information and Communications Technology (ICT) for Poverty Alleviation
- Rural Infrastructure Development Program
- Palli Daridrya Bimochan Foundation (PDBF)
- Bangladesh Academy for Rural Development (BARD)
- Rural Development Academy (RDA)
- Department of Social Services
- Palli Karma-Sahayak Foundation (PKSF)
- Ministry of Food and Disaster Management
- Bangladesh Rural Development Board (BRDB).

5. Public Spending for Social Protection

Expenditure on social protection programs is increasing over time. These transfers have grown modestly, both as a share of total expenditure and as a share of GDP. While the Government is committed to protect public spending on social protection, budgetary imperatives require much more attention to make these programs effective. Increasingly, efforts will also concentrate on securing more contributory social protection programs based on beneficiaries’ capacity to pay. The key challenges in implementing the SSNPs are coverage issues, targeting beneficiaries, leakages, and disparity in regional distribution. These are discussed below.

While coverage is relatively low, a significant number of households gain access to multiple programs. Data from a study of transfer programs show that about a quarter of households were receiving transfers from more than one safety net program. Analysis of the HIES (2005) also showed that over 11% of households were participating in at least two of the three programs – VGD, FFE, and FFW. But coverage in the urban areas remains low.

Data also indicate that 27% of VGD beneficiaries are not poor and 11% of the participants of the Public Expenditure for Social Protection (PESP) meet none of the eligibility criteria for program participation while almost none of the beneficiaries meet at least three criteria. Almost 47% of the beneficiaries of the PESP are non-poor

and incorrectly included in the program due to faulty and arbitrary selection procedure. Some of the vulnerable groups are insufficiently covered or not covered at all; for example, the elderly, the disabled, and the poor women. All households within less-poor Upazilas (sub-districts) are denied assistance, including those with a very high level of food insecurity.

M. Guhathakurta and F. Hasan (2005)⁷ found that for Bangladesh a rights-based approach to development is needed to set the achievement of human rights as an objective of development along with poverty alleviation. Although this approach is still somewhat new in Bangladesh, several traditional service delivery organizations are trying to integrate rights as either a means to themselves or as a delivery apparatus for the goods and services they provide. The observers attempted to describe the process under which such organizations are trying to use human rights as the scaffolding of development policy with their service delivery responsibilities and the problems and debates that emerge from forging such an alliance. Their study looked at two organizations Bangladesh Rural Advancement Board (BRAC) and Rangpur Dinajpur Rural Services (RDRS), both of which operate in North Bengal and are trying to synthesize rights with their service delivery responsibilities. One case study of the appraisal is depicted below.

6. Induction of Rights-Based Approach

The CFPR-TUP Program: “In January 2002, BRAC started a new program for the extreme poor, called challenging the Frontiers of Poverty Reduction/ Targeting the Ultra Poor (CFPR/ TUP) program. It has been initiated in the North of Bangladesh, with Nilfamari (a district) as its base of operation. A brief historical perspective on BRAC’s development programs helps to explain its current engagement with the extreme poor. BRAC has been concerned with developing programs for the extreme poor since its beginning in 1972. Although micro-credit programs have existed in that region for many years, BRAC came to realize that micro-credit alone is not as suitable an entry point and intervention for the extreme

poor as it is for the moderate poor (this realization has been shared by RDRS as well, which has activities similar to those of BRAC in the region). BRAC thus decided to merge their conventional service delivery approach with a rights-based approach but still retain the “essence” of delivery since its experiences have found that the “hard core poor” (or the ultra-poor using BRAC terminology) are increasingly slipping out from its micro-credit meshed net.”

7. Other Aspects of Best Practices

Match between Intervention and Context

Based on available data, poverty mapping and experiences gathered through outcome of the project(s) implementation relating to poverty alleviation are being designed to match the situation. Certainly, if there is any gap, the result desired will not be achieved. Policy interventions will have to be redesigned and implemented accordingly. There is a scope to analyze the effect of interventions on poverty alleviation. But few studies exist so far to compare before and after intervention effects on a poverty reduction program in a particular area of the country. With the help of development partners this sort of Difference in Difference (DID) model can be used for the program or project evaluation. The Planning Commission of Bangladesh is not planning to do some analysis on pre- and post-intervention. But, in order to find out the best poverty intervention for a particular region, such analysis needs to be carried out in Bangladesh.

Criteria for Choosing a Specific BP

The major criteria for choosing the four program clusters as best practices to reduce poverty in Bangladesh are:

1. Pro-poor policy-oriented
2. Better program operation and performance
3. Empirical evidence/case studies/pilot project(s) as the base
4. Targeting and inclusiveness
5. Empowerment and awareness building of the poor
6. Employment generation
7. Gender mainstreaming
8. Budgeting and needs assessment.

All the four program clusters, Social Safety Net Programs, Migration, Pro-Poor Growth Strategy and Microfinance identified in this paper are important elements in reducing poverty in Bangladesh. The social protection programs are now highlighted in Bangladesh to reduce the hard-core poverty at a faster rate. Social protection may not ensure sustainable poverty reduction, but it will make space for the poorest people to get involved in employment-based productive activity. The Government of Bangladesh, with the help of Development Partners, is trying to move forward with the ‘Life Cycle Approach’ for Social Safety Net Programs (SSNP). In this regard, the program will focus on strengthening the delivery of core lifecycle social protection schemes, initially in the Ministries of Social Welfare and Primary and Mass Education while other Ministries will be incorporated in later years of the program. These schemes will cover risks associated with childhood, ageing, disability, and widowhood. The program will have two core areas of focus, which are closely related. The Social Protection Secretariat will work with Line Ministries to establish a comprehensive social protection management information system across government. This will also require the collaboration of the Ministry of Local Government, given its core role in enabling reforms to management information systems to take place at the local government level. The program will also engage directly with Line Ministries to strengthen other aspects of their delivery of priority social protection schemes. This will be based on initial in-depth diagnoses of programs to produce plans for comprehensive reforms. Ministries will be supported by UN agencies to take these reforms forward, with program resources allocated to them for this purpose.

The reforms to the Management Information Systems and other improvements will be piloted in a number of districts and, if successful, will be scaled up by government.

Location, Gender and Social Inclusion (GESI) aspects, and Lifecycle Approach

Notwithstanding the past progress, the government recognizes that Bangladesh is still a low income

country with substantial poverty, inequality, and deprivation. An estimated 47 million people are below the poverty line with a significant proportion in female-headed households or remote areas, and consisting of socially excluded and other vulnerable people. Most of the labor force is engaged in informal low productivity and low income jobs. Access to secondary and tertiary education is limited and the quality of education is deficient. The poor are severely disadvantaged in terms of ownership of assets and have inadequate access to institutional finance as well as basic services including quality education, healthcare, water, and sanitation. These people, especially women and children, are also disproportionately affected by natural disasters and adverse effects of climate change. Despite expansion, publicly supported mitigating measures in the form of social protection programs are inadequate.

Human development area has been given major attention, particularly through education and training. Reproductive healthcare system will be strengthened while population control will be revitalized to reduce the population growth rate. Establishing equal opportunities for women with the objective of integrating them cohesively into the social and economic sphere is a core strategic element of the government. Specially tailored development programs are being undertaken for the lagging regions for fast tracking their development. Given the perils of climate change, adaptation capacity for climate resilience will be systematically developed while responsiveness to disaster management will be improved. Land use policy and management will be strengthened to ensure the best possible use of limited land resources. Strong programs for converting Bangladesh into a digital country have been pursued by promoting and developing the ICT sector.

Thematic/SAARC Best Practices in PAPA or SDGs

i. Capacity (asset/skill) building

Although Bangladesh is currently experiencing “demographic transition” as a result of slow population growth, the young population continue

to enter the labor market. This demographic dividend has been properly engaged through developing and implementing a well thought-out education and training strategy. The strategy adopted is particularly sensitive to reduce the excess gap of the poor and the women, especially in the under-developed or lagging regions of the country. A significant part of the investment on higher growth is being channelized to the development of the labor force with special emphasis on the target groups. Moreover, emphasis has been given to export of well trained skilled and semi-skilled manpower to existing as well as new destinations to increase the flow of remittances.

ii. Natural resource management/productivity

Rapid economic growth, its composition, and absorption of labor in high productivity, high income jobs are inter-linked. Low income elasticity of basic food items, land constraint, and difficulties in penetrating the world agricultural export markets limit the ability of agriculture to grow at the same pace as manufacturing or services. Presently, the average labor productivity and income in agriculture are also very low. Similarly, a large part of the labor force is occupied in informal services with very low productivity and income. Accordingly, the economic growth process needs to be appropriately balanced, to create more employment opportunities in the manufacturing and organized service sectors and allow a shift of large numbers of workers engaged in low productive employment in agriculture and informal services to the higher productivity sectors of economy.

Re-balancing of the growth and employment process must be accompanied by strategies to enhance the income-earning opportunities of workers in agriculture by raising land productivity and increasing diversification of agriculture production. Agriculture diversification in both crop and non-crop sectors will help promote commercialization of agriculture and raise farm incomes.

iii. Awareness, advocacy, social mobilization

Awareness, advocacy, and social mobilization are necessary to use the public commons including natural resources such as land, wet lands, forests,

grasslands, grazing lands, reed land, khas land, peat land, rivers, estuaries, and the open seas, which may become one of the most important safety nets available to the poor, particularly in the rural areas, provided these are managed in a sustainable manner. In order to increase access to natural resources for the rural poor, participatory social forestry for degraded and encroached forest-land and co-management for protected areas have been introduced by the Forest Department of Bangladesh. It would allow better access of the poor to the public commons. Besides, endeavors like enhancing education and awareness activities for sustainable development, improved research and development activities to upgrade organized training in research methodology for innovative poverty reduction tools in the context of Sustainable Water Management (SWM) and air quality development have also been undertaken.

iv. Health, Education, and Welfare

Notwithstanding the low incidence of communicable diseases and the progress made, Bangladesh faces challenges in maintaining the trend. These include inadequate coverage of Most-at-risk Population, limited technical and managerial capacity, and lack of strategic information management. Several challenges such as inadequate coordination between health and family planning care services, improper skill mix and insufficient number of health workforce, particularly Skilled Birth Attendants stand in the way of achieving maternal health target.

The education sector faces significant challenges in achieving the targets which include ensuring the survival rate of grade V, improving quality of primary education, increasing share of education in government budget, and increasing coverage and improving quality of adolescent and adult literacy programs. Achieving gender parity at the tertiary level is also a major challenge.

The intervention in early childhood development will include an awareness raising program for parents to inform them about the benefits of early childhood development and promote community-based childcare centers for clusters of families

where literate mothers are trained to become caregivers and design facilities for early learners. Efforts will be made to increase enrolment rate and decrease dropout rate, train primary school teachers, increase attendance rate and contact hours, and maintain gender parity in access and achievement. Non-formal education (NFE) is being provided to diverse types of children generally deprived of education, such as the un-enrolled or drop-out children and hard-to-reach children, to enhance their employability and productivity through skill training.

v. Social Protection: Focus on Women/Children, Marginal groups

Ensuring social protection for the under-privileged population: Even with higher growth, better jobs and better access to essential services, a part of the under-privileged population is still likely to be left out. Additionally, substantial risks are posed by natural disasters and climate change for this vulnerable population. To address this challenge, the Sixth 5-Year Plan of Bangladesh aims at significantly strengthening social protection programs.

Persons with Disabilities: A National Disability Action Plan has been formulated involving all related ministries. The Ministry of Social Welfare has taken up programs for enabling and integrating disabilities the persons with mainstream of the society through various programs including stipend programs for students, subsistence allowance, skill training, and interest-free microcredit. In addition to its own initiatives, the government provides funds to NGOs to provide education facilities to persons with mental disabilities.

Disadvantaged and Extreme Poor Groups: There are some disadvantaged and stigmatized groups (such as dhopa, muchhi, napit, Hijra/transsexuals, and other traditional low caste people) who are subject to social injustice and are marginalized, and have little opportunities for overcoming their harsh realities. The vision for these disadvantaged and extreme poor groups is to mainstream them into the society by ensuring

their participation in socioeconomic activities and to promote and protect their human rights, reduce their persistent poverty, and ensure education and skill training in income generating activities.

vi. Institutional Aspects

Participation, Self-Help: The success of any poverty reduction program depends on the way people participate in the program(s) meant for them. The Palli Karma Shahayak Foundation (PKSF), is already at work to expand financial inclusion through microfinance. Khanam, N.A. (2011)⁸ explores the defining features of partnerships in the Income Generation for Vulnerable Group Development (IGVGD) and Rural MicroCredit (RMC). IGVGD program run by BRAC is known to be one of the largest food aid interventions targeted to the rural women in Bangladesh. The IGVGD and the RMC, two Public Private Partnerships (PPPs), are different in their design, management, and implementation procedures. Several features of the partnerships were identified in the study.

The study learned some important lessons about the future of Partnership for poverty alleviation in Bangladesh and perhaps elsewhere in the developing world. Building trust among stakeholders was found to be the vital foundation for successful design and implementation. However, this trust requires reinforcement through good governance, especially a strong regulatory framework, efficient and effective monitoring and evaluation processes, transparency and accountability to combat corruption, and elimination of political interference in program operation. The task ahead is to try and build these desirable qualities into PPPs for poverty alleviation and continue experimentation with inter-organizational arrangements to improve the outcomes achieved by these innovative mechanisms for poverty alleviation.

Crucial role of partners: Government, Donors, BGOs, CBOs: Many of our poverty alleviation programs have been donor-assisted. The syndrome of ‘donor assistance’ is manifest in the absence of sustainable institutional capacities.

Our development partners are now emphasizing the need for institutional reforms in improving implementation of poverty alleviation projects and we now hear a great deal about concepts such as participation.

Bangladesh is already embarked on a journey of transformation. Translating this into a journey of hope for a poverty-free inclusive society is the key contemporary challenge. It is a challenge which demands active, intelligent, and innovative engagement from all: government, development agencies, private sector, NGOs, community organizations, media, academia, above all, from the people of Bangladesh themselves. The engagement is not just for policy planning. It is equally an engagement for results, for inclusion, for imaginative solution, and ultimately an engagement to unlock the potentials of the nation.

Costs

Efforts are being made to estimate the cost of achieving MDGs/SDGs targets and to link those costs with the nation's budget.

i. Training/HRD: Education is one of the key elements for building the knowledge base of the people. It is expected that the country's whole education will establish a truly empowered knowledge-based society to meet the challenges of the 21st century. Skills and the knowledge base of people that are created through formal education can be maintained, reinforced, upgraded, and strengthened through continuous training. In the existing educational institutions, evening and night courses have been introduced for need-based skill training programs. The duration of these courses can vary to meet the diverse kinds of situations and needs of clients.

ii. Equipment: Government of Bangladesh and the development partners along with the NGOs working for development in Bangladesh are fighting poverty in its various forms. The government's Annual Development Programs (ADP) include more than nine hundred projects worth more than USD 500 million per year, of which more than fifty percent is targeted toward

poverty alleviation. Other than development expenditure, government spends on Social Safety Net Programs (SSNPs) for poverty reduction worth USD 250 million per year for the last few fiscal years. The development project expenditures include equipment cost which helps the poor to overcome poverty. This equipment includes handlooms, sewing machines, cycle rickshaws, rickshaw vans, agricultural equipments etc.

iii. Other Capital: The analysis done by the Planning Commission on MDG financing found that the share of capital expenditure in the total expenditure has been falling steadily, declining to 23% in 2009 from 40% in 2003. This may suggest a lesser engagement by the government to raise the productive capacity within the economy. More resources are being allocated for recurring expenditure, mainly due to inelasticity of some items (i.e. interest payment, salary, allowance etc.) of recurring expenditure.

iv. Recurring costs: According to the analysis done on MDG financing, per capita recurring expenditure shows an increasing trend (especially onward from 2006); it increased to Taka 4,700 in FY9 from Taka 2,000 in FY3. A large part of that increase has been due to the rising share of interest payment and payment for goods and services which may not be helpful for MDGs. Per capita capital expenditure, on the other hand, virtually remained unchanged at around Taka 1,500.

The SFYP provides the medium-term operational strategy to achieve the goal of accelerated poverty reduction and the MDGs. In estimating the resources required for implementation, the cost of all the activities to achieve the goals and targets in each area has been taken into consideration. These costs are indicative and were identified in consultation with relevant stakeholders in the ministries and agencies. Due to the crosscutting nature of some issues there are some overlaps in goals, activities, and cost estimations. However, efforts have been made to avoid these problems as far as possible. Efforts have also been made not to overestimate the implementation needs.

Timeline

Poverty reduction measures are to be continued as a continuous process. The terminal year for the MDGs is 2015. Not all the MDGs would be achieved by that time and we can now think of what would be beyond 2015 and determine what is to be done after 2015.

According to the UN MDG report 2011, the world is on track to reach the targets despite serious setbacks after the 2008-2009 economic downturn exacerbated by food and energy crises. In fact, by 2015 global poverty rate will fall well below the 23% target. This means hundreds of millions of people will have overcome extreme poverty. However, reaching the goals by 2015 does not mean that we can cease our efforts to fight poverty and injustice in the world. According to the MDG target, we should halve the proportion of people living in extreme poverty and hunger. When these targets have been met, the other half will still be living in poverty and hunger. For example, with regard to population, Bangladesh is the 8th largest country in the world and its absolute number of poor people (31.5% of 152 million, i.e. 47.88 million) is equal to the total population of 103 lower end countries, if we consider world population in an ascending order.

The post-2015 agenda should center on livelihoods, especially those who are poor and vulnerable. The agenda should cover specific areas such as climate change, food security, nutritional security, gender equality, decent employment, natural resources management, technology, ICT, education, health, and promotion of local industries. The voices of the poor did not come through in the MDGs and those of disability were left out completely. There should be hope for post-2015 where a strong focus on human rights and proactive policies for the disabled and disadvantaged will be addressed.

Wider Replication/Upscaling

Successful programs in alleviating poverty should be replicated nationally and regionally to achieve MDGs vis-à-vis the SDGs by the stipulated time. Consideration of a new

development agenda beyond 2015 would need to start with a thorough, broad-based, and inclusive review of the present agenda, as well as assessment of what has worked and what has not; and all this should be put in the context of the global development challenges ahead.

Lessons learnt from the past decade of efforts to achieve the SDG/MDGs show that where we have seen rapid progress, we have seen strong ownership by the developing country governments. In other words, the first precondition for the SDG/MDG achievement is that the government takes the lead in developing and implementing appropriate policies aligned with the SDG/MDGs, which are backed with adequate levels of investment, particularly domestic resources, and also supported by the international community with timely and adequate development assistance even beyond 2015. The SAARC countries should cooperate with each other in replicating the poverty alleviation instruments. Bangladesh can share the experience of expanding migration and increasing remittance for enhancing poor households, income, social protection strategies and nutrition programs to target the poor children and women, and the integration of government and NGOs for best use of microfinance toward appropriate income generating activities which can create self-employment.

Monitoring and Evaluation Indicators

i. Common indicators

The proper implementation of the poverty alleviation programs/projects requires careful monitoring and evaluation. In the past, the focus has been on monitoring public spending in terms of achieving financial targets. Presently, the emphasis has shifted to monitoring of results. This will entail adopting proper M&E Frameworks, indicators, improving database, and strengthening technical skills. For result-based M&E of poverty alleviation programs/projects, frameworks along with specific indicators have already been fixed up. The common indicators could be (1) Poverty head count ratio, (2)

Total number of poor, (3) Share of budget in poverty alleviations, (4) Food security, (6) Gini Indices, etc.

ii. Technical indicators

The technical indicators on poverty are: Government spending on Social Protection (excluding pensions) as a percentage of GDP, Poverty Headcount Ratio (CBN Basis), rate of growth of agricultural GDP (constant), average growth of wages in Kg rice and prevalence of underweight children under five years of age. The technical indicators could be (1) Poverty by gender and ethnicity, (2) Dietary diversity, (3) Body mass index of women, (4) Child anthropometry like stunting, wasting, underweight, (5) Dietary diversity, (6) Anemia, (7) Nutritional epidemiology, etc.

iii. Evaluation of the projects done

Lessons learned from project evaluations are:

- a. Involvement and participation of all stakeholders including the government,
- b. Continuous follow-up,
- c. Need-based initiatives for enhancement of capacity of all concerned,
- d. Strengthening participatory advocacy,
- e. Harmonization of the issues/components,
- f. Policy support initiatives at national level,
- g. Strong national ownership and leadership which can advance outreach and policy planning and open significant space for inputs by development partners,
- h. Advancing advocacy at the national and local levels,
- i. Linkages within the stakeholders,
- j. Local level MDGs action plans as efforts in achieving the MDGs.

Recognizing the importance of a result-based monitoring and implementation (M&E) system, the Government placed top priority to extending the existing structure of M&E to the one that tracks results. The Sixth Five-Year Plan incorporated this priority in concrete terms by outlining the actions required to move toward a results-based M&E. For M&E purposes, a results

framework (RF) has been formed that contains 35 measurable indicators under nine broad themes. The nine themes of the RF can be categorized as falling under two broad groups: macroeconomic performance and sectoral performance. The nine areas of performance are:

1. Income and Poverty
2. Human Resource Development
3. Water and Sanitation
4. Energy and Infrastructure;
5. Gender Equity
6. Environmental Sustainability
7. Information Communications Technology (ICT)
8. Urban Development and
9. Governance.

Within this M&E framework Bangladesh Planning Commission has been preparing the first implementation, monitoring, and evaluation report on the basis of the first two years' performance of the Sixth Five-Year Plan.

Conclusion

In Bangladesh in the fiscal year 1974-75, when the population was only 79.90 million, the total rice production was 11.10 million tonnes and the cultivated rice area was 10.32 million ha. However, the country produced 32.257 million tonnes for its 148.69 million people in the year 2009-10. Rice production in Bangladesh increased by 2.91 times in 36 years, which is a great achievement. Around 90% of the rural population of Bangladesh is directly involved in agriculture and around 43.6% of the total labor force is engaged in agricultural activities. For increasing food production and attaining food sufficiency, a sustainable growth of the agricultural sector is required.

The recent global food price inflation illustrates the critical importance of ensuring food security for a highly-populated poor country like Bangladesh. Past progress in rice production suggests that Bangladesh has the capacity to achieve food security efficiently through domestic production. Emphasis on productivity improvements will be particularly helpful in reconciling food security

objectives with farmer incentives. In case of food production, climate change adaptation strategy in the agriculture sector needs to be prioritized to tackle the susceptibility of global food insecurity to climate change. The achievements of goals under the three dimensions of food security – availability, access, and utilization - will be facilitated by the implementation of the National Food Policy and its Plan of Action and the Country Investment Plan (CIP) 2010-2015.

It is envisaged in the Sixth Five Year Plan that the re-balancing of growth and employment must be accompanied by strategies to enhance income-earning opportunities of workers in agriculture by raising land productivity and increasing diversification of agriculture production. A strong agriculture remains fundamental to poverty reduction as well as food security. With land becoming a binding constraint in view of growing population and urbanization pressures, enhancing the productivity of land is a top priority. Emphasis on productivity improvements will also be helpful in reconciling food security objectives with farmer incentives. Consistent with the need to ensure food security, emphasis should also be placed on agriculture diversification in both crop and non-crop sectors and livestock and poultry development. This will help promote commercialization of agriculture and raise farm incomes. In May 2010, the Government approved the Bangladesh Country Investment Plan (CIP) which provides guidance on investments to increase and diversify food availability in a sustainable manner and to improve access to food and nutrition. The proper implementation of the CIP will help attain the poverty and hunger targets. This is a major step forward toward harmonizing and aligning of Government and development partner objectives in line with the Paris Declaration and the five Rome Principles on food security.

Recommendations

Despite the linkage between poverty, hunger, and employment, the progress towards hunger and employment-related targets has not been as encouraging.

- Structural realities and constraints such as limited land for cultivation, high population density, and a still growing population pose significant challenges. To satisfy the inevitable higher aggregate future demand of a growing population, agricultural productivity growth for rice and other crops, will have to be sustained.
- The lack of diversity in Bangladesh's food crop sector also poses a challenge. More emphasis on the production of non-cereal crops, such as pulses, fruits, and vegetables is needed. Crop diversification strategies should be demand-driven for success and sustainability.
- Chronic under-nutrition in children remains alarmingly high. Protein and micronutrient-deficient diets have serious implications for both maternal and child malnutrition. Intergenerational malnutrition dynamics whereby undernourished mothers give birth to underweight children or raise undernourished children, is a major hurdle to reducing hunger.
- Extreme poverty that exists in small pockets poses specific challenges, which needs to be addressed through targeted interventions as suggested in the Sixth Five-Year Plan (2011-15).
- Ensuring proper targeting and delivery of assistance to intended beneficiaries continues to be a major problem for both food and cash-based Social Safety Nets (SSNs). Inadequacy of assistance in terms of inability to address actual hunger gaps and nutritional deficiency in diets of women and children are major issues for the large majority of SSN programs.
- Ensuring food security to different groups of poor such as the absolute poor, extreme poor, potential 'climate refugees', and the poor in general during sudden increase in food prices continues to be a challenge.
- Three major interventions are required for achieving hunger and poverty: agriculture and rural development, employment generation, and development of road infrastructure. However, sustainable agricultural growth with environmental preservation and expanding rural employment generation (other than SSNs) are yet to receive the requisite resources.
- A major concern in the country is pervasive underemployment which has prevented it from

meeting the poverty and hunger goal. The challenge is to ensure economic growth that is “pro-poor” and that can lead to more jobs, better employment, and higher household income.

Way Forward

In order to apply the recommendations to improve poverty situation in the country, specific measures will be needed. To compensate for the above state of affairs, steps regarding poverty alleviation, highlighted in the government policy activities, are as follows:

1. Agricultural Production: Agricultural research efforts and other technological developments need to be diversified and redirected toward cereal and non-cereal crops resistant to the stresses of climate change. Use of costlier ground water for irrigation needs to be minimized with concomitant expansion of irrigation with cheaper surface water. Crop agriculture in lagging regions like the south-west and coastal belts should be expanded. The linkage between the National Agricultural Research System (NARS) and the Directorate of Agricultural Extension (DAE) should be strengthened for successful dissemination of technology. Effective support and credit have to be provided to the farmers to boost crop production.

2. Crop Diversification: Crop sector diversification strategies need to consider future consumer demand for individual food commodities; the population’s food-based nutritional needs and related desired outcomes; nutrient availability from domestic production such as dal (pulse) and vegetables; and geographical considerations related to suitability of soil and agro-ecological zoning as well as access to markets. It is worth noting that crop diversification can also be used as a “mitigation strategy”, especially in salinity-prone areas (when cereal production is restricted due to seawater intrusion, some cash crops such as tomatoes and chilli can be grown with proper management of soil, water, and salinity).

3. Land Management: A comprehensive land management policy will need to be adopted to

ensure proper balance between different kinds of uses of land like crop production, rural roads and urban settlements, access of the poor to lands such as Khas land, Char and water bodies, access to urban settlements with basic urban utilities, and security and protection of coastal areas from rising sea levels and intrusion of salinity.

4. Urban Planning: Organic growth of urban centers fuelled by heavy concentration of manufacturing enterprises coupled with limited investment in public infrastructure has led to disruptions in supply as well as limited supply of basic amenities to the city dwellers. The amenities include clean and reliable water supply, waste management, transport, and housing for the lower income group. Land grabbing and filling up of water bodies are amongst the many problems that have reduced the standard of living in urban areas. Thus, there is an urgent need for a comprehensive urban planning policy to address the shortcomings of the current dispensation.

5. Social Safety Nets: SSN programs can ameliorate poverty and food security by reducing inclusion-based targeting errors and improving the size and type of assistance. Better targeting efficiency could be achieved through a variety of mechanisms that include greater and more systematic use of local level poverty maps to improve geographic targeting, testing of innovative techniques such as proxy means, testing at the household level to improve beneficiary selection, addressing local governance-related challenges like greater fairness and transparency in beneficiary selection, and empowering local community members as stakeholders. Livelihoods-oriented SSNs that emphasize productive assets, as well as other key livelihood components like health, access to credit, and social capital increasingly demonstrate that a more generous and multi-faceted package of assistance brings positive impacts on food security.

6. Targeted Nutrition and Health Programs: Empirical evidence from SSNs suggests that longer-term intervention with nutrition and poverty alleviation objectives contributes to

reduction in child under-nutrition. However, child nutrition should not be dealt separately from maternal nutrition as they are strongly linked. The priority intervention are: age-specific complementary feeding and micronutrient supplements for children, early initiation and exclusive breast-feeding up to six months of age, community management of severely acute malnutrition in children through therapeutic and supplementary feeding, supplementary feeding for malnourished and marginalized pregnant and lactating women through strengthening and scaling-up of maternal iron and foliate supplementation, access to safe water and improved sanitation in urban slums and rural areas, local homestead food production and nutrition education to promote diet diversity, and use of fortified food in nutrition and health interventions.

7. Pro-Poor Employment Generation: The stimulus that agriculture provides for non-farm sector growth is critical. Food processing and the subsequent transport and marketing of agricultural products is a good example of agricultural and non-farm sector forward linkages. Investments in rural agricultural infrastructure sales, maintenance or servicing of farm machinery provide good examples of agricultural and non-farm sector backward linkages. Moreover, access to finance, infrastructural support, and access to a wider market and production network are some of the focus areas to increase non-farm employment. Employment generation efforts also have to take into account regional dynamics and demands.

8. Energy: One critical constraint in expanding employment is the acute shortage of energy. It now has to actively engage in energy generation through renewable sources such as solar panels, wind turbines, biomass gasification, and biogas. Power generation through solar panels is being explored, but the price structure is still adverse to the adoption of this technology as the unit price of electricity is high compared to the traditional power grid. Therefore, government subsidy and tax policies need to be redesigned in this area.

9. Governance: A steady and sustainable reduction of poverty in Bangladesh will require a pro-poor policy framework and to operationalize any such framework, an efficient administration is needed. Weak capacity and corruption undermine all efforts in economic growth and poverty reduction. Moreover, the practice of governance should reflect participation, especially of the vulnerable and marginalized, to ensure their engagement in local public institutions. Such changes can potentially enhance more efficient and equitable decision-making in areas such as management of common resources, delivery of community services, and allocation of public funds.

10 Programme Monitoring and Information Management: Strengthened monitoring capacity and information management systems are needed for a better view of the ongoing program operations and performance.

Regional Cooperation and Replication of Best Practices within SAARC

Various success stories of South Asia can be found, such as Bangladesh Rural Advancement Committees, Agha Khan Rural Support Programme of Pakistan, Small Farmer Development Programme of Nepal, SEWA of India, Grameen Bank of Bangladesh, Monagar District Health Project of Bhutan etc. Other examples are Choupal Project of ICT (India), Village Pay Phones (Bangladesh), Mechanization of Fishing Boats (Maldives), Edhi Foundation Ambulance Services (Pakistan), Food-Security in War-Torn Areas (Sri Lanka), Rural Energy for Development (Nepal), Food Aid to Students and Road Workers (Bhutan) etc. The SAARC countries can replicate these programs in their country. Finally, there is scope to introduce joint effort for poverty alleviation:

- More funds should be mobilized for the SAARC Development Fund (SDF) from multilateral lending agencies.
- These funds should be allocated to regional and sub-regional projects with a specific time frame that could be monitored.

- SAARC decisions can be mainstreamed to cover the poverty alleviation programs of individual countries just like the MDGs are mainstreamed, but it is difficult to monitor progress, although SAARC Poverty Profiles sheds some light on the overall achievements.

Individual countries examining and using/adopting regional ‘best practices’ will be more

appropriate. Other than these, the SAARC nations should address the following issues for poverty reduction.

- Remove social injustice to poverty and make the poor owners of assets and stakeholders of enterprises and corporates.
- Do at least two projects in each SAARC country every year and report on the increasing number of poor stakeholders owning assets.

* * *

Chapter 4

Bhutan



Contributors:

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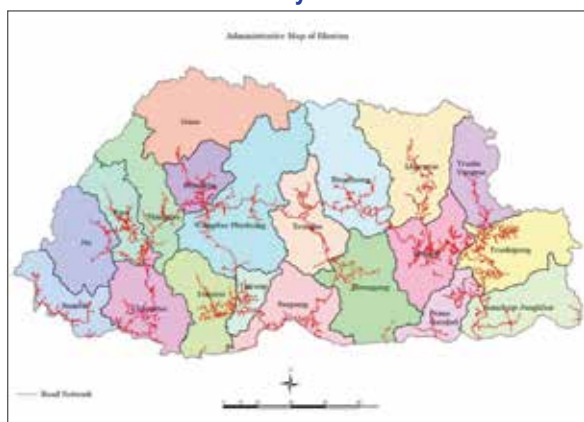
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Bhutan, a small landlocked Himalayan country with an area of 38,394 sq km. and a population of 695,822² has a forest cover of 80.89%³ with 2.93% under cultivation. The economic development policy of the country is guided by the overarching philosophy of Gross National Happiness (GNH) based on the four pillars of sustainable economic development, preservation and promotion of culture and tradition, conservation of environment, and good governance. As a part of the global community of nations, Bhutan has committed itself to Millennium Development Goals (MDGs) and SAARC Development Goals (SDGs) and is also party to a Poverty Reduction Partnership Agreement wherein the Government has committed itself to attain the international development goals enunciated in the World Summit for Social Development Declarations in 1995 (NSB, 2007). Further, recognizing the importance of sharing experiences among SAARC member states on poverty alleviation and as per the directives of the 11th SAARC Summit, Bhutan has also prepared and submitted its SAARC regional poverty profile (2009-2010) on the theme Food Security Challenges for the Poor and Social Inclusion. While the country has made sustained progress and is well on track toward achieving the MDGs and SDGs targets, challenges remain, especially in the rural areas where a majority of the population live.

Map 4.1 Administrative Map of Bhutan showing the road networks in the country



Source: PPD.

Bhutan is largely an agrarian country where more than 60% of the population live in rural areas engaged in economic activities based on the natural resources. Rural livelihood in Bhutan is supported by farming characterized by interdependence among forests, livestock, and agricultural enterprises. Enhancement of rural livelihood thus involves improvement of economic returns from these enterprises. The Renewable Natural Resources (RNR)³ sector (agriculture, livestock, and forestry) plays a vital role in the equitable growth and stability of the country's economy in addition to the management and conservation of its natural environment and in maintaining the health of the ecosystem. According to the Labour Force Survey Report 2011, the RNR sector provides livelihood to 60.15% of the total population contributing 16.8%⁴ of the total Gross Domestic Product (GDP).

Table 4.1 Percentage distribution of employed persons by sex and major occupation 2011

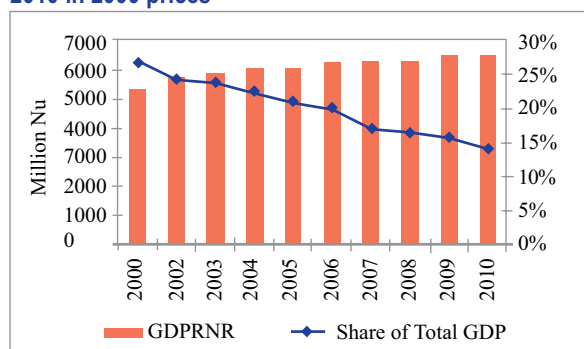
Major Occupation	Male	Female	Both sexes
Legislators, Senior Officials & Managers	1.9	0.8	1.4
Professionals	8.3	5.3	6.9
Technicians & Associate Professionals	7.4	2.6	5.1
Clerks	2.1	2.3	2.2
Services workers & shop & market sales workers	8.1	11.8	9.8
Skilled agriculture workers	51.8	67.2	59.1
Craft & related workers	5.3	6.8	6.1
Plants & machine operators & assemblers	6.2	0.6	3.6
Elementary Occupation	4.8	2.5	3.7
Armed Forces	4.1	0.1	2.2

Source: Labour Force Survey Report 2011.

The sectoral contribution to total GDP has been declining over the years (Fig. 4.1), possibly due to the reduced importance given recently to the sector by the government, as illustrated by diminishing public expenditure. Despite efforts and innovations to accelerate RNR, sectoral growth, and pro-poor development strategies of the government, growth remains insufficient to adequately address poverty, attain food security, and lead to sustained growth.

Nevertheless, the contribution to poverty reduction brought about by development in economic sectors particularly those of hydropower,

Fig. 4.1 Contribution of RNR Sector to Total GDP, 2000-2010 in 2000 prices



SOURCE: Maetz et al, 2012.

education, health, tourism, and industry cannot be ignored. Bhutan has a huge potential for hydropower generation (30,000 MW), which is a singular comparative advantage for the country. The sustainable exploitation of these resources over the past years has enabled the country to develop greater self-reliance and the ability to meet increasingly larger shares of its development expenditures (GNHC, 2009). Similarly, education has a very close interrelationship with poverty incidences and is thus a strategic means to achieving poverty reduction in the country. Considering that the opportunities for future development depend critically on productivity levels and the knowledge and technological skills base of the national labor force, the government's long term pro-poor strategy can be best and sustainably addressed through creation of a knowledge-based society (GNHC, 2009). Empowerment of the poor through provision of information and knowledge is imperative in this age of knowledge economy and information society. However, the strategic approaches to develop a modern society that is highly knowledgeable, technologically skilled, and empowered would necessarily be a long-term approach that would span several years and plan periods but would necessarily leave a positive contribution on poverty reduction.

Poverty⁵, therefore, is still a reality in contemporary Bhutan. The Poverty Analysis Report (PAR) 2007 estimated the percentage of poor persons in the country at 23.2% with a margin error of 1.5%. This

means that about 146,100 of the approximately 629,700 extrapolated populations from the sample belonged to households whose per capita real consumption is below the total poverty line of Nu. 1,096.94 per person per month (NSB, 2007). The same report further estimates that 37,200 persons (equivalent to 5,420 households) live under the extreme poverty line calculated at Nu. 688.96 per person per month. Poverty in Bhutan is largely a rural phenomenon with rural poverty ranging from 29.9% to 32.9% as opposed to urban poverty estimated at 1.7% (NSB, 2007). Further, rural poverty in Bhutan is directly linked to low levels of agricultural productivity and inadequate access to markets, economic opportunities, resources, assets, and social services (GNHC, 2009). Poverty is thus equated with and a consequence of under-development of rural areas and subsistence farming. Chronic food insecurity prevails in pockets of Bhutan among landless farmers, daily wage earners, and farmers with insufficient land or livestock. Additionally, the RNR sector's 10FYP attributes food insecurity as the main causal factor of poverty, while landlessness and lack of productive assets are the two causal agents of food insecurity (MoAF, 2009).

The RNR sector thus is seen to have the direct and deepest linkages to poverty reduction and the best prospects to address it. Addressing poverty has been the emphasis of the government since the inception of planned development but was more predominantly spelled out during the 10th Five Year Plan (2008-2013) in which poverty reduction became the main theme with the objective to reduce the national poverty rate to 15% by the end of plan period in 2013. The latest poverty rate for the country as per the State of Nation Report 2013 stands at 12% with rural poverty rate decreased to 16% (unqualified source).

On social inclusion aspects, several institutions and policies are in place to ensure consideration of the needs of the vulnerable and disadvantaged

sections of the society. This includes institutions such as the National Commission for Women and Children (NCWC), Non-Governmental Organizations such as Respect Educate Nurture Empower Women (RENEW), Bhutan Association of Women Entrepreneurs (BAOWE), integrated programs catering to the special educational needs of the disabled, targeted poverty reduction initiatives such as REAP and land rehabilitation program apart from the National Plan of Action for Gender and the constitutional recognition of the rights of women and children.

Best Practices in Poverty Alleviation

One strategic approach to poverty reduction and integrated rural development through the RNR sector, particularly during the 10FYP, is to transform subsistence agriculture by enhancing agricultural and livestock productivity gain, expanding the commercial potentials of various natural resource products including the Non-Wood Forest Products (NWFPs), and developing closer linkages between rural supply chains and urban and export markets. In other words, the RNR sector's triple gem approach of production, accessibility, and marketing (PAM) continues to be the guiding principle underlying commonalities in all its projects and programs. Further, an attempt to strengthen product diversification and value addition and target agricultural investments was made by the sector with the adoption of the One Geog⁶ Three Products (OGTP) strategy during the current plan period.

Recognizing the importance of policy and legal reforms as an enabling factor for agricultural development and for ensuring the consideration of the needs of the vulnerable sections of the society, many key reforms such as the formulation of draft National Food and Nutrition Security Policy (Box. 4.1 for salient features of the draft policy), the draft Financial Inclusion Policy, Agriculture Development Policy, the National Land Policy, Irrigation Policy, the Economic Development

Box 4.1 Salient features of the draft National FNS policy

The draft national FNS policy 2012 identifies policy measures to ensure availability of, accessibility to and enabling proper utilization of safe and adequate varieties of food to meet food requirements of the population at all times.

Further, it recognizes that Food and Nutrition are interlinked and therefore a holistic and coordinated approach is required for ensuring the four dimensions of FNS are adequately addressed.

Policy, revision of National Forest Policy amongst many others were undertaken by the government. The following underscore some of the best practices in poverty alleviation either initiated by the RGoB and/or the Non-Governmental Organizations. The programs identified underneath as the best practices are common in their overall objectives of enhancing productive capacities of the poor to attain sustainable livelihood. Moreover, these programs are coherent with the national development goals of targeting the poorest sections of the society in an attempt to address poverty alleviation through participatory rural development initiatives.

1. Micro-Initiative Fund (MIF)

Access to finance is one of the major constraints in addressing poverty as evidenced by the credit to agriculture and small business which account for less than 5%⁷ of the total credit to the private sector. Difficulty of access to finance was also flagged as a major constraint that limits private investments in agriculture in Bhutan (Maetz et al, 2012). The options for accessing finance in Bhutan include three channels: i) through formal financial sectors with Bhutan Development Bank Ltd (BDBL)⁸ providing most of the credits to agriculture, ii) through microfinance institutions such as Tarayana Foundations, and iii) through informal financial sector that includes various donor-assisted projects.

Rural credit for enabling farmers to improve farming practices first started in the country in the 1980s when the government placed greater emphasis on market liberalization and self-

reliance, which led to the reduction and eventual withdrawal of most subsidies. The Bank of Bhutan (BOB) then was mandated to lend 20% of its portfolio in rural credit. However, it failed to meet the requirements with less than 1% of lending since farmers were unable to meet the collateral and guarantee requirements of the bank. The rural lending program was then shortly entrusted to the Food Corporation of Bhutan (FCB) who borrowed money at 14% interest from the BOB and Royal Insurance Corporation of Bhutan Ltd. (RICBL) and lent it to farmers at 6-10% (Pathak, 2010). Yet again, this lasted only a few years before being handed over to the Royal Monetary Authority of Bhutan. The need for establishing a separate financial institution that would cater to the industrial and agriculture-related activities were felt as BOB and RICBL lending were found to be biased toward general trade, transport, and real estates. It was in this context that the Bhutan Development Finance Corporation Ltd. (BDFC) was established to extend financial services to people in the rural areas and help rural agriculture become commercially viable.

Microfinance in Bhutan, according to Pathak (2010), is still at a nascent stage. BDBL continues to be the main source⁹ of microfinance for agriculture and provides rural credit to farmers at the interest rate of 10-13% per annum (Pathak, 2010). However, BDBL lending seems to be disproportionately in favor of central and western regions, which together received 64% of loans as of 2006. Therefore, most rural households still borrow from money lenders at interest rates of around 50% (Chetri and Samirendra, 2005), indicating that there is a high demand for credit yet to be satisfied by credit systems offering non-usurious interest rates. Moreover, despite continuous efforts from the government and BDBL, most of its branch offices are reported to be operating at loss with non-performing loan on agriculture as high as 30%. A study carried out by Pathak (2010) confirms, claiming that less than 20% of the agriculture households have been covered by the microfinance program till date.

Toward this, the International Fund for Agriculture Development (IFAD) supported Agriculture Marketing Enterprise Promotion Program (AMEPP) project incorporating the provisions of Micro-Initiative Fund (MIF) and Business Opportunity Facility (BOF) as one of the components of the project to support beneficiary-oriented activities in villages and support development of technical and managerial skills and access to long-term capital and short-term business finance. MIF in this context refers to the pool of resources maintained under the management of project facilitation office (PFO) that can be accessed as full grants by groups/individuals to fund beneficiary - oriented activities in the village (AMEPP, 2007). BOF, on the other hand, was conceptualized to provide direct capital subsidy to budding individual entrepreneurs that are covered by approved business plan and that qualify for borrowing from BDFC under its Small Individual Loan (SIL) scheme (AMEPP, 2007). Rural grant fund comprising MIF and BOF has been a boon mostly to farmers who have not been able to avail loan from the financial institutes.

MIF, in particular, was reported to be more effective in directly reaching and enabling the poor to establish RNR enterprises that have provided a substantial and reliable source of income thereby enhancing their livelihood (see Box. 1.2 for a specific case study). The program not only helped establish micro-enterprises like poultry, fishery, and vegetable productions but also supported beneficiaries through a series of capacity building programs including trainings and study tours both within and outside the country (Table 4.3). MIF is a full grant one-time investment with no repayment or collaterals required to support beneficiary-oriented activities to be set up. The MIF outcomes are shared in a socially inclusive manner as the priority for availing this grant is provided to groups with a higher percentage of women beneficiaries and to

Table 4.3 Cumulative progress of activities supported under MIF

Activity	Number of projects	Unit	Inputs supplied	Beneficiary M F	Production Cumulative	Income Cumulative	Saving (Nu)	Existing members M F	Stock (Number Kg/Ltr)
1 Poultry	74	Number of eggs	18,025	250 415	3,773,763	29,491,106	1,673,721	239 388	19,534
2 Piggery	28	Kg. of pork	660	184 143	38,969.92	5,177,437	232,867	150 102	356
3 Honey production	1	Kg/Bottle	Equipment (Eqpts)	7 4	150	36,000	17,000	7 4	15 hives
4 Mule chain development	2	Number	10	20 30	0	31,130	26,900	20 30	7
5 Corn flake processing	13	kg.	Cornflake machines and RM	73 43	22,099	759,948	213,740	73 43	350
6 Oil extraction	3	Ltrs.	4 Volt oil expelling machines	11 31	1,526	9,970	79,000	11 31	20,000
7 Maize processing	4	Kg.	Attachaki and motor	11 7	0	0	0	11 7	0
8 Vegetable pdn	16	kg.	Seeds, eqpts, and poly houses	103 138	13,444	140,392	150,915	110 138	7,000
9 Mushroom development	2	Kg.	Eqpt. materials	3 19	15	2250	14000	3 19	0
10 Early chilli program	3	kg.	Eqpt and materials	38 30	4,660	393,080	19,400	10 14	46,600
11 NWFP promotion project	1	Kg	Cost of seedling and RM	37 96	0	0	0	37 96	0
12 Fruit Development	1	Dozen	Banana rhizomes, materials	2 2	305	6,100	0	97 97	0
13 Amla production	3	Kg.	Eqpt and materials	59 124	1,809.5	167,738	219,642	83 180	0
14 Fishery development	12	Kg	Materials, feed, inputs	69 46	34,685	5,535,600	177,250	69 46	11,130
15 Zanthoxylum production	1	Kg	Materials and Eqpt	6 7	0	0	0	6 7	0
	164			873 1135		41,750,751	2,824,435	926 1,202	104,977

Source: Evaluation designs, GNHC

groups from remote geogs and villages. Further, recognizing that MIF-funded projects may have higher risks in terms of commercial viability and failure, the implementation of programs was closely monitored by extension agents, Dzongkhag (local government) sectors, and the PFO (AMEPP, 2012). The details on availing MIF funds and its operation are also elaborated in the guidelines for MIF.

The experiences with MIF have shown that once rural access and infrastructures are in place, communities come forward with their own initiatives/ideas to enhance income generation and improve their livelihoods.

Box 4.2 Case study of branglung poultry farm, nomaring village, Khamdang Geog, Tashiyangtse

Nomaring village with 38 household and a population of 326 people is a poor village in Trashiyangtse although located about 20 minutes away from the road head (farm road). People of this village mostly grow maize & potato and are engaged in poultry farming as their main source of livelihood, given their proximity to road. The Branglung poultry farm in Nomaring village is a success story of a poultry enterprise supported through MIF. Established and functioning since July, 2010, this enterprise is managed by a farmers group comprising of 9 female and 2 male members.

Through the MIF, the group was supplied with inputs worth of Nu. 141,690 based on the proposal submitted by the group for setting up a poultry farm and sustaining the activities of on-farm production. In particular 150 pullets, poultry feeds, construction materials (CGI sheets, cements, mesh etc) were supplied to the groups. The beneficiary contribution to this included the supply of local materials (eg. Timber, sand etc) besides labour contributions which if valued would account to 35-40%. Over a period of 2 years, the group had successfully generated a group savings of Nu. 106800 through this farm and as of July, 2012 the group had an existing stock of 570 chicken raised in 4 poultry sheds constructed through this initiative fund.

Source: Authors interpretation based on progress report for Trashiyangtse dzongkhag.

2. Rural Economy Advancement Program (REAP)

The Royal Government of Bhutan in the past addressed poverty reduction broadly through social sector and rural development programs. While rapid economic growth and pro-poor expenditures have improved living conditions and

ameliorated poverty, experiences and lessons from the implementation of the Ninth Plan (2002-2007) activities indicated that poverty reduction can be better addressed and accelerated further with specific and improved targeting (GNHC, 2009).

Hence, targeted poverty reduction programs were initiated and implemented during the current plan period to reach the remotest pockets of the country untouched by mainstream development efforts. The Rural Economy Advancement Program (REAP)¹⁰ was one such initiative. To ensure that the poorest of the poor villages were selected objectively and not arbitrarily, village selection for REAP intervention was based on an assessment of the REAP Multidimensional Poverty Index (RMPI) calculated for each village shortlisted and prioritized by local officials and submitted to GNH Commission (refer to the annex for RMPI dimensions and indicators). RMPI defines REAP poverty on six dimensions of education, health, standard of living, community vitality, financial security, and food security.

REAP took into consideration the special needs of the rural poor who have not benefited much from broad-based poverty reduction interventions and economic growth, and tried to address them specifically through targeted interventions that supplement, in a synergistic way, mainstream development efforts. REAP is a participatory development framework which enables the rural poor to articulate their development priorities, seize economic opportunities, and shoulder greater responsibility for their development process. Focused on reducing extreme poverty, guaranteeing food security, and contributing to a higher level of GNH in the country, the program during its first phase targeted and carried out need-based poverty interventions in ten of the poorest villages across the country.

Recognizing rural poverty as a multi-faceted task in which various stakeholders must take a concerted effort to empower rural people

Box 4.3 Case study of lamtang village, goshing geog, Zhemgang targeted through reap

Socio-economic situation

Gongdue geog under Mongar Dzongkhag is one of the poorest geogs located 2-3 days walk from the road head. The geog includes nine villages out of which Pam and Chaibi with a population of 270 people is one of the villages with high incidences of poverty. The REAP survey reported that the village people on average suffered from food shortages for more than 3.41 month/year with some households facing food shortages for as long as six months. Thus, farmers resort to the vicious cycle of borrowing during the food shortage season and pay back during harvest season. While the average landholdings is only 1.80acres/hh, the average family size is quite large with 10.5 persons/hh. Further, the closest RNR extension centres, community schools and BHUs are located more than three hours walking distance from the village. This has resulted in close to 40% of the population leaving the village in search for better livelihood options.

Project activities: The project interventions covered those activities that would directly enhance the income and livelihoods of the community. Some of the specific interventions included: introduction of high yielding varieties of maize, vegetables, legumes etc; establishment of green house for citrus nursery; support to drinking water supply, post harvest technologies for storing and processing of surplus; enterprise and skills development trainings; establishment of forest nursery; supply of improved breeds and piglets; supply of CGI sheets for roofing; improved health and sanitation measures and capacity building of farmers (trainings/study tours).

Impacts from the project

- Crop diversification has changed the local social culture from conventional vegetable of pumpkin and wild forest products to diversified and sustained supply of vegetables (beans, chilli, radish, cabbage and other leafy vegetables) from the kitchen gardens in the village.
- The once maize-dominated village now has two plots of wheat cultivated on trial. Mango and litchi saplings supplied are expected to supplement cash income of the households
- Greenhouses established raise and provide sustained cash crops and vegetable seedlings for the communities and also benefit the communities of Gorthongla.
- Communities are skilled in compost making to maintain soil fertility and make use of silos for storing their maize surplus.
- Based on the Non Wood Forests Products(NWFP) inventory, 284 ac of community forest has been handed over to the community
- Four houses have been renovated, eleven new houses constructed and three new houses were under construction at the time of field visits

to address the challenges, REAP involves collaboration and cooperation of many agencies and individuals. Foremost is the involvement of

a broad cross section of the participant village, particularly women and the socially disadvantaged, in developing the Village Development Plan (VDP). Local authorities at the Geog and Dzongkhag levels are extensively involved in identifying the poorest of the poor, developing the VDP and in executing the activities. At the central level, the relevant agencies include MoAF, Ministry of Health (MoH), Ministry of Education (MoE), CSOs, and the office of the Gyalpoi Zimpon¹¹ apart from the GNH Commission. Proposals from the implementing sectors are submitted to the Research and Evaluation Division (RED) of the GNHC that reviews the proposals and, if found adequate, forwards it to the Development Coordination Division (DCD) for fund mobilization. The implementing agencies are required to submit budget proposals in prescribed formats to the Department of National Budget through the RED for incorporation of programs and activities in the national budget and to request the Department of Public Accounts (DPA) for release of funds accordingly.

The monitoring process is to be carried out through the results entered in the Planning and Monitoring System (PlaMS) and monitoring of VDP interventions conducted is done by local authorities and sector staff and overseen by the GNHC at the central level.

For the purpose of this paper, the project ‘Enhancing rural income and livelihoods through sustainable agriculture development and micro-enterprises in Bhutan’, jointly implemented by the MoAF and Tarayana Foundation¹² in two of the REAP villages is being presented as a case. The two cases are shared since the project/REAP had immensely benefitted the targeted poor communities to have direct access to resources in addressing their needs and enhancing their productive capacities to attain sustainable livelihood (see boxes 1.3 and 1.4 for specific case study of the two villages). Effort to scale up through REAP phase II have already been initiated with 116 villages identified for targeting.

3. Comprehensive Community Development (CCD) Initiatives

The efforts of the government in poverty reduction are further complemented by Tarayana Foundation which is engaged in comprehensive rural development initiatives to uplift and enhance the lives of vulnerable individuals and communities in the country. The Foundation works toward community building and empowerment at the grassroots through its seven programs at present, to ensure they become more self-reliant and confident (Tarayana, 2012).

Communities at work building house



The UNV/UNDP supported program on ‘Comprehensive Community Development for Poverty Intervention’ (CCD) implemented by the Foundation with the remote minority Olep community in Rukha village, Wangdiphodrang, was one such flagship program. Oleps are an indigenous group, living in the western fringes of the Jigme Singye Wangchuck National Park. They were hunter - gatherers for many centuries and began their settled life only in the early seventies of the last century.

With the overall objective of effectively reducing poverty in a remote rural minority community of Bhutan through providing access to education, better nutrition, skill development training, and improved agricultural techniques and ultimately help achieve the MDGs (Tarayana, 2006), the project adopted an integrated multi-sectoral approach targeting the remote disadvantaged communities to facilitate sustainable human and

community development. As is the mission of the foundation, community volunteer and voluntary groups were formed to help themselves in providing skill development courses, agricultural extension works, management of a community learning center among others, which will enhance sustainability and replicability of the community development activities. Similar to REAP intervention, a particular feature of this project was preparation of workplan and activity selection which was comprehensively done in consultation with the beneficiary community that leads to a high level of cooperation from the start. The skills of carpentry, masonry and so on imparted to the communities through the program were practically implemented by them as they worked together in improving their homes. The process of personal transformation was taking place and they were driven in their activities as a community. The results of their hard work began to take shape right before their eyes and they began to appreciate the power of a cohesive community working together on a common goal.

Long hours of working together as a community brought to the fore many issues confronting them at the individual and community levels. The Annual progress report for the project (Tarayana, 2007) said that, the more the community shared their woes and problems with each other in the course of working together, faster flowed suggestions and ideas with people talking of their dreams both collectively as well as at the individual levels. Further, the more they deliberated, questioned, and debated, the firmer their convictions and confidence grew. The report further asserted that, from a community who only a short while ago dared not to dream, they began talking about exciting new possibilities with discussions on how they could better market their surplus produced in sharp contrast to food shortages they faced only a few seasons ago. It was surprising to see that the once poor were now in a position to better help others and that they did so with so much humility and generosity (Tarayana, 2007).

Additionally, as opposed to the sectoral-specific interventions of the RGoB, the efforts of the foundation were holistic, covering health and nutrition, education, and water and sanitation through awareness and advocacy (Tarayana, 2012). Health and nutrition messages, advocacy for water management, sanitation, improved soil productivity, emphasis on sending children to school, gender sensitizing, need to improve saving skills, improving artisan crafts, market requirements, book - keeping, and a whole host of other ideas and information were disseminated while the community worked together.

Other Aspects fo Best Practices

i. Criteria for choosing the best practice

The above mentioned case studies/programs have been chosen as the best practices for poverty alleviation in this report on account of the following:

Inclusive development with a difference

The chosen best practices have been seen to encompass the basic characteristics of promoting inclusive development and demonstrated tangible positive impacts (boxes 4.2 and 4.3) on the living conditions of the communities involved as was evidenced from the impact assessment report of MIF and BOF and the best practices report carried out for REAP villages.

Focus on women and children

The chosen programs contribute to maximizing social inclusion by striving to hear the views of a broad cross-section of the village, particularly the landless, the food insecure, women, and other disadvantaged groups. The programs in particular have a strong gender focus. While women and women groups have been the focus under all three programs, the CDD program provides an additional focus on children.

Potentials for replication

The experiences with MIF, REAP, and CCD programs reveal it to be cost-effective,

contributing to sustained alleviation of poverty and encompassing the sustainability aspects with potential for replication as evidenced from the plans for wider replication and/or upscaling of the programs recommended in the project completion report for AMEPP and the best practices report.

Multi-dimensional approach

Considering poverty in a broader multidimensional context rather than just through an income perspective, the chosen programs, particularly REAP and CCD, take into account several other aspects of human deprivation such as access to improved drinking water and sanitation, educational and health attainment levels, and access to basic infrastructures.

ii. Beneficiaries

BP program	Beneficiary
MIF	Poorer community groups /individual farmers in the villages of the 70 selected geogs of six eastern Dzongkhags . As of November 2012, a total of 164 micro-enterprises (covering a total of 926 male and 1202 females) have benefitted under the MIF with livestock-related enterprises such as poultry and piggery accounting for the largest number of beneficiaries. (details are provided in the appendix table.) In particular, focus on gender was emphasized with preferences for women groups in disbursing the MIF. Women groups/women-headed households therefore accounted for a majority (80%) of the beneficiaries under this program.
Rural Economy Advancement Program	531 households covering 5849 population of the 10 villages of: <ul style="list-style-type: none"> • Sanu Dugtse, Samtse • Thangdokha, Haa • Medokha, Chhukha • Lopokha, Wangdue • Reti, Sarpang • Samcholing, Trongsa • Lamtang, Zhemgang • Pam and Chaibi, Mongar • Ungar, Lhuentse • Lauri, Samdrup Jongkhar • Emphasis on women and children in those villages
Comprehensive Community Development	18 households in Olep community, Rukha village, Athang Geog, Wangdue

iii. Thematic/ SAARC Best Practices in PAPA or SDGs

The chosen best practices have a direct relevance to and contribute to the goals under the SAARC Development Goals (SDGs) and SAARC Plan of Action on Poverty Alleviation

Map 4.2 Map showing the targeted beneficiaries through the three program



Source: PPD, MoAF.

(PAPA). In particular, it contributes directly to the achievement of SDG goal 2: Halve proportion of people in poverty by 2010 and SDG goal 4 of Ensuring a robust pro-poor growth process. With regard to SAARC PAPA, the best practices identified contribute to the achievement of the following sub-themes under internal policies:

- Recognize the importance of combating both rural and urban poverty through
 - better targeting of poor in both rural and urban areas
 - access to microfinance
- Strengthening poverty alleviation programs through
 - Building up the assets of the poor, through grant assistance to the indigent for purpose of small capital assets
 - Associating non-governmental and civil society organizations (CSOs)
- Pursue sound macro-economic management policies through
 - Outcome-based spending on poverty reduction programs
 - Economically viable projects in the productive sector
- Enrich the concept of Human Development, promoting 'GNH' through
 - Equitable socio-economic development
- Empower local communities and governments through
 - Community participation
 - Decentralization

- Promote multiculturalism, pluralism, and mass education through
 - Gender equality and empowerment of women

iv. Impact on Communities

REAP, CCD, and credit through MIF have triggered rural development and addressed the associated issues of poverty, food security, livelihood, and income and employment generation. Participatory development approach being one of the salient features of REAP and CCD programs, has enhanced participation of communities in their own development and helped build social cohesion among communities. The

4.2 Poultry farm supported through MIF



formation of self-help groups enabled community members to reflect and identify their resources and advantages to generate income and better their lives. For instance, communities supported through the CCD began to share their views on how they could better market their surplus produce in sharp contrast to food shortages they faced only a few seasons ago.

A Local farmer kitchen garden in Pam and Chaibi village



Improved housing in lamtang village



Under MIF grant, individual farmers as well as farmers' groups had benefitted immensely by supporting them to carry out exotic and income generating activities to improve their livelihood. Such grant provisions are seed capital to help communities at the initial stage which otherwise is difficult to make available primarily through loan as the communities targeted are the poorest of the poor and do not have access to such capital unless some support is provided. Specifically, the 2012 impact report on MIF said that around 95% of the MIF-supported respondents had experienced increase in income, 82% of the respondents had increased level of food security while 77% of the households reported increased nutritional status. Further, beneficiaries also reported an increase in household assets and in their crop and livestock productivity. Most of the owners of these micro-enterprises have opened up savings accounts while a few have also started re-investing into the enterprise to expand it and make it into a sustainable business enterprise.

v. Wider replication/Upscaling and Role of Partners

The success with the MIF was evaluated recently and this has led to the reinstatement of MIF under

the Market Access and Growth Intensification Project (MAGIP)¹³. The draft 11FYP of the RNR sector also includes provision for MIF wherever possible for wider replication in other parts of the country since the focus of MIF under the AMEPP had been in eastern Bhutan. Improvement in skills of the beneficiaries and the poor could also be used to encourage adaptation of more advanced technologies (such as power tillers, power thrasher, paddy transplanter etc) for forward movement and sustainability of the enterprises. Further, the MIF principles are embedded in the draft Financial Inclusion Policy of the country that specifically targets the poor and marginalized segments of population excluded from the mainstream formal financial system.

Table 4.2 Estimated villages for targeting under REAP to reduce extreme poverty by various levels

Percentage of Extreme Poverty Eliminated	100%	90%	75%	50%
Estimated number of Villages Successfully Lifted out of Extreme Poverty	227	204	170	114
Estimated number of Individuals Lifted out of Extreme Poverty	37,200	33,480	27,900	18,600

Source: GNHC, 2012.

REAP, as one flagship poverty reduction program of the government, is planned to be widely replicated across the country with phase II targeting 116 villages. Table 4.2 estimates the number of villages that would need to be targeted by REAP and succeed over the 10FYP to reduce extreme poverty by a particular level or eradicate it completely.

Similarly, the inclusive way in which the CCD project was designed and implemented by the community has had a crucial role in the success of this targeted intervention to address the faces of poverty in the village. This model of intervention has been replicated in villages of Samtse, Mongar, Trongsa, Pema Gatsel, Zhemgang, and Dagana Dzongkhags.

Addressing rural poverty is a multi-faceted task in which various stakeholders must make

a concerted effort to empower rural people to address their challenges. Agricultural and rural enterprise development involves sectors ranging from agriculture to industry, education to health to infrastructural development and broad economic development.

The success of such initiatives require continued collaboration and cooperation of many agencies, i.e. development partners, government institutions, financial institutions, civil society organizations, and individuals at every stage of the program, including women and the socially disadvantaged.

vi. Costs and Timeline

	Costs ¹⁴	Timeline
MIF	A total fund of USD 519,583 (Nu. 24.94 million) had been disbursed to support 164 microenterprises. The ceiling for MIF grant as per the guidelines is USD 4166 (Nu.200,000) for groups and USD 1666 (Nu 80,000) for individuals.	Six years (2006-2012)
REAP	USD 267,550 for the two REAP villages of Pam and Chaibi and Lamtang jointly funded by the Poverty Environment Initiative (UNDP and UNEP) and Poverty Thematic Trust Fund (UNDP)	January 2010-December, 2010 (field implementation)
	Approx USD 800,631 (entire REAP villages)	REAP program (2008-2013)
CCD	USD 50,000 (UNV/UNDP)	2 years (2006-
	USD 10,000 (Tarayana Foundation)	2008)

vii Monitoring and Evaluation

The following underlines some of the broad common indicators considered in monitoring and evaluating the progress of the best practice programs:

- Income
- Food security
- Living standards
- Access to assets and social services (housing, health, education, clothing etc)
- Nutrition
- Capacity building trainings
- Inequity-gender disaggregated information for all the above
- Institutional indicators (self-help groups, farmers groups etc.)

All three BP programs in this paper were evaluated and documented. The MIF program achievements were evaluated through the ‘Impact assessment: Micro-initiative fund and Business Opportunity Facility’ report and was also highlighted through the AMEPP supervision report, 2011 and the AMEPP Project Completion Report, 2012. The ‘Best practices for the project for enhancing rural income and livelihoods through sustainable agriculture development and micro-enterprises in Bhutan’ report documented the best practices of the REAP project and the annual progress report, 2007 for the CCD program captured and documented the achievements and lessons learnt.

Conclusion

Participatory approach to addressing poverty has been seen as one of the features for the BP on poverty alleviation where communities play an important role from inception to planning to implementation. The results of such approach are the ownership of programs, social empowerment, and cooperation to bring socio-economic transformation in their lives.

Further, an integrated approach to poverty reduction is clearly seen as another important aspect. With poverty being multi-dimensional, the integrated approaches through REAP and CCD brought about integration of other human deprivations, such as health, education, nutrition, water, and sanitation aside from RNR-related interventions. MIF, although confined to the RNR sector, was integrated with agriculture, livestock, and forestry-related enterprises supported under it.

The programs have improved the nutritional level, shelter, education, and health of the beneficiaries while creating self-employment and augmenting their income generating activities and are clearly seen as the best practices for poverty alleviation.

Recommendations

The following underscore some of lessons learnt and general recommendations for future poverty reduction initiatives:

- Future MIF programs could be diverted to other enterprises such as vegetable and horticulture production since the existing MIF-supported microenterprises were largely concentrated on poultry and ‘tengma’¹⁸. This would complement the present initiatives of the government in achieving self-sufficiency in vegetables.
- Enhancing the capacity of self-help groups and farmer’s groups/cooperatives through capacity building programs such as trainings, study tours both within and outside to implement such programs and to ensure the sustainability of the programs after withdrawal of project/program support.
- Fund mobilization to successfully implement the targeted poverty reduction programs.
- Based on our experience, some of the investment areas most relevant and beneficial to the poorest people and where the SAARC could possibly consider investing are value addition of agricultural products (specifically poultry and dairy which provides immediate returns), agro-processing, and water harvesting/water management techniques crucial for farming activities. These areas would broadly involve stakeholders ranging from the technical departments within the RNR sector to local government officials to farmers groups/cooperatives where relevant and local communities.

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Chapter 5

India



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Rural India constitutes around 70 percent of the population of the country. As the father of the nation, Mahatma Gandhi said, “India lives in its villages”, a statement that is valid even today. Since agriculture provides livelihood to the majority of Indian population, rural development is an essential and important feature of the Indian economy.

India, in fact, is one of the fastest growing economies in the World. Its GDP grew by 9.6% in 2006-07 and at an estimated rate of 9% in 2007-08. As a result of the rapid growth in recent years, the percentage of people living below poverty line declined from 55% in 1973-74 to 36% in 1993-94 to 27.5% in 2004-05. However, despite the steady growth and strong macroeconomic fundamentals, the gains have not been inclusive enough. Poverty and unemployment continue to be the central challenges confronting policymakers.

Poverty Alleviation Programs

Poverty alleviation programs have assumed relevance as it is proved globally that the so-called ‘Trickle-Down Effect’ does not work in the societies and India is no exception. A significant shift in the poverty literature can be observed: away from the Trickle-Down concept of growth toward the idea of Pro-Poor growth that enables the poor to actively participate in and benefit from economic activities. Hence, the strategy of targeting the poor was adopted in India: the economic philosophy behind that special preferential treatment was necessary to enable the poor to participate in economic development. Inclusive growth also focuses on productive employment for excluded groups. Poverty alleviation programs, designed to increase income-earning opportunities for the poor, can be broadly classified into the following five groups:

i. Self-Employment Programs: Creating self-employment opportunities started with the introduction of the Integrated Rural Development Programme (IRDP) in 1978-79, Training of Rural Youth for Self-Employment (TRYSEM) (1979), Development of Women and Children

in Rural Areas (DWCRA) (1982-83), Supply of Improved Toolkits to Rural Artisans (1992), and the Ganga Kalyan Yojana (1996-97). To resolve the conceptual and operational issues, a holistic program covering all aspects of self-employment, such as organisation of the poor into SHGs, training, credit, technology, infrastructure, and marketing called Swarnjayanti Gram Swarozgar Yojana (SGSY), was started on April 1, 1999. Based on the experience of implementation and recommendations made by various studies, the National Rural Livelihood Mission (NRLM) was launched during 2009-10 through community mobilization and by organizing and empowering the poor. NRLM aims at reducing poverty in rural areas by promoting diversified and gainful self-employment and wage employment opportunities.

ii. Wage Employment Programs: The main purpose of the wage employment programs is to provide employment opportunities during the lean agricultural season as well as challenging circumstances like drought. Wage employment programs were first started during the Sixth and Seventh Plan in the form of National Rural Employment Program (NREP) and Rural Landless Employment Guarantee Programs (RLEGP). These programs were merged in 1989 into Jawahar Rozgar Yojana (JRY). A special wage employment program in the name of Employment Assurance Scheme (EAS) was launched in 1993 for the drought-prone, desert, tribal, and hill area blocks in the country. Different wage employment programs were merged into Sampoorna Gramin Rozgar Yojana in 2001. Mahatma Gandhi National Rural employment Guarantee Scheme (MGNREGS), launched in 2006, aims at enhancing the livelihood security of people in rural areas by guaranteeing hundred days of wage-employment in a financial year to a rural household whose adult members volunteer to do unskilled manual work. During 2011-12, a total of 211.42 crore employment days were provided to 4.98 households under the scheme.

iii. Food Security Programs: Under this, Public Distribution System (PDS) is a very important poverty alleviation program directly acting as a safety net for the poor.

iv. Social Security Programs: This includes National Social Assistance Program (NSAP), Annapurna etc. for people Below Poverty Line (BPL).

v. Urban Poverty Alleviation Programs: These include Jawahar Nehru Rozgar Yojana (JNRY), Urban Basic Services for Poor (UBSP) etc involving participation of communities and non-governmental organizations. Other initiatives to alleviate poverty include price support, food subsidy, land reform, Area Development Programs, improving agricultural techniques, electricity and water for farmers, Panchayati Raj Institutions (PRIs), growth of rural banking system, grain banks, seed banks etc.

Such endeavors have not only reduced poverty but have also empowered the poor to find solution to their economic problems. For instance, the wage employment programs have resulted in creation of community assets as well as assets for the downtrodden besides providing wage employment to the poor. Self-employment programs, by adopting the SHG approach have led to mainstreaming the poor to join the economic development of the country.

Best Practices

Planning and management of various poverty alleviation programs and initiatives have provided a variety of experiences in terms of both successes and areas for improvement. Given the vastness of the country and the needs of people, such programs and projects have been implemented in a number of states. This has resulted in a variety of experiences, which were tried out not only by the Government agencies but other organizations as well. It has been well documented in the studies carried out that the interventions have proved their worth in changing the socio-economic conditions of the people. Secondly, these have also provided important lessons in terms of the processes and community-managed approaches based on indigenous technological knowledge and wisdom of which a country like India has enough. More importantly, the experiences

have indicated replicability of interventions due to the participatory and decentralized processes. The best practices available in the country have had their impact on the various dimensions where the facet of rural life includes not only the technologies but also other social engineering aspects as well. The best practices selected for inclusion in the country paper reflect broadly the criteria mentioned above. Thus, the four best practices come under the thematic areas of Poverty Alleviation Planning of Action (PAPA) and SAARC Development Goals (SDG) as given below:

- i. Best practices focusing on Women - Role of SHGs and their Federations
- ii. Best Practices focusing on Youth - Rural Self-Employment Training Institutes (RSETIs)
- iii. Best Practices on Innovativeness - Model Village Development through Local Self Good Governance
- iv. Best Practices which make a difference - Self-Sustained Sanitation Program

1. Women's Empowerment: SHGs in Orvakal

Best Practice 1

Fig. 5.1 Women being Empowered



1. Introduction

Institution building through self-help approach has emerged as one of the effective means to mainstream women in rural development. Earlier efforts for development of rural women made through group formation did not yield the results expected; the reason was that the pattern of groups

and processes adopted did not suit the requirements of women. It was realized that institutions based on the principles of self-help and small in size and homogeneous in nature would make women feel more comfortable and confident. It was also felt that such institutions would better carry out the various governmental initiatives for women empowerment and development. During the last two decades, this model has been tried out very successfully in different parts of India.

In 1995, Self-Help Groups (SHGs) were formed under the South Asian Poverty Alleviation Programme (SAPAP) launched in Orvakal Mandal (block is called Mandal) in Kurnool District, Andhra Pradesh. It was a joint program of the Government of Andhra Pradesh, Ministry of Rural Development, Government of India and the United Nations Development Program (UNDP). The program was initiated in five mandals in Kurnool district of the state. The program is managed by the federation of SHGs known as Mandal Mahila Samakya (MMS) with the support of the District Rural Development Agency (DRDA). DRDA is a district-level administrative set-up of the state government which manages various rural development programs and projects. The main objectives of the program are:

- i. To promote and develop grassroots people's institutions and strengthen capabilities for self-management for poverty alleviation;
- ii. To build capacities of DRDA and line departments on social mobilization for poverty alleviation;
- iii. To promote sustainable livelihood and income earning opportunities for the poor; and
- iv. To identify legal and regulatory frameworks that come in the way of the poor and assist in changing these for creating an enabling environment.

2. What are the Best Practices?

The best practices are social mobilization, capacity building, and institutional building. MMS has three tiers – (1) SHGs, (2) SHGs networked into Village Organizations (VO), and (3) VOs federated into MMS. The details of the best practices are as follows:

- i. The federation of SHGs is formed at village, mandal, and district level to facilitate networking and coordination;
- ii. Forward and backward linkages exist with development organizations through federations;
- iii. There is a focus on capacity building in addition to institution building;
- iv. Community Resource Persons (CRP) are identified and cultivated to serve as para-professionals for formation of new SHGs;
- v. The principles of delegation and facilitation are at work for a shift in the role of government and other development agencies from project implementing agency to project facilitating agency;
- vi. Institution Building is done step by step and not by leaps, starting with an activity like thrift for catering to the immediate need of the community and diversifying into other income generating and social development activities;
- vii. Efforts are underway for replication in other parts of the country;
- viii. The approach is not just participatory and process-oriented but also sustainable.

3. Context and Intervention

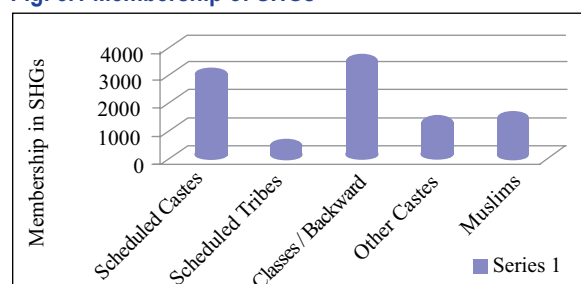
Context: The Federation of Self-Help Groups (SHGs) is located in the Orvakal Mandal of Kurnool district of Andhra Pradesh at a distance of 20 km from the headquarters of the district. The total number of villages covered under the federation is 19 and the number of habitations covered 27. As per the 2011 Census, the total number of households and population of the villages in Orvakal Mandal are 10,627 and 50,199 respectively. The population of the weaker sections such as Scheduled Castes and Scheduled Tribes is 11,765. The area is undulating with inadequate rainfall and recurring drought. For want of employment opportunities, people used to migrate to other places and returned only during the rainy season. All this had a bearing on the socio-economic conditions of the people who were desperately waiting for developmental initiatives that could provide better opportunities for their livelihood. It was in such a context that

the initiative of the State Government in the form of specialized developmental projects as a part of the United Nations Development Program (UNDP) arrived. A review of literature indicated that socio-economic development through empowerment is the best way to improve the situation. The initiatives taken were mainly oriented to institutional building in the form of small groups, based on the principles of self-help and community organization. It was also felt that given the expectations and needs of the people, small groups have to be consolidated in the form of federations so that the necessary linkages can be fostered with outside agencies for taking up diversified activities and for the services required.

Intervention: Intervention started with formation of Self-Help Groups (SHGs). As a part of it, awareness and sensitization activities were taken up to motivate rural women on the importance of coming together and managing things by themselves. Meetings and individual visits and interactions were also organized and SHGs came into place. Thrift activities were promoted to cater to the immediate needs of the community and to realize the importance of team work and self-help principles and equity. From the beginning, these women groups were encouraged to go beyond savings and credit activities, and put emphasis on women's empowerment and social development. As a pilot project, it has allowed a lot of flexibility in program management. As many as 843 SHGs have been formed with a total membership of 9,239, more than three-fourths of the members from marginal sections such as Scheduled Castes, Scheduled Tribes, and Backward Classes. The details on membership of SHGs are presented below.

SHGs have helped the members not only to save income but also in providing an assured source for credit requirements. The groups were provided access to productive loans from banks and other financial institutions. In addition to thrift and saving, livelihood promotion was also part of the intervention under the federation, initiated under a project called Velugu ('light') sponsored by the World Bank.

Fig. 5.1 Membership of SHGs



The small group approach has built confidence among women. Their development can happen from within rather than looking for outside thus reducing the dependency syndrome prevalent before the MMS intervention. Now that confidence is built up, women are also looking for further opportunities to augment their income and raise their standards of living. Keeping this in

Fig. 5.2 Structure of Federations



view, the promoters and facilitators of the MMS have come forward with the idea of federation of the groups. As a part of it, SHGs were formed into a village-level federation, called Village Organization (VO). This was the first step in bringing the groups together to create economies of scale in the services and funds. It was easy for the MMS functionaries to give service and route financial support to the groups. This was followed by establishing such an entity at the Mandal level, which strengthens village level institutions and diversifies activities not only for economic development but also for improving social facets of community life. Thus, institutional building for women's development is patterned on a three tier basis explained below:

The total number of SHGs was 843 which were formed into 27 village-level organizations with a total membership of 9,260. Besides the savings and deposits of SHGs and VOs, the federation also had support from external sources of various organizations. Thus, the federation collected Rs 6.52 crore on its own and Rs 45 crore from external sources. Support from outside agencies comes from groups through MMS work based on the principles of empowerment and capacity building. Outside agencies were satisfied with MMS and were impressed with the systems, procedures, and processes put in place to manage operations to ensure people's participation and equity.

Details on capital flow from various sources which included both Government and Non-Governmental Institutions are given below:

Mahila Bank (Women's Bank): One successful initiative by the Federation was establishment of a women bank. This idea came up as a result of the need indicated by SHG members. They said they were able to get small loans for day-to-day requirements from SHGs, but had to depend on big landlords and money lenders for larger loans. Women's bank came into existence to solve their problems. Presidents of VOs and office bearers of the MMS federation constituted the Board of Directors of the bank. The share capital was Rs 25 lakh and the representatives of SHGs were members. It functions in a professional way and is linked to other commercial banks. It started with each SHG contributing Rs 5,000 as share capital and was followed by contributions from other developmental organizations. The main beneficiaries of the bank are members of

SHGs. The bank has benefitted as many as 2,324 members and the total amount provided was around Rs 5 crore.

Fig. 5.4 Mahila Bank in Transaction



Transactions of Mahila Bank: The details on the loans availed by members from the bank are as follows:

Loan amount	Members
Above Rs 50,000	4,073
Above Rs 1 lakh	2,362
Above Rs 2 lakh	832
Above Rs 3 lakh	321
Above Rs 4 lakh	120
Above Rs 5 lakh	35
Above Rs 10 lakh	5

Education Development: As a part of social development, MMS has established a school to eliminate child labor in the area. No such school exists in the vicinity. Therefore, child enrollment in the school has increased. School dropouts are significantly low. The members of MMS and villager report that the school provides quality education and helps children to go for higher education. The federation has ensured that the

Fig 5.3 Patterns of capital fund



Children at school



school is equipped with a competent teaching staff. The school's management is a model for others for creating similar facilities and environment.

MMS Functionaries: The MMS staff were mainly drawn from villages to carry out the activities and facilitate institutional and capacity building of the members of SHGs, VOs, and MMS. They include community volunteers and book-keepers at the village level, para-professionals, and facilitators for agriculture and allied activities at the cluster level. The details on functionaries are given below:

Table 5.1 MMS functionaries and their strength

Category	Number
1. Community Coordinators	2
2. Cluster facilitators	38
3. Village Managers	20
4. Book-keepers	192 (Women 50)
5. Community Health Assistants (Women)	40
6. Livestock Assistants	45
7. Agriculture Extension workers	62
8. School Teachers	22
9. Non-Teaching Staff	6
10. Bus Staff	6
11. MMS Accountants	4
12. Faculty of Social Mobilization Experimentation and Learning Center (SMELC)	

One significant initiative of the federation under the program was utilization of human resources of the area to serve as a resource for the community. Thus, the idea of Community Resource Persons (CRPs) was conceived and efforts were made to build up capacities. In the course of implementation of the program, the program personnel could identify candidates with a potential for facilitating participatory

intervention. They were given orientation on the kind of works to be carried out in the villages and the roles envisaged so that they could act as appropriate resource persons.

Capacity Building: MMS has recognized the importance of capacity building right from the beginning and has taken up this in a systematic way. Besides institution building in the form of village-level institutions, efforts were directed toward training and capacity building of groups and other stakeholders associated with MMS. The members of SHGs were provided with competencies and awareness to manage operations and processes of their organizations efficiently. As a part of it, the members of the group were sensitized on the benefits of group work and team building, a strong foundation. The MMS functionaries have thus built up the capacities of members in various income generating activities so that they can optimally utilize finance and other assistance received. Another interesting feature was the organization of technical training programs for para-professionals in collaboration with outside organizations with the necessary expertise. Since transparency and accountability are important in managing the SHGs, emphasis was given to training of village-level book-keepers. This has created a support service base and has helped the institutions and their members through the necessary guidance and expertise to manage production enhancement and income generating activities. The interventions in this regard also included training of the staff of women's bank and other staff working as a part of MMS operations ensuring that the staff imbibed the fundamental principles and processes of working in participatory development and bottom-up approach.

Based on the experience, para-professionals can play a crucial role in the form of CRPs. The federation has also established a Training Center called "Social Mobilization Experimentation and Learning Center (SMELC)". The facility was utilized to train members of the group and also the staff and other para-professionals. As many as 24,500 SHG members and staff members were

trained during the last 12 years. SMELC has emerged as an important training center for capacity building for not only the staff and facilitators of MMS, but also for those of other projects of the district and organizations. The following are the training programs organized by SMELC:

- i. Motivation and Group Dynamics for Group members
- ii. Roles and Responsibilities for Members of Village Organizations and Executive Council members
- iii. Maintenance of Accounts and Transparency for Book-Keepers
- iv. Management of Livestock for members of Village Livestock
- v. Management Techniques for Village Managers
- vi. Personal Hygiene Practices and Health for Community Health Activists
- vii. Micro-Planning for SHG members
- viii. Roles and Responsibilities of members of the MMS-EC
- ix. Management Techniques for Community Coordinators
- x. Auditing for accountants
- xi. Asset Management at Village Level for members of functional committee members

The impact of capacity building initiatives was reflected in 39 women getting elected to Local Self-Government institutions. Though the number was not large, it did help to have women representation in the institutions.

Collective Marketing: The federation has also initiated another useful intervention for the farmers of MMS villages. As a part of it, the products of farmers were collected and marketed to agencies outside. Thus, the federation was able to eliminate dependence of farmers on middlemen in marketing, helping the federation to get additional income in the form of margin money for services provided to farmers. The farmers in the area have found this arrangement convenient.

Other Developmental Activities: The federation serves as an implementing agency for other important developmental programs initiated by

Fig 5.5 Social Mobilization



Fig 5.6 Community Resource Persons



the Central and State Government, which include Housing, Watershed, Sanitation, Insurance, Nutrition, Non-Pesticide Management, Land Development etc. Besides, promotion of livelihoods was also a part of the activities carried out in the MMS villages. The activities and number of beneficiaries are given below:

- Abhaya Hastam (a co-contributory Pension and Insurance Scheme for SHG women) - 6915 members enrolled
- Aam-Aadmi Beema (BPL Insurance - Social Security Scheme) – 5498 members enrolled
- Indiramma Housing Program – 6,141 women
- Nutrition centers – 13 Centers
- Community Investment Fund – Rs 21 crore
- Non-Pesticide Management – 5 villages
- Andhra Pradesh Rural Livelihood Project – 7 VOs
- Indira Prabha (Comprehensive Land Development Project) – 27 VOs.

4. Role of Partners

MMS had the benefit of support from the

functionaries of Society for Elimination of Rural Poverty (SERP), a special initiative of the Government of Andhra Pradesh. SERP provided financial assistance to the federation for carrying out its activities. In addition, MMS also partnered with various NGOs. The partnership was utilized to exchange technologies and strengthen the capacity of MMS functionaries to try out appropriate technologies in the MMS villages. For instance, organic farming, identified as a useful practice, was promoted in the villages with technical and training support from partner organizations.

5. Cost

No cost was involved because

- i. There was no need to invest money on SHG Formation. Joining SHG becomes a part of the village culture. As soon as a new daughter-in-law steps in, mother-in-laws immediately bring them to the SHG.
- ii. Very little amount is needed to train new SHG members, because every village has resource groups and resource persons. They are imparting training to new groups at the village level
- iii. The federation is earning Rs 4 lakh interest per month from sources like Mahila Bank and Jalajeevani.
- iv. The federation has set up 15 VO office buildings from their own profits.
- v. The federation has purchased land in five villages to construct VO buildings.
- vi. The federation has its own office building worth Rs 5 crore out of which the Government contributed Rs one crore. The rest (4 crore) was earned by the Federation in the past 15 years.

6. Monitoring and Evaluation

MMS has provided simple mechanisms to keep track of the activities and status of performance of the SHGs and other institutions. Book-keeping, one important tool, was maintained with transactions recorded in detail to ensure transparency and accountability. A book-keeper was provided for a group of SHGs to help groups to record the proceedings of meetings and transactions. This has helped members to know the funds received, loans

provided, and the status of repayment which keeps it transparent. The success of SHG movement is attributed to this mechanism which maintains its professional status.

Institutions were expected to conduct regular meetings so that members are posted in their operations to provide the appropriate feedback. Functional committees were also constituted to review activities and identify measures for improvement. On evaluation of MMS and its initiatives, the state government will entrust the responsibility to a third party to ensure objective assessment of the institutions and their functioning.

7. Conclusion and Recommendations

The SHG model shows empowerment is essential to help people to overcome poverty. This was possible through institution building followed by capacity building. The MMS experience suggests development of micro-level self-help-based institutions can ensure participation of women to fulfill their needs. It also helps to solve their problems by themselves and with confidence. The whole effort was to facilitate women to realize their potential and enable them to manage their own organization effectively. The SHG model has also helped in the emergence of women's leadership. Another lesson is the significance of developing resource persons at the community level, who can serve the community. It has also demonstrated the importance of development of professionals drawn from the community itself, an experience that is being replicated in other parts of the country. It also demonstrates the need for institution building at the cluster and higher levels so that micro-level institutions can have the benefit of their guidance and service in managing and diversifying their activities. Networking of self-help groups with outside agencies for forward and backward linkages was yet another lesson essential for sustaining self-reliance.

8. Success Stories

CASE ONE

Mrs Ratnamma (Scheduled Caste), 43 years, is from Loddipalli village, Orvakal Mandal,

Kurnool District. In the course of her interview, she revealed that sixteen years back, she was a maid servant in the houses of rich farmers, who were dominant in the village and the district. Married at 12, she gave birth to four girls and a son. The family lived in absolute poverty.

The middlemen brought cotton from other parts of the State and handed it over to them to separate cotton from the seeds, a work in which all members of the family were involved including children, nearly twelve hours a day. There were no holidays to celebrate festive occasions. If it was not available, they would go to collect firewood from the forest to sell in the nearby town. The family could meet their food requirement only twice a day.

Villagers did not prefer formal education, particularly, for the girls. Girls were given away in marriage at 10 or 12 years of age. Loans were available at interest of five rupees per hundred per month. Even this was difficult as the rich were not willing to lend money for emergencies and other needs.

She had heard about the SHG movement but she did not believe in saving and so could not join the movement. But meetings organized by the Orvakal Mandal Samakhya induced her to join 16 years back. She is now a member as are her daughters-in-law and grandchildren. She was the president of Mandal Samakhya for five years. She took Rs 9 lakh as loan from the group, purchased two and half acres of agriculture land and installed a bore-well there to grow vegetables (brinjal, tomato, leafy vegetables). The income was used for repaying monthly loan installments. At farmers' 'rythu' bazaar at Kurnool city, she rented a shopping place to sell vegetables avoiding middlemen. She now earns around Rs 1,500 to 2,000 per day. They harvest vegetables in the early hours of the day and take them to Kurnool market, the district headquarters. Now she does not have to take loans and work for wages because she is in a position to provide work for others. SHG members also encouraged Mrs Ratnamma to send children to school, maintained by Orvakal

Mandal Samakhya. Now, her son is in the third year of electronic engineering course. Her three daughters are all trained as nurses and work in government and private hospitals.

She is also a Community Resource Person (CRP) and visits UP, Bihar, and Rajasthan to train SHG members, and motivate women through songs, skits etc. which she says is very satisfying.

Mrs Ratnamma feels highly indebted to Ms Vijayabharathi, her mentor and honorary director of Orvakal Mandal Samakya Ikay Sangam, for her inspiring role in helping her to achieve her new status.

CASE TWO

Mrs Rajeswari (43) belongs to a Scheduled Caste and comes from Loddipalli village. At the age of 13, she got married and has two children. She has studied up to the 8th standard in a village panchayat school. After her husband died, she did not have any support from the husband's family, forcing her to return to her parents' house sixteen years back. In between, she joined SHG which offered a loan to start up a petty shop. She was assigned the job of maintaining accounts and book-keeping as she was better educated than other members of SHG. At present, she owns a few acres of agriculture land. Two children have got educated up to the degree level. She is also a trainer and visits other parts of the country to impart training to SHG members.

There are now 35 SHGs belonging to the SC community, out of a total of 73 groups. Eight SC members own tractors. The village has twenty autos. Young men, who dropped out after class seven or eight, were helped with autos. Many of them later purchased land with loan from groups.

CASE THREE

Mrs Ramasubbamma 'Erukala' (51) is from a Scheduled Tribe from Vuyyalavada village. Before joining SHG, she did not have a house of her own. Married at 10, she was harassed by her husband, forcing her to return to her parents who sent her back. As the behavior of her husband

remained unchanged, she left him and came back to Vuyyalavada with her children to live under a tree. The family became seasonal migrants to other parts of the district and was in absolute poverty, living on basket making with palm leaves sold in the village. They used to get a meager price not sufficient for their survival and started begging from door to door. She was thus resigned to her poverty.

But as the SHG movement started in the village, she joined, encouraged by group members and Mandal Samakya. She was then sent for training and meetings which helped her to gain knowledge, skills, and confidence. It was a milestone in her life. She took Rs 1000/- as loan to establish a tent. In 16 years, her life has totally changed. Till now, she has taken Rs 12 lakh as loan which has been fully paid back. She now owns a small dairy farm with six she-buffaloes, a few acres of agricultural land, and two houses. Her two children have studied in an English medium school. The daughter is working as an ANM in Kurnool and the son-in-law is a government servant. Her grandchildren also go to an English medium school. She is a leader in Village Organization and is a highly successful and contented person.

Asked, “What benefit did you get from the SHG?”, she said with some emotion that she has achieved social and economic status and is now treated on par with other members in meetings and training courses. Her confidence has risen. For her mentor, Ms Vijayabharati, she has a great admiration who she says is behind the upliftment of 3,500 poor people.

2. Entrepreneurship of Rural Youth: Role of Training Institutes

Best Practice II

i. Introduction

Rural unemployment and under-employment contribute substantially to rural poverty. Every year, about five million people get added to the list of job seekers, but the employment opportunities are much less than the number of job seekers.

The Ministry of Rural Development, Government of India, is implementing several schemes to uplift the rural poor and bring socio-economic improvement and improved quality of life in the rural areas. To create employment opportunities for the rural youth, broadly two strategies are being adopted now: through skill development for self-employment in their own areas and, skill development for wage employment in industry and the service sectors.

ii. Best Practices

The practices presented here constitute a part of the intervention of the Indian Government to create opportunities for rural youth in promoting enterprises and shape their aspirations and visions to get ahead in life. The unique feature of the Rural Self-Employment Training Institute (RSETI) scheme is its short duration, a residential free training followed by long-term hand-holding for two years. Residential training allows trainees to live and learn together beyond the normal working hours. This also helps in building a positive attitude to life and team work. It is a well-tested model in selected districts of the country having proved its contribution in a solid way in building the confidence and capacity of youth to become entrepreneurs in their own areas. Intervention is in the form of a training institute which has gone beyond the traditional role of providing training to post-training services and hand-holding support and linkages. The pages that follow show a majority of the trained youth, to the extent of 70%, have gone for self-employment to improve their livelihood. What is significant is the convergence approach put into practice in contributing to the empowerment of youth and providing them motivation to establish themselves in their own settings. Another feature is the availability of services to the trained youth in the villages to pursue their own enterprises.

ii. Context and Intervention

Context: Thousands of youth are today entering the job market every year in this country, but they are unable to find a suitable employment. Non-availability of adequate employment opportunities

in the organized and unorganized sectors is a serious challenge. There is thus a need to promote self-employment opportunities for the unemployed rural youth, particularly for those below the poverty line, through skill upgradation and credit support. Once trained appropriately, the youth can launch profitable micro-enterprises to enhance their standard of living and contribute to the overall growth of rural and national economy. The Government of India, in that context, has embarked upon National Rural Livelihood Mission (NRLM) to provide sustainable income to rural people. Formation of Self-Help Groups is an important component of the NRLM strategy. SHGs are provided credit linkage with Banks to create income generating assets in order to improve their economic well-being. But many still lack the skills necessary for undertaking enterprises; they also do not have access to formal vocational training institutions. Lack of requisite qualifications comes in the way. It is thus difficult for the BPL youth to take up any activity for self-employment. Even if they are engaged in trade, they need some hand-holding through periodic doses of skill upgradation and training to make their initiatives viable and sustainable in an increasingly competitive environment.

Intervention: The RSETIs scheme launched by the Ministry of Rural Development, Government of India, in 2009 was envisaged to establish one RSETI in each of the 623 districts of the country. So far 550 institutions have been established.

The objectives are:

1. The training will be demand-driven.
2. Rural BPL youth will be given priority.
3. The training skill to be provided to a particular rural BPL youth to be decided after assessment of the candidate's aptitude.
4. Provide intensive short-term free residential self-employment training to rural youth for taking up self-employment initiatives and skill upgradation for running micro-enterprises.
5. Hand-holding for assured credit linkage with Banks.
6. Follow-up services to be provided for at least two years to ensure sustainability of the micro-enterprises.

The following are the main features of the scheme:

1. Institutes set up should be registered as societies/trusts.
2. Institutes will be opened in all districts of the country.
3. Land for setting up RSETIs will be allotted to the concerned banks, free of cost, by the State Governments.
4. The construction of RSETI buildings will be undertaken by the concerned Bank Trust/Society. The Cost of construction will be funded by the Ministry of Rural Development.
5. Until a suitable land is identified and building constructed, RSETI may start operation from hired premises.

Program Structure: Each RSETI offers 30 to 40 Skill Development Programs in a year, all of short duration from one to six weeks:

Agriculture Programs: Agriculture and allied activities like Dairy, Poultry, Apiculture, Horticulture, Sericulture, Mushroom cultivation, Floriculture, Fisheries etc.

Product Programs: Dress designing for men and women, Rexine Utility Articles, Agarbathi Manufacturing, Football Making, Bags, Bakery Products, Leaf Cup, Making Recycled Paper Manufacturing etc.

Process Programs: Repairs of Two Wheelers, Radio/TV, Electrical Transformers, Irrigation Pump-sets, Tractor and Power tiller and Cell-phone, Motor Rewinding, Beautician Course, Photography and Videography, Screen Printing, Photo Lamination, Domestic Electrical Appliances Repair, Computer Hardware and DTP.

Innovative Programs: The RSETIs design innovative training programs every year which are area-specific, enabling the entrepreneurs to acquire the appropriate entrepreneurial skills in running their enterprises successfully. The basket of training programs varies every year and is dynamic.

Skill Upgradation Programs: Technology is making huge strides recently and has become

a necessity for entrepreneurs to hone up their skills to match up with the latest cutting edge technologies. Realising this, RSETIs conduct various skill upgradation programs to undertake micro-enterprise and enable entrepreneurs to compete in the ever-competitive market.

General Programs: Skill development programs for women. Other programs are related to sectors such as leather, construction, hospitality, and sectors depending on local requirements.

Follow-Up Support: As mentioned earlier, the unique feature of the scheme is to provide hand-holding to the trainees. As a part of it, a proper system of regular follow-up is put in place for a minimum period of two years to ensure the trained candidates take up their vocations at the earliest and are able to sustain it. In other words, short training, but long hand-holding is the spirit behind the RSETI training philosophy.

Credit Linkage: Assistance in credit linking of trainees by sending the list of candidates to bank branches and coordinating with them for extending financial assistance is the responsibility of the Director of the institute. Another important feature is arranging periodical interactive meets for trainees with bank branches to enable them to overcome problems in availing bank credit.

iv. Beneficiaries

The beneficiaries of training programs are youth from below the poverty line families. It shall be the primary responsibility of all DRDAs and branches of the sponsoring bank to sponsor trainees. Other bank branches / Government Departments operating in the area are motivated to sponsor candidates and report the progress on sponsoring of applications in all meetings and forums of banks at the block and district level. At least 70 percent of the trainees are drawn from the rural BPL category till the BPL list of the particular district is exhausted. Proper weightage is given to candidates from weaker sections such as the SC/STs, minorities, physically handicapped, and women. In addition, as a part of women's empowerment, the scheme provides

equal opportunities to women's entrepreneurs. Training institutions are expected to organize exclusive programs for women in various trades, depending upon their aptitude and local demand.

v. Institution Building

RSETIs are headed by a Director on deputation from a sponsor Bank with rural banking exposure and aptitude and flair for training supported by faculties / staff either from the Bank or on a contract basis. The scheme envisages setting up of committees for the establishment and effective management of institutions in all rural districts of the country. These bodies function under:

- i. National level Steering Committee headed by the Secretary, RD, MoRD that meets at least twice a year at half-yearly intervals.
- ii. State level Steering Committee, a sub-committee of State level Bankers Committee (SLBC) set up in every state for all RSETIs and co-chaired by the Principal Secretary, Rural Development, and Convener of SLBC.
- iii. Governing Council formed at the bank's apex level to lay down goals, general policies, and directions to the RSETIs.
- iv. Local Advisory Committee formed at the institute level to ensure RSETI that the guidelines of RSETIs are followed.

Trainers' training programs for RSETI Directors and faculties are conducted at regular intervals for exposure to the various dimensions of training program along with inputs on methodological aspects. The program contents include themes related to pre-training activities to be carried out in the form of awareness camps and selection of right candidates. Emphasis is given to modalities of hand-holding and linkages to be facilitated as a part of follow-up. In addition, appreciation and orientation training programs are organized for other stakeholders of the scheme such as the bankers, officials of District Rural Development Agency, and Nodal Officers at the corporate offices of the respective banks.

vi. Impact of the Scheme

The training has gone a long way in building

the youth's capacity in skill development and in encouraging entrepreneurship. It has also resulted in building confidence and motivating the trainees to go for settlement in the given trade. The scheme has succeeded in providing adequate income to candidates on a sustainable basis prompting them to upgrade skill and expand business. The demonstration effect on the youth of the surrounding villages has been to enroll them in training programs. In fact, 1.32 lakh trained youth out of the 1.87 candidates trained in 2011-12 have established themselves in self-employment ventures and micro-enterprises.

vii. Costs for establishment of RSETIs

The Government of India provides one time grant assistance to the training institution up to a maximum of one crore rupees for meeting the expenditure on construction. In situations where getting land takes time, institutions operate in premises hired by the Government at a maximum of 10 lakh rupees up to three years. The Government also provides also cost of training for rural poor candidates through the DRDAs at Rs 200 per day per candidate to a maximum of Rs 5000 for trainings of longer duration. Other recurring costs for RSETIs, i.e., training expenses, faculty salaries, and logistics are borne by the sponsoring banks or sponsoring organizations like SIDBI or NABARD.

viii. Timeline

The time required for establishment of the institute is linked to arranging necessary infrastructure and appointment of the head of the institute by banks. Identification of vocations and trades is important for the success of the scheme. Training programs have to be planned on the basis of specific requirements of an area. A general guideline listing the trades and vocations relevant for a particular rural area is circulated among the institutes. However, the curriculum can be modified and finetuned as per the local requirements. The approximate time line for various activities connected to establishment of RSETIs by the respective bank is as follows:

- Location of building for the institute with facilities for class room, and accommodation for the trainees, faculty, and staff - 2 months
- Selection of Director (based on criteria such as aptitude for training, work experience in Rural Banking, and posting of supporting staff - 2 months
- Identification of trades and development of curricula for model training programs - 2 months
- Constitution of committees at National, State, sponsoring Bank, and Institutional level for consultation and coordination - 2 months
- Convening of meetings for operationalising the scheme in the given region with different stakeholders (bankers, developmental functionaries etc.) - 1 month

Total: 9 months

ix. Wider Replication and Upscaling

As the Indian experience indicates, the scheme can be replicated and upscaled to other parts of the country and abroad. The experience obtained by institutions needs to be documented for stakeholders to be shared with national and state level workshops and conferences. Since seeing is believing, study visits planned as a part of these deliberations will help in convincing decision-makers in the Government banking institutions on how interventions such as RSETI can bring about significant changes in the mindset of the youth and to motivate them to opt for self-employment and micro-enterprises. Capturing the experiences available in pilot areas through visuals and case studies and also direct interactions with successful candidates can also help in formulating other similar initiatives.

x. Monitoring and Evaluation

Along with other initiatives planned as a part of this scheme, mechanisms for systematic monitoring and evaluation have been contemplated so that the performance of training institutions can be kept track of and feedback made available to decision-makers at different levels. The scheme has been included as one of the items for discussion in planning and review meetings of the national and state governments and also the respective banks.

An exclusive cell has been created for monitoring to collect details on the progress of training programs in terms of the number of candidates trained and those settled with self-employment ventures which will help to take up appropriate measures at different levels. In addition, bank-specific conferences and conclaves can also be organized wherein the targets to achieve and related problems are reviewed and solutions worked out. The committees formed at different levels assess the performance and identify interventions required to take the scheme forward.

xi. Conclusion

This novel scheme of the Ministry of Rural Development implemented in the country in collaboration with banks and state governments will create a permanent training infrastructure managed by professional banks. When the scheme is fully implemented, it should turn annually nearly six lakh rural unemployed youth into entrepreneurs who can generate enough wealth for the nation. The stakeholders can thus ensure the success of this program in the years to come.

Among the issues in management of the scheme, allotment and availability of land for establishing the institute is one key constraint in some places. Secondly, the officers with the right qualification and aptitude should be posted as Directors of RSETI for a certain minimum tenure. A systematic and scientific attempt for identification of suitable trades will help to attract more youth and facilitate establishment of enterprises. The experience also has indicated how important it is to include inputs into motivational and entrepreneurial development aspects to make the scheme successful. In a number of success stories, it was found that the initial inputs provided as part of the training program on these themes generated interest in the candidates to take the training seriously, followed by sincere attempts to establish self-employment enterprises. This apart, the Indian experience has also highlighted the significance of convergence of development organizations in making the initiative of the Government a great success. In fact, it was a good illustration of cooperation amongst the Central Government,

the State Government, and financial institutions which have contributed to carry forward the scheme step by step. The experience underscores, moreover, the importance of human resource development and capacity building to promote self-employment and the need for a systematic and systems approach to get the results. Training or capacity building, in fact, is not complete with what happens in the class room but what follows after the training. It has also demonstrated the importance of pre-training and post-training activities in terms of awareness building and right selection of candidates along with appropriate trades followed by hand-holding services and support in the form of credit and market linkages on a continuous basis.

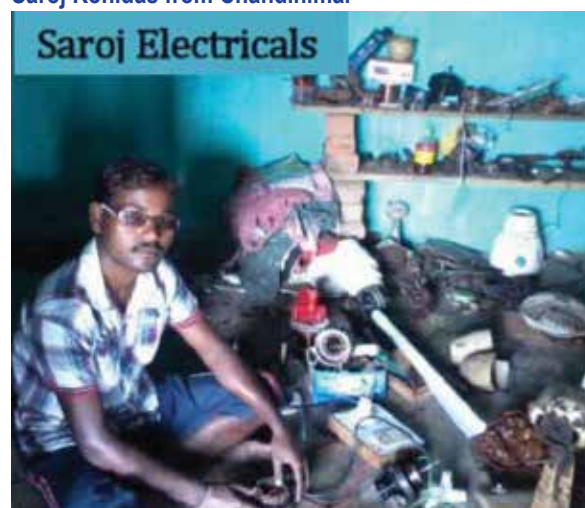
xii. Success Stories

Some of the success stories of the scheme are given below

CASE ONE

Saroj Rohidas, a 22 years old youth from Chandinimal (Jharsuguda Block), is from a scheduled caste, educated up to higher secondary level, but without any previous gainful employment. Auto training at TRI SBI RSETI (May 17-june 19, 2010) taught him how to access business opportunity and manage the venture apart from boosting up his confidence to start his own enterprise in tailoring. He worked as a helper for a year at Gandhi Chowk and earned about Rs 1500

Saroj Rohidas from Chandinimal



per month from August 2010. From September, he started working at Jharsuguda earning Rs 4000 per month. In January 2012, he established his own workshop with his own investment of Rs 20,000, Saroj Electricals at Chandinimal Chowk near his native village. At present, he earns about Rs 10,000 per month. He would like to have a subsidized loan of Rs 150,000 to expand his business activities under the SC/ST Loan Scheme.

CASE TWO

Ms Solmi Baru, 23 years old, and an 8th grader scheduled tribal Christian from Betjharan (Lakhanpur Block of Jharsuguda District), was without gainful employment except from sewing. But after she trained for one month in July 2010 at TRL SBI RSETI in dress design, her confidence to set up her own tailoring shop grew. She also learnt how to access business opportunity and manage the venture. After getting a Rs 2.5 lakh grant from the Prime Minister's Employment Generation Program (PMEGP), Lakhanpur Branch in 2012, she set up her 'Maa Mariyam Dress Designer' at Kadamdihi in 2012 with six sewing machines, a showroom, and a workshop operated by four assistants that fetch her Rs 3,000 every months. As her marketing potential expands, she is now set toward becoming a supplier of uniforms and garments for schools and colleges to Jharsuguda market.

Ms Solmi Baru workshop



CASE THREE

Ms Sandhya Scariya, erstwhile an unemployed matriculate preoccupied with domestic work

and child care, attended an awareness session. After completing her training in a Beauty Parlor Management Course at Thrissur, she set up 'ANN's Beauty Touch', her own thriving venture, at Pattikkad where she earns monthly Rs 5,000.

3. Village Development through Local Self Good Governance: Hivre Bazar

Best Practice III

Local Self-Government Institutions are an integral part of governance in India. They play a major role in rural development of the country. Known as Panchayati Raj Institutions, these are elected bodies with a number of functions and responsibilities in local governance deriving their powers from the Constitution of India. Based on experience over the years, the responsibility of planning and management of various rural development programs have been assigned to these institutions. Studies indicate that their involvement has gone a long way in ensuring people's participation in need-based programs and in establishing accountability of the implementing machinery to the community. These institutions play a pivotal role in planning and implementing programs for Poverty Alleviation, Social Assistance, Drinking Water and Sanitation, Rural Electrification and Roads, Rural Housing, Natural Resource Management etc. The following best practice at the village level known as "Gram Panchayat" in the state of Maharashtra in India is a well acknowledged example of community mobilization and people's empowerment which has changed the landscape and living conditions of the community.

i. Introduction

Hivre Bazar in Ahmednagar district (Maharashtra), which has emerged as a role model for holistic village development, was drought-prone forcing people to migrate in search of work and jobs since agriculture and allied activities were unprofitable. The village also had social problems. With twenty-two liquor shops, gambling and internal community conflicts were rampant. The picture changed after Mr Popatrao Pawar was elected president of the Village

Drought in Hivre Bazar



Panchayat in 1989. He has been the force behind all the changes that have transformed Hivre Bazar village into a national model.

ii. Best Practices

The development of the village was mainly due to the community mobilization steered by village panchayat. The experience has demonstrated how good governance at the micro level with committed leadership can bring about significant changes in the life of a rural community. The case also highlights the role of local elected bodies, such as the Gram Panchayat in facilitating sustainable development through people's involvement combined with practices of good governance. Elected representatives from other parts of the country regularly visit Hivre Bazar Gram Panchayat to study how the transformation was achieved in village local self-governance and empowerment of people.

iii. Match between Context and Intervention

The Context: Hivre Bazar is a drought-prone village which receives little rainfall, approximately just 250 mm per annum. It had a low water table which means perennial water problem in irrigation and drinking in the summer season. Porous soil and hard rock structure retain little moisture resulting in low agriculture productivity. The years between 1972 and 1989 brought droughts pushing villagers to leave in search of work. The village also lacked basic facilities for primary education and health. The well-to-do families have shifted their children to cities for education, but those left behind in the villages have turned toward illegal income generation activity. People

made money through sale of liquor in nearby towns. Recurrent drought brought pressure on the natural resources of the village. Cutting the trees in the forest for livelihood has reduced forest coverage and the village is now a barren hillock.

iv. Intervention and Impact

A five-pronged approach has been adopted for the socio-economic development of the village:

1. Voluntary labor contribution (Shramdan)
2. Ban on open grazing
3. Ban on tree cutting
4. Ban on liquor
5. Family Planning

Voluntary labor has inculcated a work culture among the local people, making the village a model for community development. Ban on open grazing and tree cutting has increased grass coverage and reforestation. The Gram Sabha, a general body of all villagers, adopted the watershed approach for water management, imposing a complete ban on water-intensive crops such as sugarcane, banana etc. Since 2004, the Village Panchayat has been conducting an annual water audit to assess water availability. A crop plan is then prepared. The interventions and role of panchayat are depicted in Fig 5.7.

Impact: Hivre Bazar is now reaping benefits from developmental interventions. The thirty-two families that had earlier left the village have returned. Social integration has led to the formation of Women's Thrift Groups, Milk Dairy Society, Youth Clubs, and cooperatives. The work on watershed has left a deep impact. All the villagers have benefitted in one way or other:

Fig. 5.7 Success path of Hivre Bazar



- Increase in employment
- Reduction in soil erosion
- Increase in credit-worthiness of villagers for bank loans
- Rise in underground water table
- Change in cropping pattern (shift from subsistence to commercial agriculture from jowar and bajra, to onion, potato, and horticulture)
- Increase in cropping intensity
- Increase in fodder availability (from 1,500 MT to 6,000 MT)
- Increase in milk production (from 300 liters to 3000 liters a day)
- Increase in water resources
- Average irrigation coverage from 40 ha to 260 ha
- Availability of loans to needy people
- Ban on extraction of water through bore wells
- Adoption of technologies for water use efficiency such as “Drip Irrigation System”
- Cultivation of sugarcane and banana (they are water-intensive crops)
- Preparation of crop plan by the Grama Sabha in consultation with the farmers.

In addition, significant improvement can be noticed in the literacy level of the village. The infrastructure available for primary schools has also improved.

The impacts visible are shown below:

Fig. 5.8 Change in Adarsh Gram



v. Institution Building

Leadership: Progress in community development demands good leadership.

Mr Pawar, President of the Village Panchayat



Thanks to the efforts made by Mr. Pawar, president of the Village Panchayat, to educate and empower, the people of the village are now so motivated and united that the GP members are unanimously elected.

Gram Sabha: Gram Sabha is an important institution in village governance where all adults aged 18 years and above are members. It serves as a forum for getting to know expectations of the community and take decisions on the appropriate measures. In other words, it is the voice of the whole village.

The first meeting of the Gram Sabha, held on 26th January 1990 under the leadership of Mr. Pawar, identified the priorities:

- i. Drinking water
- ii. Availability of fodder
- iii. Irrigation for agriculture
- iv. Educational and health facilities
- v. Work on village roads
- vi. Electricity
- vii. Employment opportunities

The second meeting of Grama Sabha on 15th August 1994 decided to establish Yashwant Krishi Gram and Watershed Development Trust for implementation of the watershed development program in the village.

In its subsequent meetings, the Gram Sabha declared its development goals:

- i. No person should be landless.
- ii. No person should remain below the poverty line.
- iii. Sanitation coverage should be 100 percent.
- iv. Complete literacy must be achieved.

An exclusive meeting of women passed the following resolutions:

- i. Blood group testing
- ii. Larger participation of women in developmental activities
- iii. Focus on women from the landless, marginal, and small households
- iv. Better access to health and education facilities
- v. Availability and accessibility to improved drinking water facilities
- vi. Personal hygiene practices
- vii. Hundred percent coverage of individual household sanitary latrines.

vi. Partnership of Stakeholders

A whole set of developmental schemes were started in Hivre bazaar, all focused on the individual needs following which the Government of Maharashtra sanctioned a number of developmental schemes to the village.

In 1990, when the Government sanctioned extension of one room to the village school, another room was added through people's voluntary labor, demonstrating how the state and people can work together to resolve the problems of the community.

The people's spirit and the vigor of the Gram Panchayat in implementing programs encouraged the Forest Department to implement the scheme of Joint Forest Management (JFM). The people are now coming forward to start plantation in the hill areas. During 1995-99, watershed projects were taken up in a big way, which have helped

in improving the natural resources of the village.

The Gram Sabha approved a separate plan of development for the marginalized sections of the village, particularly the landless. Irrigation facilities have been improved on their land plots. The Gram Sabha has also provided livestock and bank loans for houses and access to fodder in the forest. The Scheme for digging wells was extended to the needy farmers and people below poverty line, paving the way for economic integration of the marginalized sections of the society.

Unity and Coordination: The conflicts of the party are now giving way to collective action based on participation, equity, and transparency in the village which has undergone a drastic change after 1989.

Recognizing the need to abolish violence and in-fighting, the village youth have now elected a young educated person Sarpanch. The village has got a fresh lease of life as a result of the unity achieved and through the collective action of the entire village under the leadership of Mr Popatrao Pawar.

All families contributed village works. In 1989, they contributed labor for construction of two rooms of the village school. The people are now quite happy with the results of their hard work in the village which has been nominated a model village by the state government.

The Sarpanch played a facilitative role to solve differences in the village. There are only two muslim families there, but a mosque came up, reflecting the broad-mindedness of the villagers. A common drinking water source and a common cremation ground also testify to their unity. Significant progress is in evidence also in resolving conflicts.

vii. Costs and Timeline

No huge costs were incurred in the development project discussed so far. The sea change was possible through local initiative, goodwill, and progressive leadership under the institutional

framework of village panchayat which utilizes voluntary labor and the funds issued by the Central and State Governments. The results were optimum because stakeholders and developments put in their efforts together with the community.

viii. Wider Replication/Upscaling

The best practices described demonstrate how sustainable development can be ensured in a village through strong will, leadership, and people's participation. When a village institution works on the principles of good governance, equity, and accountability, improvements follow. It is also a case of inclusive development wherein the marginalized and poorer sections of the village become stakeholders in the development process. The experience has, moreover, shown that developmental interventions taken up by Governments based on principles of good governance do contribute to community development. Hivre Bazar has emerged as a model worth replication and upscaling for other villages.

ix. Monitoring and Evaluation

The effort made in the village followed a participatory and institution-building mode through regular meetings and reviews by the village community which helped in monitoring the processes and progress of interventions. It was also useful in getting feedback and perceptions of people on implementation of activities and taking corrective measures. Participatory monitoring ensured transparency and accountability in the initiatives and institutions. Regarding evaluation, several outside institutions, organizations, and researchers gave their inputs through a review of the processes helping village panchayats to improve their functioning and showcasing the success and experience.

x. Conclusion and Recommendations

Hivre Bazar has emerged as a model for democratic decentralization and empowerment of village community which could envision development plan based on available natural and human resources collectively implemented through self-help, voluntarism, and cooperative approach. Dynamic and visionary leadership

also played a crucial role in bringing together different sections of the society on to a common platform to work toward a common goal of sustainable and comprehensive development. Exposure visits to such successful models of development will help stakeholders to learn and replicate the experience after finetuning.

4. Self-Sustained Sanitation Program: Midnapore shows the way

Best Practice IV

A model initiated in West Bengal of India, it was case in intervention to fulfill the immediate needs of rural people with participation of stakeholders that put into action the principles and practices of development administration and demonstrates how technical engineering combined with social engineering can make the difference.

i. Introduction

Midnapore District of West Bengal (area 14,081 sq km; population 97 million), once the largest district of India is located on the southern part of the state. Geographically diverse, it has areas in the east bordering the Bay of Bengal with the western parts hilly and laterite in structure. Tribal population inhabits the forests in the western part. The district has a past of having been in the forefront of freedom struggle. In the last decade, a number of programs have been taken up here as people's campaign (Total Literacy Campaign, Total Sanitation Program (TSC)), presently known as Nirmal Bharat Abhiyan (NBA), and Self-Help Groups for Women) that transcend the boundaries of Government programs and involve people of all categories cutting across political lines. Many voluntary agencies and people's organizations participated in them along with Local Government representatives and Government officials.

ii. Intervention

The main objectives of the intervention are:

- i. To ensure that all households in Midnapore district have sanitation facilities;
- ii. To ensure availability of safe drinking water through strong IEC, demand generation, social marketing, and participatory approach.

The components of the intervention are:

1. Strengthen the existing infrastructure in project planning, implementation, and monitoring;
2. Conduct a base-line survey in the project area;
3. Develop communication materials and use appropriate methods of communication in the villages for awareness and demand creation;
4. Organise and conduct trainings/orientations/meetings at different levels;
5. Mobilise funds from beneficiaries and ensure proper handling of funds/accounts;
6. Finalize designs and estimates for low cost sanitary facilities and arrange for production, storage, and distribution of parts for latrines and other facilities;
7. Construct sanitary facilities at household level and ensure supervision and quality control;
8. Involve the community, particularly women, at all stages of the program;
9. Facilitate augmentation of water supply in project villages, using low cost appropriate technology;
10. Promote immunization, ORT, nutrition education, and income generation activities in project area families; and
11. By making low cost technology affordable and acceptable, try to recover all the costs spent on advocacy, training, and establishment, from the fund recovered from the construction program.

Activities

- IEC: The success of this program, which is entirely dependent on voluntary/active participation of the community in improving environmental sanitation, depends on the effort made on advocacy and awareness building. This is particularly important because the fund for implementation has to come primarily from users. Therefore, all suitable channels of communication to the rural population have been tried.
- Construction program: In order to make low cost technology affordable for the various categories of rural population, alternative models of low cost water seal latrines have been developed. These include:
 - Two-pit units with different lining materials;
 - One-pit unit with a concrete ring, an earthen ring, and other lining materials.

Wall writing on sanitation and safe drinking water



IEC activities: Local artists spreading the message



To standardize the quality of construction and keep the parts simple and easily available, pre-fabricated latrine floor slabs, fitted with pan and trap, concrete rings and earthen rings for pit lining are produced and made available by the clusters. These items are available at different locations near the village youth clubs so that villagers can purchase them and build latrines themselves. The club builds latrines for those who cannot build them by themselves. Building Superstructure is the responsibility of the beneficiary, but the clubs also do it against payment.

Privacy in sanitation assured



Decentralized production of materials



- a. Other facilities such as bathing platform, soakage pit, garbage pit, and smokeless chullah, are provided when a latrine is built.
- b. Intersectoral Linkages: In the selection of village-level motivators, efforts were made to include functionaries like Anganwadi workers. The motivators are trained to promote immunization, ORT, and nutrition education. Income generation activities for women are supported in the villages. Attempts are made also to augment village water supply using low cost appropriate technology.

Safe drinking water in school



Hurdles Crossed:

- a. Initially, the concept took a lot of time and motivation to percolate. As Government programs are mostly subsidy-oriented, people were not generally enthusiastic about the self-financing idea. A lot of campaigning and persuasion was needed to spread the message.
- b. Changes in official and panchayat set-up often slowed down the progress.
- c. Shortage of materials was also noticed in some cases, though demand was there.
- d. In several areas of Western Midnapore, the concept could not spread as fast as in the Eastern one due to vacant spaces, forest areas, under-developed road communication, and low population density.

School Sanitation Program

There are 7840 primary schools in the district, attended by nearly one million school children. School Sanitation program launched in 1999 provides sanitation and safe drinking water facilities to all primary schools. Health and hygiene education is an integral part of this program. Teachers, students, and community are oriented in sanitation principles, safe drinking water, and are sensitised in ideas like hand-washing, clean

environment, and their impact on individual and community health. A cost-effective model of toilet block has been developed, keeping in view the needs of school children. Toilet blocks are constructed with the help of local masons. Cost-effective designs ensure that intervention cost is not high and coverage is achieved faster and in a fixed time frame. The Central Government, State Government, and UNICEF provide funds. Strong IEC component is a significant feature of the program. Wall writing, video shows, community meetings, and student rallies are the methods employed to spread sanitation messages.

iii. Profiles of Beneficiaries

When Intensive Sanitation Program was launched in Midnapore recently, sanitation coverage was just 4.74%. At the end of the program, the district was fully sanitized. All the villagers were using toilets; in other words, the district became open defecation-free. The President of India awarded Nirmal Gram Puraskar (NGP) (Sanitation Award) to Nandigram II block. It was the first block in the country to receive the NGP award.

iv. Institution Building, Participation, and Self-Help Groups

- Ramakrishna Mission Lokashikshya Parishad has been given the responsibility to implement the program through cluster organizations in the Blocks.
- Cluster organizations will work through youth clubs affiliated with it in the villages.
- One motivator per 200 families, one youth club per 1000 families, and about 20 youth clubs per cluster (one in each block covering about 200 villages) would work for advocacy, promotion, training, construction, monitoring, and reporting of the program.
- Before starting the program, clubs would collect baseline information on water and sanitation facilities available in the villages under their own jurisdiction, which would help in planning and implementation of the program. It would also help in providing facilities required in villages through other Government programs.

v. Costs

The program will be based on the following two basic principles:

- Total cost of the program including advocacy, training, establishment etc. will ultimately be recovered from the unit cost of various sanitation facilities for which purpose financial propositions would be designed accordingly.
- Affordability of all categories of households with different income levels would be maintained for which purpose low cost technology models would be designed.
- Full recovery and ploughing back of resources would be an in-built component of the project.
- Various types of low cost models ranged between Rs 375/- and Rs 4,500/- have been developed in the production centers. The user will have options to choose from them, depending upon the financial capacity. The cost of intervention is very low compared to other programs.

vi. Wider Application/Upscaling

- Diarrhoeal diseases have declined in frequency, making its impact across the district. The main worry after floods used to be the outbreak of such diseases, but it is now a thing of the past.
- Government agencies have become facilitators and catalysts instead of their earlier role as constructors.
- The experience has motivated many other districts in the country to replicate this program and Midnapore is now attracting even foreign delegations.

vii. Monitoring and Evaluation

The program is monitored mainly through village-level youth organizations. There is one youth club per 1000 families and 20 youth clubs per cluster that, apart from advocacy, promotion and construction, are involved in monitoring and reporting of the program. This helps the main partner, i.e., the Government Agency, to keep track of things and evaluate the ongoing processes and outcomes as also to initiate needed interventions for corrective action from time to time. Objective evaluation of the program, particularly on

the results and impact on the socio-economic conditions of the community in general and on the environment in particular, calls for a participatory mode. The project envisages long-term evaluation of the impact based on feedback and observations of neighboring villages. This will bring a realistic assessment, since, as evaluators, the neighboring villages can observe regularly. Thus the project is based on participatory development approach wherein the interventions are managed by people and their institutions with the Government and other agencies as facilitators.

viii. Best Practices

- a. Strong political commitment was developed and capacity development of Local Government units, CBOs, and Government functionaries became possible. During the last ten years, more than 190,000 persons were trained, among them village motivators, village masons, women caretakers of hand pumps, panchayat members, teachers, students, folk singers spreading the messages, ORS depot managers etc.
- b. Implementation is done through decentralized methods. In each block, there is a production center called Sanitary Mart where village masons produce the materials locally.
- c. Low cost models ranged between Rs 375/- and Rs 4,500/- are developed in the production centers which the users can choose. The cost of intervention is very low compared to other programs being undertaken in the country.
- d. The program is sustainable, as overheads are included in the sales price of materials. The program has influenced the Indian Government policy formulation on sanitation. Subsidy alone is certainly not the driving force in the successful implementation of such programs. After the Midnapore experience, the Government has reduced the charge on sanitation programs from Rs 2,000/- to Rs 200/- per family to benefit those below the poverty line. Demand-responsive approach and social marketing of materials has helped considerably.
- e. Representatives of Local Government, Government officials, NGOs, and UNICEF have worked together to make this program a success, which has proved that the

Government and NGOs can work together in harmony to achieve common goals. Over 950 community-based NGOs participated at the grassroots level. These organizations have been organized into clusters and a coordinating mechanism has been set up under the guidance of Ramakrishna Mission Loksiksha Parishad, a State-level NGO.

- f. The incidence of diarrheal diseases has declined significantly with sanitation impacting across the district. Earlier, the main worry after floods was the outbreak of these diseases, but it is now a thing of the past.
- g. Government agencies have become facilitators and catalysts, instead of builders.
- h. The experience has motivated many other districts in the country to replicate this program and Midnapore is now attracting foreign delegations.

ix. Community-based hand pump maintenance

Match between context and intervention

Why Earlier Efforts Did Not Succeed

- a. The emphasis earlier was on hardware without taking into account the users' perception about sanitation and its use. The top-down approach often failed also because of the diverse geographic conditions and needs in a country like India.
- b. The models available were not cost-effective and not within the reach of the average user. The common man always felt the sanitary latrine was a luxury for him. There was no social marketing of materials.
- c. There was no emphasis on the use of facilities. Even in cases where common people got the latrines built with the help of Government subsidy, there was no effective use. The latrine was the best part of the house that was normally a hut. The owner used to keep all valuables and important articles in the most valuable portion of his house.
- d. It was more a 'Government Program', not a people's program. It was subsidy-oriented

wherein the people's contribution was almost non-existent. There was no effort to bring the latent demand for sanitation into open and translate it into a workable proposition on a mass scale.

Conclusion

Midnapore has been in the forefront of a lot of people's movements aimed at enhancing public awareness and participation in development to enhance the living standards of people. Various initiatives and programs in the last decade have converged all of which have a common underlying theme of socio-economic development through participatory process.

The lessons learnt can ensure successful implementation of future initiatives in the direction. The program has influenced the Indian Government's policy formulation on sanitation. It has been decisively proved that subsidy alone is not the driving force in successful implementation of programs. After the Midnapore experience, the Government has reduced subsidy on sanitation program from Rs 2,000/- to Rs 200/- per family living below the poverty line. A demand-responsive approach and social marketing of materials has helped enormously in achieving the objectives.

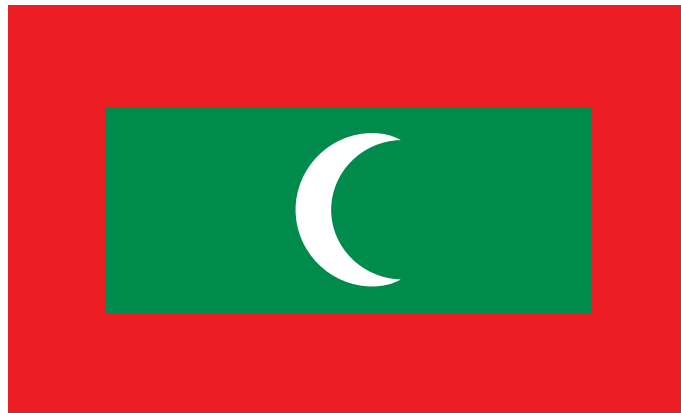
Recommendations

The best practices analyzed above offer quite a few of insights with the potential for replication in other parts of the country and the SAARC region. The experiences suggest the interventions are easily implementable and affordable by communities. Secondly, the experiences also highlight how environmental interventions are important for the poor mass in developing countries. If the approach is based on participatory development, intervention can be managed effectively and efficiently with the stick handed over to the people as the program progresses, making them people's program with Government participation rather than the other way round.

* * *

Chapter 6

Maldives



Contributors:

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Mr. Adam Ilyas

The 1,193 islands that make up the Republic of the Maldives are grouped into 26 natural atolls, which are classified into 20 groups for administrative purposes. Together these atolls form a chain 820 kilometers in length and 130 kilometers at its widest point, set in an area of more than 90,000 square kilometers in the Indian Ocean. In total, 194 of the islands are inhabited and all very small, approximately 1 to 2 square kilometers in area. While the Maldives is not faced with extreme poverty, many Maldivians are still in need of dramatic quality of life improvements, particularly marginalized groups like women, youth, and children.

The country consists of beautiful tropical islands formed on ring-like coral formations enclosed by lagoons, with 99% of its 90,000 square kilometers covered by the sea, lending the Maldives its unique appearance. The islands do not exceed a length of 4.5 miles, and Maldives has an average altitude of 1.5 meters above the sea level. In total, 197 islands are inhabited; additionally there are 101 operating tourist resorts and numerous uninhabited islands, some of which are used for drying fish, agricultural activities or other industrial purposes. The capital Malé – the seat of government and the center of trade, commerce, business, health, and education – is located in the middle of the atoll chain. This small island is abuzz with the sounds and activities of 103,693 people, or about one third of the population.

The Maldives is currently undergoing a democratic transition, while facing a number of political, social, economic, and environmental challenges. In early February 2012, after several weeks of street protests, the first democratically elected president, Mohamed Nasheed resigned the presidency, ceding power to Vice President Mohammed Waheed Hassan Manik. This power transition was considered by Nasheed's supporters to be highly controversial – they view President Waheed's presidency as illegitimate – which has brought political instability and polarization.

This new government is faced with vast political challenges, the huge responsibility of addressing

numerous social and economic issues, as well as steering the democratic transition process, in a highly polarized climate. Moreover, the implementation of Decentralization Act, designed to improve the living conditions of the people in all the atolls, also remains a major challenge.

In February 2011, 188 Island Councils, 19 Atoll Councils, and 2 City councils were established by democratic elections under the Decentralisation Act. Under this law, Island Councils are accountable to the Atoll Councils, while Atoll Councils are accountable to the Local Government Authority, the regulatory body for local councils.

The legislation mandates local councils to provide democratic and accountable governance; foster social and economic well-being and development of the community; and establish a safe, healthy, and ecologically diverse environment. The legislation also entitles councils to receive a grant from the central government and raise revenue.

The purpose of decentralisation according to the Act is to “allow the island communities to make their own decisions in a democratic and accountable manner.” The Decentralization Act details the functions that should be assigned to councils, the fees they can charge, and grants them the right to establish and operate businesses. However, limited capacity and resources have brought many political, financial, and institutional challenges in implementing the Act.

The major socio-economic challenges that the country currently faces include widening the base of economic growth; promoting employment particularly for youth; delivering affordable social services, especially healthcare; ensuring better housing; and reducing inequality. The key macroeconomic challenge is to contain public expenditures and reduce fiscal deficits that have increased to unsustainable levels in recent years – especially since 2005 in the aftermath of the tsunami. There is a need for fiscal reforms to contain and prioritize spending within a realistic resource envelope, along with the need to expedite development of a sustainable taxation scheme to

increase revenue. This is because higher fiscal deficits have not only led to widening current account deficits, but also caused the external debt and the debt service ratio to rise considerably in recent years. Other challenges include an extremely high current account deficit, a low level of foreign exchange reserves, and high domestic inflation due to increasing global commodity prices.

In regard to social issues, drug addiction has become a serious threat to health and productivity of the Maldivian youth. This is exacerbated by higher unemployment and underemployment rates, particularly among the youth. The thinly spread population – over 197 islands (excluding Malé) stretched over an area of 90,000 square kilometers – seriously constrains providing cost-effective social services to the people. Despite fairly decentralized/devolved service delivery, there are concerns over the quality of the services and their sustainability.

Like several other small island nations, development in Maldives is also constrained by vulnerability to natural disasters and environmental hazards. For example, the Asian tsunami of 26 December 2004 destroyed the nation's economic and social infrastructure, and in 2005, GDP declined by 8.7 percent. The economy and people heavily depend on marine resources obtained directly through the fishing industry and indirectly through tourism. Given the fact that the nation is just 1.5 meters above sea level, a viable marine environment has become necessary for the continued physical existence and sustainable economic development of the country.

The Maldives graduated from Least Developed Country (LDC) status in January 2010, implying that the era of foreign aid provided in grants and concessionary loans will end. The country also lost trade benefits it previously enjoyed under the WTO rule. This has happened at a time when: (i) the country is facing unsustainably high twin (fiscal and current account) deficits economically, (ii) the government has to introduce many socioeconomic programs to fulfill its commitment

to the Millennium Development Goals (MDGs), (iii) there is extreme political instability and polarization, and (iv) climate change impacts are increasing in frequency and intensity. Managing these economic, social, and environmental challenges, while fulfilling citizen's expectations under adverse global conditions, is a herculean task for the government.

Five key pledges and policies have been articulated in the Government Strategic Action Plan 2008-2013: (i) providing affordable healthcare, (ii) increasing accessibility of Islands through transport, (iii) providing affordable housing, (iv) addressing more effectively drug problems, and (v) ensuring an affordable cost of living.

In general, the policy environment is favorable for implementing various priority programs contained in the Strategic Economic Plan 2008-2013 that recognizes the importance of sectors in people's livelihoods and in attaining economic diversification. This signals opportunities for expanding public sector resource commitments and encourages larger private sector involvement.

Development in Maldives is constrained by numerous factors: geographically remote and widely dispersed islands, vulnerability to natural disasters and environmental hazards – particularly climate change impacts, income inequality, lack of natural resources, mismatch between skills taught and jobs available, low female participation in labor force, youth unemployment, lack of access to basic services, poor educational and healthcare quality, as well as overcrowding in poor households nationwide and in Malé. Furthermore, the political and economic instabilities exacerbated by the democratic transition in 2008 are compounding the obstacles to eradicating poverty.

The compounded vulnerabilities Maldivians face are difficult to overcome in eradication of poverty and reduction of inequality. Women, children, and youth, especially those who live in the atolls, are particularly marginalized. Vulnerability and Poverty Dynamics in Maldives 2007, published by the Institute for International and Development

Economics, highlighted that the most influential determinants of escaping household poverty are level of education, participation in community activities, and proportion of adults employed, while the most significant factors hindering escape from poverty are the proportion of household members not working due to bad health and the proportion of female household members. The former two factors, in addition to household size, are also most influential on the odds of falling into poverty.

Even with the tsunami and the 2005 economic downturn of 2005 there is practically no severe malnutrition in the Maldives. According to the HIES 2009/2010, over the period 2003- 2010, the condition of the poor improved throughout the Maldives, and poverty declined in the atolls but in Malé poverty increased sharply.

The four case studies presented in this report demonstrate some of the best practices for targeting marginalized groups – women directly, youth and children by extension – as well as improving livelihoods for poverty reduction. The programs included developing hydroponics, producing chili sauce, coconut oil production, and establishing micro-credit project on various rural islands.

The best practices from the four case studies varied depending on the islands and programme context. Overall, women were targeted to develop livelihood skills, which by extension improved food security for their families. The focus on leveraging indigenous knowledge and managing natural resources effectively – such as chilies and coconuts – meant the programs were contextually appropriate and could be maintained in an environmentally sustainable manner. Furthermore, social cohesion among the participating island communities is also focused as participants collaboratively leveraged their newly acquired skills and resources while contributing toward improving social inclusion and food security. In addition, those interventions effectively promote public-private partnership and engagement of civil society organizations to ensure wider participation.

The best practices also contribute toward four focus areas of SAARC Development Goal (SDG): livelihood, health, education, and environment, where the livelihood SDG goals directly related to eradication of poverty and hunger are highly reflected. In this regard, the best practices have direct implications for the eradication of hunger poverty, ensuring effective participation of the poor and women in anti-poverty policies and program.

Prevalence and Causes of Poverty

The 1,192 islands that make up the Republic of the Maldives are grouped into 26 natural atolls administratively divided into 19 atolls and 2 cities, that together form a chain 820 km in length and 130 km at its widest point, set in an area of more than 90,000 sq km in the Indian Ocean.

Many characteristics of poverty found in other parts of South Asia are not in evidence in the Maldives. During the past two decades, the development of tourism and fisheries, favorable external conditions, large inflows of external aid, and generally prudent economic management contributed to a steady rise in GDP. The GDP growth rate in the year 2010 was 7.1 and was 7.0 in 2011. However, according to the Department of National Planning, the rates predicted for 2012, 2013, 2014, and 2015 are expected to drop to 3.4, 4.3, 4.4, and 4.1 respectively.

Two decades of strong growth have led to some of the best economic, social, and health indicators in South Asia. According to the Department of National Planning, the Nominal GDP for year 2012 was \$5,212; the adult literacy rate, according to Census 2006, was 93.8%; average life expectancy, according to Maldives Demographic Profile 2013, was 74.45 years; infant mortality rate, according to the Statistical Year Book 2011, was 9 per thousand live births; and maternal mortality in 2010 was 60 per 100,000 live births. The Maldives' Human Development Index (HDI) in 2011 was at 0.661, the highest in South Asia.

Despite the tsunami and 2005 economic downturn, there is practically no abject poverty or severe malnutrition. According to the HIES 2009/2010,

over the period 2003-2010, the condition of the poor improved throughout the Maldives. In the atolls, poverty declined but showed an opposite trend in Malé, it increased sharply.

Table 1 presents the headcount ratios for the Maldives, Malé, and the Atolls for the years 2003 and 2010, for four different 'possible' poverty lines.

Analysis of the cumulative frequency of income distribution shows that poverty headcount ratio is declining for all reasonable poverty lines in the atolls and in the republic. This implies, by extension, that either poverty gap or depth of poverty is decreasing, and that progress in poverty reduction is reaching the poorest segments of society.

1. Distribution of Poverty

According to HIES 2009/2010, among all the regions, poverty is highest in Region 2 (Noonu, Raa, Baa, Lhavani Atolls) where 72 out of every 100 people are poor. PGI is also highest in this region. Poverty gap has decreased substantially for the relative poverty line anchored at half the median of expenditure in the atolls (MVR 22). Poverty gap measure indicates that in 2003, the poor had an expenditure shortfall of 5 percent; in 2009/10 the shortfall decreased to only 4 percent. Poverty gap in Malé continued to rise in 2009 compared to 2003.

The depth of poverty also increased in Malé compared to the Republic and Atolls.

Income Inequality: According to HIES 2009/2010, while inequality declined in the Maldives overall and the Atolls, inequality increased in Malé. The Gini coefficients for the Maldives for 2003 and 2010 were 0.41 and 0.37 respectively.

Table 6.2 Gini Coefficient for Republic, Malé, and Atolls

Inequality Measure	Republic		Male'		Atolls	
	2003	2010	2003	2010	2003	2010
Gini Coefficient (%)	0.41	0.37	0.35	0.38	0.40	0.36

Source: Department of National Planning 2011, HIES 2009/2010.

The table shows that while inequality declined in the Maldives overall and the atolls, inequality increased in Malé. According to the HIES 2009/2010, expenditure share in the poorest quintile decreased in Malé compared to 2002/03, declining from 8% to 7 in 2010, while the expenditure share of the richest 20% increased in Malé from 44% to 45. This indicates that inequality is on the rise in Malé. HIES 2009/2010 also states that the expenditure share in the richest 20% of the population decreased in Atoll from 47% in 2003 to 42 in 2010. Inequality was reduced across the country, mainly driven by improvements in the atolls, while for Malé the degree of inequality increased over this period with the rise in poverty.

Labor Market: According to HIES 2009/2010, the national labor force increased by 17% between 2006 and 2010. However, this increase was not matched by a rise in job creation, which resulted in higher unemployment (20,000 people). The unemployed potential labor force in 2010 consisted of 37% males and 63% females. Unemployment in Malé increased by 8% while in the atolls it increased at a much higher rate, 21% as per the HIES 2009/2010 statistics.

The Labor Force Participation Rate (LFPR) grew from 61% to 64%. While LFPR grew from 55% to 63% in Malé, it did not change in the atolls. The Malé LFPR and female LFPR differed by 18 percentage points. The highest LFPR was seen in the age groups 25-34 years, 35-44 years,

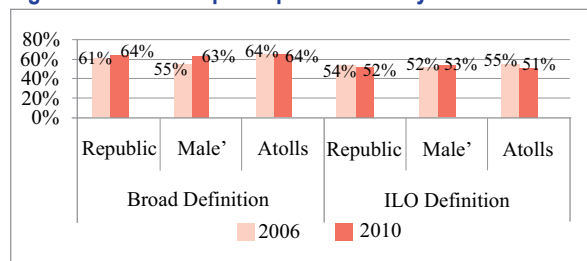
Table 6.1 Poverty Gap Ratios for 2002/03 and 2009/10

Relative Poverty Line	Republic		Male'		Atolls	
	2003	2010	2003	2010	2003	2010
MDG Line of USD 1.25 in %	2	2	0	1	3	2
MDG Line of USD 2 in %	2	2	0	1	3	2
Rf 44 (Median of Atolls expenditure per person per day for HIES 2009/2010) in %	24	19	10	15	30	20
Rf 22 (Half the Median of Atolls expenditure per person per day for HIES 2009/2010) in %	5	4	1	3	7	4

Source: Department of National Planning 2011, HIES 2009/2010.

Note: International poverty line is measured in purchasing power parity (PPP) dollars. USD 1.25 is equivalent to MVR17 (with adjustment for inflation) in 2010 and MVR 12 in 2003.

Fig. 6.1 Labor force participation rates by location in %



Source: Department of National Planning 2011, HIES 2009/2010.

and 45-54 years, reaching 76%, 78%, and 77% respectively.

Employment: As per the HIES 2009/2010, between 2006 and 2010, average annual growth rate in employment decreased by 1% in the atolls and increased by 1% in Malé; for males, it increased by 1% and for females it decreased by 2%. The negative growth rate of employed youth in the age group 15-24 years may be attributed to improved educational opportunities.

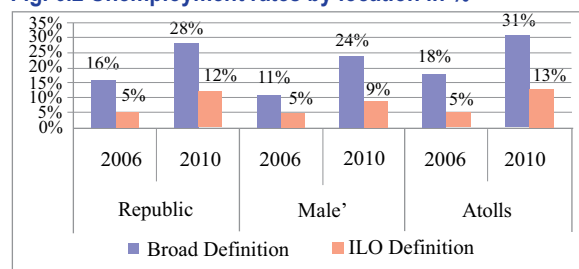
In 2006, males dominated the fishing and quarrying sectors, while females dominated agriculture, manufacturing, education, health, and social work. Government is the largest employer, employing more than one in every four workers nationally.

Unemployment: The results of the Household and Income and Expenses survey 2009-2010 showed that the rate of unemployment increased from 14.4% in 2006 to 28% in 2010, and compared to global unemployment rates, figure for the Maldives stands at 12%.

In 2010, the rate of unemployment in Malé remained at 24 percent, in the atolls 31 percent, with unemployment most common in the 15 to 19 year-old population. The most common reasons for unemployment are lack of skills to obtain an appropriate job and/or job opportunities.

According to the study, 51% of men are unemployed due to the unavailability of appropriate jobs for their skill sets, while 16% are unemployed due to other obstacles. Another 15% of are unemployed due to insufficient job opportunities. Almost 10% of unemployed men

Fig. 6.2 Unemployment rates by location in %



Source: Department of National Planning 2011, HIES 2009/2010.

are furthering their education, while another 7% are unable to work due to health conditions. One percent of men do not work because they earn income from another source.

Among women, around 40% of women are unemployed due to the unavailability of appropriate jobs for their skill sets, while 22% cannot work due to obligations at home. Some 5% are unemployed due to health issues, and 12% are unemployed because of insufficient job opportunities, 3% do not work due to family disapproval and 8% women are furthering their education, which is also the same figure for those unable to obtain a job due to other reasons. Two percent of women are unemployed as they earn income from another source.

Vulnerability: According to the report Vulnerability and Poverty Dynamics in Maldives, published by the Institute for International and Development Economics (IIDE) in 2007, despite progress in poverty reduction, the population remains highly vulnerable; there is a high degree of transient income poverty, with individuals moving in and out of poverty status, rather than exiting, once and for all, from income poverty.

The report also says that the most influential determinants of escaping household poverty are level of education, participation in community activities, and proportion of adults employed, highlighting the most influential factors impeding escape from poverty as the proportion of household members not working due to bad health and the proportion of female household members. The former two factors, in addition to household size, are also most influential on the odds of falling into poverty.

International Poverty Line Comparisons:

International Poverty lines of USD 1.25 and USD 2 per person per day are widely used for international comparison; USD 1 a day poverty line is used by MDG assessments. Applying the international poverty lines, the poverty incidence in Maldives is 8% and 24%, respectively, as the 2010 data available in HIES 2009/2010 indicate.

Characteristics of the Poor: ‘Maldives Poverty Assessment’, published by Asian Development Bank (ADB) in September 2007, said that compared to the non-poor, the poor live in larger households and are likely to have a higher proportion of people with poor health, a larger share of women, and less education. The report indicated that these households are also far more likely to be poor if the households are female headed.

The poorest households tend to be those in which fewer household members are employed and/or do not receive remittances from family members working in resorts or in Malé. The probability of belonging to the poorest households is higher when engaged in agriculture, fishing, and local manufacturing and lower when working in tourism, trade and transport, or government.¹

Households that fell into income poverty after the tsunami generally had a higher percentage of people injured by the tsunami. Their adult members were also more likely to be working in the sectors of agriculture and manufacturing before and after the tsunami. Agricultural fields were destroyed on many islands while manufacturing equipment and tools were damaged or lost. Places of work were often also damaged or destroyed.

The important characteristics of households that prevented them from falling into income poverty after the tsunami include: (i) residence on host islands; (ii) remittances from family members working in resorts or in Malé; (iii) high percentage of wage income earners in the household; and (iv) higher percentage of employers or employees. The change from agriculture to another activity also reduced chances of falling back into poverty.

Many of the characteristics that prevent households from falling into poverty² also helped poor households escape from poverty: (i) high percentage of income earners in the household; (ii) higher percentage of employers; (iii) shift from agriculture to another activity; and (iv) change from self-employment to becoming an employee. Households where most workers were engaged in fisheries, trade and transport, or construction were also most likely to escape poverty, but households with a large proportion of workers in manufacturing and agriculture were least likely to escape. The most important determinant of escaping from poverty is, of course, the level of education.

The Maldives will have reached five of the eight millennium development goals (MDGs) by 2015. There is no evidence of hunger in the country and less than 28% of the population lives on less than a dollar a day. Primary education is already universal implying no gender disparities in enrollments, while literacy rates are close to 100% for the age-group 15-24 years. Child mortality rates and maternal mortality rates are declining rapidly both in Malé and in the atolls. The incidence of HIV/AIDS, too, is very low and malaria has been eradicated.

In two areas, gender equality and environmental sustainability, the gap between the existing situation and the MDG goals is larger than in other areas. Although there is no gender disparity in primary and lower secondary education, disparity exists in higher secondary and tertiary education. The MDG Goal 3, Target 3A³ of eliminating gender disparity in primary and secondary education, preferably by 2005, and in all levels of education no later than 2015, has not yet been achieved. However, MDG Country Report 2010 stated that Maldives is on track to achieve the target.

There is also a significant gender disparity in labor force participation, primarily due to the tendency for men in the islands to undertake jobs which require extended absence, and which oblige women to undertake childcare and other household duties.

2. Causes of Poverty

Remoteness. Distances between the inhabited islands are great; only some islands have regular boat traffic to and from Malé. The national ferry system has not been fully implemented due to lack of infrastructure needed to implement the Nationwide Transport Policy indicated in the Strategic Action Plan 2008-2013. Living standards tend to be higher on islands with a larger population, but only if the islands are not overcrowded. Despite improvements in transportation, health, and education services, rural islands still face food and fresh water shortages, as well as limited access to healthcare, education and employment opportunities, and affordable energy services, according to the 2010 MDG report. Improving the connectivity of small, scattered island populations to major markets is central to poverty reduction, to reducing income disparities, and to widening participation in the development process.

Lack of Natural Resources: There is an extreme scarcity of land-based natural resources. The Maldives possesses neither rivers nor streams, is without land-based building materials, while the soils that do exist are hypercalcemic (oversaturated with calcium) and ill-suited for all, except for the most basic forms of agricultural production.

Skills Mismatch. Formal employment is still relatively limited, although opportunities are increasing. An estimated 80,800 expatriate workers, more than a quarter of the population, were working in Maldives in 2008 according to the Ministry of Human Resources, Youth and Sports.⁴ The number continues to grow and is becoming a larger part of the workforce; growth was at 15.36 percent in 2008. The immigrant workforce is employed at both the top and bottom levels of the labor market, doing work that local people are unable or unwilling to do. According to the 2010 MGD report, the number of expatriate employees (80,800) equals more than one-quarter of the Maldivian population and up to 80 percent of the total employment in Maldives, representing a sharply rising concern.

According to MDG Country Report 2010, national assessments indicated low achievement in all levels of education and difference between the quality of education received in Malé and the atolls. Critically, the challenge of preparing students for the rapidly changing labor market must be prioritized, since the mismatch between skills needed and skills acquired is large and growing.

Low Female Labor Force Participation: Men have much higher labor force participation rates than women. According to the 2006 census, the participation rates of men and women were, respectively, 73% and 52. Low participation rate and high unemployment rates for women reflect a structural decline in household artisanal industries traditionally undertaken by women, such as fish processing. There is an increasing trend toward occupations that oblige men to spend long periods away from home (multi-day fishing, merchant shipping, working at tourist resorts). Cultural traditions assign household and childcare responsibilities to women. The 2006 census data suggest women's participation is heavily concentrated in education (72.20% of employment), health (67.88%), manufacturing (64.95%), and agriculture (64.30%), indicating women still engage in stereotyped roles. Women also dominate employment in the informal sector.

Youth Unemployment: There is a shortage of employment opportunities for young Maldivians. In 2006, 15.5% of men and 30.5% of women aged 15 to 24 were reported unemployed. The 2006 census said youth unemployment increased to 12.15% in Malé and to 18.71% in the atolls. Many young Maldivians leave school but choose to stay out of the labor force because they cannot find work for which they have the necessary skills, or because the work available does not match their aspirations, in terms of either career choice or remuneration. A double mismatch between skills required and jobs available in the domestic labor market, as well as between the aspirations of young people and the realities of the labor market is evident both in Malé and the atolls. Lack of employment opportunities and skills

for high-income jobs, a skills-to-jobs mismatch, and rigidity of social norms discouraging girls from certain jobs and making them chronically dependent on parents and family acceptable further aggravate the issue.

Access to Basic Services: The provision of health and education services poses enormous challenges because of the small, disbursed communities and difficult transport conditions. Providing even basic services can be four or five times more expensive than in other countries in the region. On the smallest islands, providing more specialized services, such as secondary schools and hospitals, is prohibitively expensive and unsustainable due to diseconomies of scale. Thus, one of the major challenges faced by the government is to prioritize provision of these services in sparsely populated small islands, or relocation in larger islands.

Education and the Poor: All inhabited islands have at least one primary school—a major achievement for a country with such a widely dispersed population. By 2009, 214 primary schools were offering free education, with all except five inhabited islands providing education at least up to grade seven. Secondary education is now offered in 168 schools, although not all schools offer all academic subjects. The overall net enrolment in lower secondary schools improved tremendously between 2008 and 2009, from 69.2% to 87.6. The net higher secondary enrolment rate was 13.9% in 2009. While over the last two decades the focus was on increased access to education, an urgent need now exists to improve the quality of both primary and secondary education.

According to the MDG Country Report 2010, excessive reliance on untrained teachers who constitute nearly 1 in 4 of the total and an unplanned mix of foreign/local teachers has significantly affected the quality. The government emphasizes adoption of appropriate education policies; strengthening of the educational system; involvement of private sector; equitable access to all levels of education; promotion of more holistic education; linking school system to employability skills; and optimization teaching through information, communication,

and technology. The government also has initiated conversion of the school system from double-shift to single-shift, particularly in Malé, to improve quality and alleviate overcrowding.

Access to Healthcare: According to ADB, almost all islands provide basic healthcare services. About 40% of the rural island population lives on islands without a resident doctor or nurse and around one-third of the atoll population do not have access to pharmacy⁵. As a result, more than 20% of the rural island population reports problems in getting access to basic drugs. It is extremely hard to ensure that during emergencies or when specialist services are needed, the whole of the island population can reach the nearest health center or hospital in less than two hours due to bad weather conditions, or lack of transportation, especially at night. Access to health services also varies widely in different parts of the country, particularly in the remote atolls. The most significant issues in the health sector are the quality and continuity of care, which cannot be maintained with a large number of expatriate staff changing almost yearly.

Overcrowding in Malé: Continuing migration from the islands is creating high population densities and crowded living conditions in Malé. Air pollution levels have deteriorated substantially in Malé over the past two decades, and are linked to respiratory health problems. Overcrowding in Malé, combined with large numbers of unemployed youth, is pushing up drug abuse and urban crime.

Given the perspective, this report on the Best Practices for Poverty Alleviation and SAARC Developments Goals describes how selected best practices can alleviate poverty; more specifically, how those practices focus on women, youth, and children, and promote inclusive development. The report also evaluates sustainability, efficiency, and effectiveness of the best practices including aspects of climate change and innovations.

Best Practices

Despite many development challenges and the overwhelming nature of losses from the December 2004 tsunami, many Maldivians, public

and private organizations, non-governmental organizations, and community-based groups have done important work in income generation and poverty reduction through grants, loans, and capacity building exercises. Donors and other organizations have worked to help communities promote small and medium scale businesses and incomes, and to find opportunities to remain outside the boundary lines of poverty.

This report serves a dual purpose: (i) to outline the work undertaken by some organizations to improve the livelihoods of communities and reduce poverty; (ii) share the lessons learned during the process. As previously mentioned, achieving the poverty reduction/income generation activities self-sufficiently has not been without obstacles. Shortage of human resource, geographical barriers, and working with organizations with limited capacity in formal project management are challenges that need to be addressed. In spite of the barriers, the achievements highlighted in this report testify to the success of the activities undertaken at the community level with the help of donors. Donor support was critical in improving livelihoods and donors' contributions are reflected in initiatives to develop the capacity of government counterparts, such as the Ministry of Fisheries and Agriculture, and in introducing and implementing innovative approaches such as hydroponics growing systems, producing chilly sauce and virgin coconut oil, as well as stimulating women's livelihoods through opportunities to address inequality.

Support in participatory development through involvement of island-based organizations, particularly NGOs, paves the way for future efforts in decentralization, local democratic governance, and strengthening of civil society. Moreover, in order to address the ways to establish public-private partnership, integrating community livelihood activities with local tourist resort operations is crucial. As the country embarks on a major transition through its efforts to achieve democratic reforms and its January 2010 graduation into the UN's group of 'middle-income' countries, the lessons learnt and experiences of such best practices will help communities to create sustainable, improved

livelihoods, and prevent more people from falling into the poverty trap.

1. Hydroponics for Vilufushi Community

The island of Buruni, located in Thaa Atoll, has an area of 30.50 ha with a population of 1,130 (552 male and 578 female), according to the 2006 census. The island's main economic activities are fishing, masonry, and thatch weaving. Social services include the government-owned school (grades 1-10) and the privately owned health post. The Buruni community was residing with the Vilufushi community, 1,155 people (Census 2006), all of whom were relocated to Buruni following the 2004 tsunami while their island - which was very badly damaged - was being rebuilt. As previously anticipated, the Vilufushi population moved back to their home island in 2010.

Under the Recovery phase of UNDP Livelihoods Project's Women's Livelihoods component, IWDCs were invited to submit proposals for training projects that would lead to income generation by women. Following this, Vilufushi's active IWDC submitted a proposal for a small grant to support a hydroponics project on Buruni, which helped procure a hydroponics system and arrange hydroponics training. As a result, 63 Vilufushi women acquired the potential to earn income from agricultural production. The agricultural nature of the Vilufushi population and their keen interest in home gardening was evident in the small garden plots they created in front of their temporary shelters.

At first, all trained women took part in the project collectively, and everyone working together reaped the first crop of tomatoes, cucumbers, lettuce, and chilies. After the first crop was sold, the IWDC took one quarter of the profits with the rest divided between the course participants, generating MVF 18 per woman. Not all of the women continued with the program following their training, but for those who have continued, the income potential is now considerably higher because women have organized themselves into four working groups, with six women in

each group. Each group has responsibility for taking care of the hydroponics plot on set days, including watering, feeding, and tending plants. All women working on the project will receive an equal amount from the sale of their products after the IWDC takes its one quarter share. Since the training emphasized use of local materials, especially fertilizers and pesticides, the trainees have the added advantage of not being overly reliant on imported products. A market for the project's produce has been found amongst the populations of Buruni and Vilifushi.

Table 6.3 Basic information on hydroponics for Vilifushi

Project	Hydroponics for Vilifushi Community
Location	Vilifushi Community in Buruni, Thaa Atoll
Type	Creating income generating opportunities through provision of hydroponic training
Beneficiaries	63 Direct women beneficiaries and their families
Implementing period	16 July 2007-31 December 2007
Implementing Institution	Vilifushi IWDC
Budget	USD 4809
Project Contact	Fathmath Jaariya, Vice President
Mailing Address	IWDC, Vilifushi, Thaa Atoll

Source: UNDP, Maldives.

The Vilifushi IWDC wants to keep the project running and plans to move the project to Vilifushi after the people return to their home island. They requested land to set up a hydroponics plot on Vilifushi, and the Vilifushi women are keen to use their skills to set up home gardens of their own. However, the IWDC election was delayed due to the Decentralization Act, and Vilifushi women have not yet been able to restart the project on their home island.

Lessons Learned: A creative outlet has been provided for latent talent in the community, one that can provide livelihood for those actively using their new skills. This, in turn, will contribute to reducing a high rate of local unemployment and underemployment, providing a means for previously 'unemployable' people, such as school dropouts, to be engaged in productive activities. The Vilifushi hydroponics project is likely to continue to be a success, since the IWDC has twice demonstrated its interest in the project and successfully implemented the project both on Vilifushi and Buruni.

Results

1. A new technique introduced for growing crops without using land, which is limited on Maldivian Islands.
2. Sixty-three Vilifushi women acquired the potential to earn income from agricultural production.
3. Communities of both Vilifushi and Buruni provided with skills and opportunities in areas with potential for expansion, i.e. agriculture.
4. The capacity of IWDCs to implement local projects was significantly strengthened.
5. Increased income for both youth and women and by extension positive impacts on children.
6. The community encouraged to generate income by agricultural production using a new technique.

Impact

1. Women's livelihood activities that had been severely affected by the tsunami, and initially unaddressed by any agency/donor or government, were restored.
2. Women's income improved. In response to a survey designed to evaluate the project's outcome, most women reported a higher income following the assistance compared to pre-tsunami levels.
3. Women's ability to cope with the economic and psychological impact of the tsunami improved.
4. Increased visibility and importance of home-based workers generating income in the informal sector.
5. Through small grants, the skills training program provided islands the opportunity to address issues that had not been given priority by development partners. The IWDCs used their grants to purchase agriculture inputs and revive their cultivated land.
6. The role and participation of IWDCs in empowerment of women and poverty reduction were strengthened.

2. Toward Eco-Sustainable, Equitable, Empowered Communities

The island of Veymandoo in Thaa atoll has a land area of 57.14 ha and is home to a population of 1089 at 19.05 persons per ha. The harbor is under construction with a cargo jetty and a jetty for normal ferry vessels. A total of 299 residential plots have been allocated of which 222 have been developed and 193 houses occupied. There are 3 mosques, a hospital, one pre-school (50 students with space for 25 more), one primary school (253 students), and one secondary school (75 students). The biggest mosque accommodates 250 people. The primary and secondary schools need to be improved to meet the government's

requirement of teaching in single sessions. The island also has two parks and two recreational areas for sports.

Implemented by the NGO Live and Learn in collaboration with the IWDC of Veymandoo Island, the project has benefited the whole population of the island community. The objective was to strengthen IWDC capacity in the target community to facilitate economic opportunities for women and enable them to advocate efficiently for gender equality. Disparity in income generating opportunities between Malé and the atolls and gender disparity in income means women in remote areas in the Maldives are among the most disadvantaged in income access. Female heads of households are particularly vulnerable if they have no access to income or are unable to participate in labor force. IWDCs established in all communities could facilitate women's access to income opportunities and advocate for their rights to achieve equal opportunities.

The project site was initially on the island of Kelaa in Haa Alif Atoll; however, due to difficulties in project implementation, the site was moved to Veymandoo island following discussion with UNDP (the donor) and the Ministry of Fisheries and Agriculture (MOFA) at the beginning of 2010. Since the training for sauce production has been undertaken by MOFA and UNDP, it was easy to start the project in Veymandoo. Furthermore, chili is produced in Veymandoo and there is an opportunity to facilitate market access for female farmers to process and sell their B and C grade chilies, which are normally wasted. Moreover, opportunity seems to exist in the local market for local chili sauce, as chili sauce widely consumed by Maldivians, is still imported from abroad rather than processed locally.

Certain varieties of Maldivian chili have a distinct flavor very popular among the local population and therefore chili sauce could have a considerable market potential. The project thus provided not just innovative livelihood options for women but also leadership training to women for organizing and mobilizing themselves.

Other successes followed: establishing a co-funding partnership with Soneva Resorts, as also a commitment by both Soneva Resorts and Nexus Business Solutions to standardize the sauce production process so that the sauce produced meets the ISO 22000 standards. The success of the project lies in the co-funding partnership established with Soneva Resorts and the enthusiastic participation of Veymandoo IWDC as also sauce production. By end-December 2010, trainings were completed and the equipment transferred to Veymandoo. With the help of community members, kitchen was refurbished. By mid-2011 the process was initiated and market links established.

Table 6.4 Project input and cost breakdown (USD)

Development of materials for livelihood training based on developed by MOFA and other organizations	4,000
Chilli kitchen equipment (from Italy)	13,575
Refurbishment of kitchen	5000
Administration and support costs	3000
Travel cost	4050
Training on gender empowerment/business skills and safety standards	3200
Payment for Safety Health Standards Inspector	2800
Market feasibility study	1200
Design of labels and packaging	1000
Total	USD 36,825

Lessons Learned

If skills and resources are provided to community-based organizations, such as IWDC, it will be in their interest to work with organizations with the capacity to assist them and guide them. In this regard, most of the community-based organizations' major interests are to work in the area off livelihood and look for new skills that make their life better through income generating activities. However, it was found that the IWDC targeted in this project lacked management capacity and needed further training to continue the program successfully. Chili project provided new skills and hopes for the community and contributed to reducing high rates of local unemployment and underemployment. IWDC was found interested in sustaining the project and managing future projects, as they now have the relevant experience. Another lesson is in regard to the interest of tourist resorts to partner with

community-based programs. This would serve as an example and motivating factor to other resorts for building partnership in the future.

Results

- Chili Sauce and a variety of items produced by the Veymandoo Women's Committee were displayed in the Resort Forum held in Ha Manafaru (Waldorf Astoria) in October 2010, organized by UNDP to initiate dialogue and strengthen relationship between the communities and the private sector. As a result, several resort chains have contacted L & L showing their interest in the product and investment.
- Establishing a co-funding partnership with Soneva Resorts and commitment with both Soneva Resorts and Nexus Business Solutions to standardize chili sauce production process, to meet the ISO 22000 standards.
- Provided innovative livelihood options and leadership training to women for organizing and mobilizing.
- Discovered an opportunity in the local market for local chili sauce.
- Tool kit on Gender Awareness and Entrepreneurship Skills Manuals developed and trainings conducted to enhance women's skills in the process
- Introduced a self-help model among the women's groups to sustain the project, and registered the Veymandoo Women's Development Corporative.
- Made the local community confident that products such as chili sauce could be locally produced and employment opportunities could be increased.

Impact

- The IWDC's ability to partner with NGOs, donors, and the private sector increased and private-public partnership encouraged.
- The visibility and importance of community-based income generated in the informal sector increased.
- Islands were provided with the opportunity to explore new and alternative livelihood opportunities through training and practical engagement.
- The role and participation of IWDCs in the nation's recovery process strengthened empowering women, and by extension, had a positive impact on the life and health of children.
- Increased the interest of youth to explore new techniques and opportunities of community-based income generating activities.

3. Virgin Coconut Oil in Hanimaadhoo

Haa Dhaal Hanimaadhoo is one of the inhabited islands of Haa Dhaalu Atoll administrative division, geographically a part of Thiladhummathi Atoll in the north of the Maldives. The island,

which is 178 km or 288 away from capital Male', is a site of Hanimaadhoo International Airport, one of the few international airports of the Maldives.

Islanders from Hathifushi and Hondaidhoo have been relocated to Hanimaadhoo recently. From Hathifushi 150 people and from Hondaidhoo 156 were migrating to Hanimaadhoo. According to Census 2006, the total population of the island is 1184, with annual growth rate at 2.66, sex ratio 97.00, literacy rate 94.46, youth unemployment rate 28%, student enrolment 306, and the O level as the highest level of education.

The Ministry of Fishes and Agriculture commissioned Hanimaadhoo Island's IWDC to organize and implement an outreach program for manufacturing Virgin Coconut Oil (VCO) and fully operationalize the VCO processing facility in the northern region of the Maldives as a part of the "Production of Virgin Coconut Oil and Value Added Products for the Enhancement of Livelihood and Food Security through Income Generating Opportunities in the Maldives" project, funded by Food and Agriculture Organization (FAO) which commenced in February 2006. Value of the project is USD 459,000, implemented by the Ministry of Fisheries and Agriculture (MoFA) and started in Hanimaadhoo in collaboration with the IWDC and management support by a locally based NGO.

The Ministry of Fisheries and Agriculture, with the support from FAO, undertook the following activities:

- Introduction of the project concept for prospective project beneficiaries and identification of interested beneficiaries for training;
- Training conducted in VCO processing using fermentation process, production of baskets for souvenir packaging, entrepreneurship and marketing skills, leadership and empowerment skills, accounting and book keeping skills;
- Establishment of a small facility to accommodate equipment for producing VCO and arranging a suitable mechanism for maintenance, administration and management

of the facility, and a payment mechanism for VCO producers and establishment of market links.

The production of VCO and its value added products is foreseen as a potential form of sustainable livelihood due to the availability of coconuts on the tropical islands of the Maldives as well as the increasing recognition of VCO as one of the best natural oils available in the market. Studies indicate that hand-made, high quality VCO is of great interest for tourist resorts. Although there is a great potential for this project, like many new projects introduced to communities all around the world, the VCO project also faces challenges in commencing production of VCO and its value added products. Still the Hanimaadhoo IWDC has taken the lead and started production. They have started bottling VCO in two sizes, 50ml and 120ml, packaging bottles in hand-woven baskets made from screw pine leaves. The NGO Live & Learn is providing support and establishing links to resorts. IWDC and the community have already catered to two resorts through Live & Learn. Pro-activeness of the Hanimaadhoo community is exemplary and without doubt, with their hard work, this project can be expected to succeed. The project plans to produce and market also cosmetics like coconut oil, aroma oil, sunscreen oil, lip balm, and massage oil.

It is believed that this outreach program has assisted Maldives to meet two important Millennium Development Goals: (i) Goal 3: Promote Gender Equality and Empower Women and (ii) Goal 7: Ensure Environmental Sustainability.

The project has not only impacted the seven to ten women actively engaged in the production but also households who supply coconuts for production and, in general, the community of the island. In both cases, most of the households are female-headed, but youth are also engaged in the coconut supply chain. The project provides income for community and with livelihood improved, children and other marginalized groups are also impacted positively.

A major ongoing challenge for Hanimaadhoo IWDC is lack of direct contact with customers and having to wait for order from Live & Learn. Therefore there is no continuous production; it only takes place when orders come. IWDC is also facing difficulties in purchasing packing bottles and materials required for marketing and promotion. More training in business management and marketing is needed to improve production and income.

Lessons Learned

The project has assisted in improving income and livelihood of Hanimaadhoo community, and reduced the overall vulnerability of this small rural island's households and coconut producers. The initiative introduced application of small-scale innovative technological interventions to extract high quality virgin coconut oil (VCO) from fresh coconuts and produce quality, value-added products for sale. It has also reduced the need to import and generate export income from large coconut surpluses.

The project has encouraged women and the community to start innovative income generating activities with new technologies and built confidence in managing small-scale industrial activities, creating awareness among youth, women, and the community about the importance of local production for generating employment and eradicating poverty at the local level.

One of the important lessons learned is the significance of building partnerships, especially

Results

- Installation of two large pilot training plants and smaller production units for production of VCO and high quality products for small enterprise groups
- Introduction of techniques for extraction
- Development of six value-added products (ready for marketing) from coconut oil and by-products
- Training of IWDC members and community groups in relevant technologies and environmentally safe use and/or disposal of residues
- Improved cultural management of coconuts
- Increased capacity of IWDC in managing, selling, and marketing the products produced

Impact

- Even though for many Maldivian islands, the primary source of income is tuna fishing, the project has proven that there is a scope to diversify local economic activities using available resources. As a result of the project and local production, tourist resorts have sponsored a sustainable business to produce coconut oil for massages in the spas. This also helps to increase the number of employees from the local community, including many women previously unemployed.
- These resorts are excited to offer the traditional formulas to guests. The Maldivian people have been using virgin coconut oil for centuries, to protect themselves from the sun's rays. The oil hydrates and nourishes skin with its anti-aging, antibacterial, and healing properties. Guests can savor the luxurious oil or delight in resort spa treatments with locally made salt scrubs and coconut wood massage tools. This boosts up production of coconut oil and other local items
- The project has a huge impact on women since the income generated was for women and women-headed households, together with resort employment opportunities. Since the project is managed by IWDC, it has increased the institutional capacity of the organization.

private-public partnership building for community development. In this regard, IWDC has noticed that the project was successful because they were able to work together with the government, an island-based NGO, and a national level NGO.

Livelihood Support Activity

In 2005 UNDP conducted trainings in 86 islands in project proposal development, financial management, monitoring, and evaluation. On average, eight people (four from the Island Development Committee, two from the Island Women's Development Committee, and two from local NGOs) were trained on each island by private training groups with UNDP support. As evidence of the positive impact of this training, when UNDP requested grant-funding proposals issued in December 2005, a large number of well-crafted proposals were submitted. Interviews with participants by UNDP during the evaluation process also showed a positive response in terms of their improved capacity to mobilize resources for community development work. Many also used their new-found skills to mobilize grants from UNDP and other donors.

A business skills training program was also conducted by Women's Entrepreneurs Council (WEC) for beneficiaries of livelihood activity in the four atolls of Dhaal, Lhaviyani, Thaa, and Laamu. Components included life skills, business skills, and entrepreneurship skills all found useful by the participants, especially with regard to financial management of their income-generation activities, networking, pricing, and marketing.

1. Microcredit

Before the tsunami, under the UNDP regular poverty reduction program, microcredit was administered in five atolls. Each Atoll Development Committee (ADC) managed an Atoll Development Fund (ADF), from which disbursements were made according to the eligibility criteria set by the ADC. Following the tsunami, the Livelihoods Project injected additional resources into each ADF. More than 500 direct beneficiaries received microcredit loans under the special tsunami fund within the existing microcredit program. Among the activities funded were small enterprises, family businesses, fish processing, trade, handicrafts, shops, and cafés. This scheme was in high demand and as a result many income generating activities were supported and increased, as was community income for those atolls.

Later, there was a policy change and the Ministry of Finance and Treasury (MoFT) set the interest rate at 6 percent with a repayment period of 10 years. After the immediate relief phase, following the tsunami, a review of the Livelihoods Project's micro-credit component was undertaken, which recommended immediate ceasing of further disbursement of funds.

Among the reasons were weak targeting, unclear eligibility and selection criteria, and lack of loan appraisal management capacity. The review indicated that any further disbursement would only increase the problems in the poor project design. In addition, a Finance Act was enacted in 2006 clearly stating that the Maldives Monetary Authority should regulate all micro-finance schemes. The ADB, World Bank, and other

donors therefore directed their micro-finance projects through the Bank of Maldives. UNDP discontinued the scheme during the recovery phase of the Livelihoods Project.

As a result, Laamu Atoll Development Fund, Thaa Atoll Development Fund, and Lhaviyani Atoll Development Fund were discontinued even though these were performing well, providing micro-credit to those wanting to start small businesses. Still, Lhaviyani Atoll Fund continued operating and has been sustained with the initial funds provided. Even after the Local Council's elections, the fund has remained in operation under the management of Lhaviyani Atoll Council, and provides micro-credit facilities to those wanting to start income generating activities at community level. So far the Lhaviyani Atoll Fund has given 361 smaller loans to target groups with an average value of 15,000 Rufiyaa. Project beneficiaries are small.

Lhaviyani Atoll is situated 120 km north of Malé and is 37 km wide and 35 km long. Lhaviyani Atoll, also referred to as Faadhippolhu Atoll, has a total population of 9,190 (Census 2006) in a total of 58 islands, of which four are inhabited, four of them resorts and the rest uninhabited.

The primary occupation of Faadhippolhu islanders is fishing, with sail weaving and coir-making a close second and third, and the island of Felivaru boasts a fish canning factory providing employment for workers in the region.

2. Lessons Learned

The micro-credit facility with small interest rate is lacking in the Maldives, and therefore many youth, women, and households who want to start small business activities do not succeed due to limited capital or funding. The training and micro-credit program of UNDP brought major changes in the participating atolls by providing community level livelihood opportunities, enabling atoll councils by establishing microcredit schemes to enhance community income and assist in eradicating poverty. However, changes in policies and legislation limited the program due to weak targeting, unclear eligibility and selection criteria, and lack of atoll

level loan appraisal management capacity. The main lesson learned is that microcredit scheme is vital for atoll communities to improve livelihoods and increase local economic activities and hence support economic development at the island, atoll, and national levels.

Results

- The primary objective of injecting cash into tsunami affected communities without simply giving away money was achieved. The secondary objective of rebuilding livelihoods through supporting income generation was also achieved. The UNDP micro-credit program proved more successful than schemes that disbursed cash directly to households. Repayment of loans was pooled in Lhaviyani atoll and sustained.
- The Atoll Development Committees disbursed development funds to communities as new loans for livelihood development activities. Funds are retained within the communities, which are empowered to pressure the loan beneficiaries for regular repayments.
- Many small-scale businesses have been supported and continue to be supported in Lhaviyani Atoll, which increases income and helps poverty eradication at the atoll level.

Impact

There was a huge impact on community livelihood, economic development, poverty reduction, and empowerment of atoll councils through the establishment of atoll development funds in four atolls, especially in Lhaviyani Atoll since it has been sustained despite discontinuation of programs by UNDP. This also has an impact on women, youth, and children since most of the grantees are women and youth. Increasing income for households creates positive impacts on child health and education. Increase in self-employment and employment opportunities reduces unemployment which leads to social development. The other major impact is empowerment of atoll councils, leading to improved fiscal autonomy of the council. The project also directs formulation of island and atoll development plans, and builds the capacity of both island and atoll development committees.

Other Aspects of Best Practices

1. Beneficiary

Beneficiaries from projects are predominantly island communities. Specifically, families of women participating in hydroponics program in the islands of Buruni and Vilifushi in Thaa atoll have gained access to fresh vegetables. Additionally, 63 IWDC participants acquired the capability to earn income from agricultural production. Thaa

atoll Veymandoo island IWDC benefited from the collaborative program between NGO Live and Learn, Soneva Resorts, and Nexus Business Solutions. The relationship formed between the IWDC participants and private partners to create market links and product standardization sparked a great deal of enthusiasm from participants. However, Veymandoo IWDC could have benefited further from additional management training to sustain their chili sauce making business. Beneficiaries from Hanimaadhoo IWDC located in Haa Dhaal atoll include ten women participants and their family involved in production. Furthermore, IWDC members and community group participants trained in relevant technologies and environmentally safe use and/or disposal of residues for coconut oil production also benefited. Households, especially female-headed households and the community, too, are indirect beneficiaries of VCO project. Finally, the beneficiaries of the microcredit scheme conducted by the WEC include over 500 participants from Dhaal, Lhaviyani, Thaa, and Laamu atolls. However, Dhaal atoll participants were able to sustain the microcredit scheme following the UNDP discontinuation of the program. The beneficiaries of this project include youth, women, community-based organizations, private businesses, and the participating atoll communities.

2. SAARC Best Practices in PAPA or SDGs

The best practices from these four case studies varied depending on the island and program context. Overall, women were targeted to develop livelihood skills, which by extension improved food security, resources to seek educational opportunities, and quality of the overall life for their families. The focus on leveraging indigenous knowledge and managing natural resources effectively – such as chilies and coconuts – meant the programs were contextually appropriate and could be maintained in an environmentally sustainable manner. Furthermore, social cohesion was strengthened among the participating island communities, because participants collaboratively leveraged their newly acquired skills and resources. These programs also can be replicated in other Maldivian communities.

The best practices contribute to community building, which aims to increase social inclusion and tackle social exclusion. In doing so, they aim to enhance mental health and wellbeing. The programs' best practices were designed with special focus on rural communities to address social and economic alienation of island communities, particularly for people living in areas of high unemployment and those with poor health. The programs are also designed to focus on benefits, employment, health, and wellbeing, and on socially excluded groups such as IWDC, NGOs, and CBOs.

Best practice programs target children, youth, women, and the elderly while conducting community building. Women are particularly vulnerable to social isolation when they experience barriers such as lack of family support, low social status, and family conflict as well as gender issues related to labor market. Since the best practices focus on rural island communities, especially women, they contribute to improving livelihoods, while minimizing vulnerabilities by achieving other household objectives such as improved health, nutrition, and education.

Microcredit programs help empower vulnerable populations, particularly women. These small loan schemes have the power to improve the productive capacity of people who have access to funds. Hence access to microcredit helps improve the income generation capacity of women and youth in communities where projects are implemented, which will help them out of poverty. Improving livelihood of women and households would improve the ability of women to access resources needed in reducing maternal mortality, identifying pregnancy-related problems, and improving utilization of basic services.

The best practices described above were new approaches for communities and have brought significant changes. The environment- friendly approaches, such as manual machineries for VCO and growing crops without cutting down trees for farming via hydroponics, are sustainable and cost-effective development efforts with tangible positive impacts on living

conditions, quality of life, and environment of groups/community concerned. Those practices improve environmental health, protect of natural resources, and contribute to climate change mitigation and adaptation.

The best practices discussed in this report also build the capacity of women, youth, and communities by introducing new, creative ideas and techniques and improve knowledge of production, management, marketing etc. Vigorous community participation in implementing best practices is a crucial factor for sustaining and sharing experience and knowledge with other communities. Hence such practices can serve as a model for generating policies and initiatives elsewhere sustainably adapted to the local communities targeted.

Best Practices in Specific SDGs

The best practices discussed above impact four focus areas of SAARC Development Goals: Livelihood, health, education, and environment.

1. Livelihood SDGs

The choice of goals is guided by three rationales: (i) The foremost one is to ensure that no one is left behind. Based on this rationale, the focus has to be on the most extreme expression of poverty, namely, hunger. (ii) In real life, the move out of poverty is never a one-step change from being poor to non-poor. The change process is more akin to a ladder within which distinct milestones need to be crossed. (iii) The third rationale stems from the need to address the vulnerability aspects of poverty.

Goal 1: Eradicate of hunger poverty: The above-mentioned best practices would lead to income generation for community and hence eradicate poverty and hunger. Routine or seasonal or crisis phenomenon can be effectively countered as well, contributing to ensuring food security.

Goal 2: Halve within 2010 the proportion of people in poverty (as per national poverty lines) and ensure an absolute reduction in the number of poor within the same period: Increasing economic

activities and income of the most vulnerable communities is vital for poverty reduction and reaching the targets outlined in SDG, not just in terms of proportions but also in terms of the absolute number of the poor.

Goal 3: Ensure adequate nutrition and dietary improvement for the poor: Even though significant progress has been made in overcoming hunger, more emphasis should be put on the goal of achieving a healthy life. The best practices discussed would indirectly contribute to nutritional awareness, nutritional provisions for vulnerable groups such as school children, adolescent girls, pregnant mothers, nutritional supplements etc., since those activities generate income for households.

Goal 4: Ensure a robust pro-poor growth process: The importance of growth for rapid poverty reduction is now well accepted. Today's policy challenge is ensuring the poor have an adequate stake in the growth process, both as participants and as beneficiaries. The best practices discussed above can contribute to inclusive development planning, since there is vigorous community participation. The best practices discussed also included training, introducing new technologies, and providing access to microcredit, which are of vital importance to improve livelihood and reduce poverty.

Goal 5: Strengthening connectivity of poorer regions and of poor as social groups: Remoteness from the mainstream of economic and social life is an important aspect of the poverty experience. Redressing such remoteness and strengthening connectivity through roads, telephone, radio, TV, Internet etc. would be supported by income generating activities, microcredit schemes, and capacity development of community-based groups such as NGOs and IWDCs.

Goal 6: Reduce social and institutional vulnerabilities of the poor, women, and children: The poor, women, and children, in particular, face a number of social and institutional barriers and insecurities in the pursuit of their livelihoods

and social life. Removing such barriers and insecurities as well as eradicating social ills such as abuse, trafficking of women and children, child marriage, child labor, and other systemic disadvantages suffered by these marginalized and socially excluded people is essential. Economic empowerment of women and households is possible through increasing income; it prevents them from falling into poverty, which is one of the core objectives of the best practices discussed above.

Goal 7: Ensure access to affordable justice: This goal is not directly relevant to the context of the afore-mentioned best practices.

Goal 8: Ensuring effective participation of the poor and women in anti-poverty policies and programs: Ensuring that the ‘Voice of the Poor’ is included in all stages of anti-poverty policies and programs – implementation, monitoring, planning, and policy formulation – is critical to building the ownership of the poor in poverty reduction process. One way to ensure this is by giving adequate representation to the organizations of the poor at all levels of poverty reduction program(s). It is also important to emphasize the importance of active involvement of women in decision-making processes within households and outside home. When IWDCs, CBOs, and NGOs play an active role in planning, implementation, and monitoring best practices, the contribution of these vulnerable groups goes up.

2. Health SDGs

The health goals are grouped into three areas: reproductive health and healthcare, hygiene, and nutrition. The nutrition goal has already been covered under livelihood SDGs as this has implications for both areas. Many of the goals here are universal in nature.

Goal 9: Maternal Health: The focus is not just on maternal mortality but also on improved nutritional status of adolescent girls and pregnant women. Key targets include increased presence of skilled birth attendants, pre- and antenatal care, and rapid decline in TFR (total fertility rate).

Even though the best practices discussed are not directly linked to this goal, increasing income of the households, women, youth, and community as a whole would leave a positive impact. Increased income generation and economic independence of women enables increased access to education. This delays childbearing, leading to reductions in birth rates. Additionally, higher education also increases income, reducing food insecurity and improving nutrition.

Goal 10: Child Health: Key targets include universal immunization of children, universal practice of breast-feeding, and provision of nutritious mid-day school meals at the primary level. Even though the best practices discussed do not have direct linkages to this goal, increasing income of households, women, youth, and community would have a positive impact on this goal.

Goal 11: Affordable Healthcare. Here the key targets are: access to primary healthcare services on islands including paramedics, access to affordable medicine including essential and alternative medicine, training of rural medical practitioners including those practicing alternative medicine, and conducting awareness programs to combat major diseases. The best practices described previously are linked to this goal, since the microcredit scheme helped communities to establish pharmacies on local islands.

Goal 12: Improved Hygiene and Public Health. The key targets include access to safe drinking water and sanitation, raising awareness of important aspects of public and social hygiene, e.g., washing of hands after visiting latrines, avoiding spitting and defecation in the open etc., effective enforcement of laws on banned substances, and effective enforcement of the ban on smoking in public places. Even though the best practices discussed are not linked directly to this goal, increasing income of the households, women, youth, and community as a whole positively impacts access to safe drinking water and sanitation facilities. Furthermore, strengthening CBOs enables them to become more active and conduct awareness programs in

different areas including the important aspects of public and social hygiene.

3. Education SDGs

The common goal here is universal access to basic education. However, there is a need to move to more forward-looking supplementary goals as well under this section.

Goal 13: Access to primary/community school for all children, boys, and girls alike: The key targets are: i) to ensure availability of schools within walking distance for every island/urban center and ii) achieve gender parity at both primary and secondary levels. Even though the best practices discussed do not have direct linkages to this goal, increasing income of the households, women, youth, and community as a whole would positively impact achieving gender parity at both primary and secondary levels, since it would prevent early marriage and enable families to pay for girls' education.

Goal 14: Completion of primary education cycle: It is not enough simply to get children into school but also to ensure that they remain there and complete the cycle. The key targets include universal retention rate at the primary level, acceptable teacher-student ratios, provision of mid-day meals, acceptable coverage of female students and students from disadvantaged groups at the primary, secondary, and vocational levels through a stipend program. One important requirement is the provision of separate toilets for female students in all schools. The best practices discussed are not directly linked to this goal, yet increasing income of the households, women, youth, and community as a whole would positively impact on this goal since it reduces vulnerabilities of students from disadvantaged groups which might prevent them from completing the education cycle.

Goal 15: Universal functional literacy: In addition to the goal of universal basic education through the formal school system, efforts at informal and community levels are necessary to ensure that all members of the population – illiterate young adults in particular – attain functional literacy.

This goal has no significant linkage with the best practices discussed in this report.

Goal 16: Quality education at primary, secondary, and vocational level: Beyond the access and retention goals, this goal is to embrace quality education in order to better address the challenges of the 21st century. This goal has no significant linkage with the best practices discussed in this report.

4. Environment SDGs

The rationale for identification of the environment sector goals is to conserve the natural resources necessary for life-support and livelihoods of the poor, and to ensure that their health is not impaired.

Goal 17: Acceptable level of forest cover: The key targets include: reversing the process of deforestation, engaging traditional communities in forest conservation, promoting social forestry including roadside and homestead forestry. The hydroponics program for Vilufushi community supports this goal by growing crops hydroponically without cutting down trees for farming.

Goal 18: Acceptable level of water and soil quality: The key targets include appropriate water management, ban on 'dirty dozen' pesticides/insecticides, control of waste and industrial discharges, use of organic fertilizers etc. This goal has no significant linkage with the best practices discussed.

Goal 19: Acceptable level of air quality: The key targets include: i) reduction of indoor air pollution caused by inefficient biomass cooking devices to acceptable levels, ii) discouragement of leaded petrol, and iii) improved solid and hazardous waste management. This goal was supported by VCO project on Hanimaadhoo where the machineries used are manual as an alternative to machineries operated by fuel.

Goal 20: Conservation of biodiversity: Conserving biodiversity is a key priority area, as is legislation and its enforcement to ensure the

flow of benefits to local communities from access to genetic resources and associated traditional knowledge. This goal has no significant linkage with the best practices discussed.

Goal 21: Wetland conservation in the region in accordance with Ramsar Convention: Wetland conservation is important for both environmental sustainability and poverty reduction. However, this goal has no significant linkage with the best practices discussed.

Goal 22: Ban on dumping of hazardous waste, including radioactive waste: Recently unscrupulous companies have been dumping hazardous wastes in the seas and oceans. One cannot rule out the possibility of dumping radioactive waste by such companies in the future. However, this goal has no significant linkage with the best practices discussed.

Institution Building/Strengthening Employment Generation: Strong, effective, and inclusive rural institutions are essential for food security, poverty reduction, economic development, and empowerment of small producers and the rural poor. Support for building enabling environments to develop efficient and equitable producer organizations was a major focus of the best practices described above, which also play a particularly important role in improving agricultural profitability and sustainability.

Participating IWDCs were strengthened by these programs, given that women were provided with various training opportunities related to sustainable agriculture and livelihood development. But private public partnerships, CBOs, and NGOs were also strengthened apart from local authorities and private businesses through implementation of the micro-credit scheme. However, employment generation was not sustainable in the long-term due to government, external donor, and/or partner NGO inconsistencies. Furthermore, additional trainings needed to be conducted over a sustained period of time to ensure the business management capacity of participants was sufficient to maintain these micro-enterprises. There was an overall

deficiency in marketing agricultural products produced to find consistent customers, which needs to be strengthened.

Close bonds of solidarity among the small-scale producers, within grassroots and self-help groups, local associations, and government are the basis for the development of strong rural organizations. Through bonding relations, small producers gained self-confidence and knowledge to analyze their own problems, make informed decisions, and act collectively. Bonding relations enabled small producers to identify solutions collectively and build strategies to cope with change. Nevertheless, small producers need to develop a sense of ownership for their organizations. The best practices documented suggest that a shared mission with mutual benefits and commitments are critical success factors to sustain bonding relations in the form of small-producer organizations, like the VCO producers. To be fully effective, small-producer organizations must link with external economic and policy actors, such as private businesses (e.g., tourist resorts) and government institutions. Through strong links with economic actors, small producers can gain access to national and international markets. Therefore additional training and capacity building is required for organizations involved in best practices to have more successful businesses.

Participation and Self-Help: Institution building is now recognized as vital for poverty reduction across the world. Participation in self-help groups (SHG) activities is influenced by various household level and contextual factors. Public policies geared toward increasing women's participation in SHGs generate substantial income and hold significance in household welfare. The quantity and quality of food consumed, the health of household members, and children's education will improve. Thus, institution building contributes greatly to improving household welfare. Therefore, continuing public support for expansion of these SHGs appears crucial to achieve poverty reduction.

Participation varied depending on the island context. Overall, participants were enthusiastic

and took initiative to continue the programs, even when faced with limited management training, marketing, donor, government, or NGO support. The number of participants varied; an effort to target youth could have created wide-reaching community benefits, especially, given the high unemployment rate among youth in the country.

Critical Role of Partners, Government, Donors, NGOs, and CBOs: Close coordination and good working relationships with the focal ministries in the Maldivian government were crucial to implementing these community-based livelihood programs successfully. Support from government was indispensable in terms of receiving data and information, identifying national priorities in development, coordinating with island and atoll offices, and coordinating donor assistance in a manner to avoid duplication of support. For the women's livelihoods component, the Ministry of Gender and Human Rights (formerly Ministry of Gender and Family) was a key stakeholder involved in facilitating the IWDCs undertaking skills trainings or livelihood projects. Since the Ministry had frequent interaction with the IWDCs, it was able to provide valuable input to IWDCs to undertake their activities. Its involvement also facilitated opening of bank accounts – necessary for project implementation – since IWDCs previously did not have accounts.

Donor agencies' support also involved delivering assistance through island-based organizations such as the IDCs, IWDCs, CBOs, and NGOs. For those projects, grant agreements were developed and signed with the local participating IDC, IWDC or ADC. Those organizations managed the grant funds disbursed, organized activities, monitored progress, and reported to donors. IDCs and IWDCs proposed projects for grant assistance and undertook the needed assessments themselves. The grantees planned and managed the project from initiation to completion.

The involvement of island-based organizations, particularly CBOs and NGOs, increased their role and participation in project formulation and implementation processes on a wider scale,

improved their project management capacity, their status as well as visibility in the community, enabled efficient communication and monitoring, and established the means by which these organizations could sustain tsunami recovery activities even after completion of a given project.

Resorts are increasingly playing a major role in the livelihood of island communities, a trend that is expected to increase over the next few years. For example, given that the local production of virgin coconut oil has been increasing, the potential for resorts to procure these goods from nearby islands is growing – as long as the products are of good quality and regularly available. In addition, an increasing number of resorts are assisting island communities in many ways through corporate responsibility. Strong linkages with tourist resorts need to be built into any future strategies for livelihood development and active collaboration of resorts – as a part of their corporate social responsibility – needs to be sought.

Instances where partner institutions – NGOs, donors, resorts or government agencies – did not provide adequate long-term training and support hampered the overall sustainability of programs.

Wider Participation/Upscaling: Implementing organizations and donors mainly monitored the projects by using the proposed work plans that outlined the targets and timeframe of each activity. Donors conducted monitoring by telephone and by visiting project sites, meeting with beneficiaries and implementing partners, and by obtaining regular updates and progress reports on all activities.

Implementing partners such as government ministries, CBOs, and NGOs were also consulted to monitor the progress of relevant activities. Field reports, progress reports, and databases of beneficiaries and project information were regularly compiled and/or updated for effective monitoring by donors.

Evaluation was also done by donors and implementing partners. Feedback from these

evaluations included increasing monitoring/supervision visits to project sites, addressing sustainability issues of projects, documenting lessons learned, and extending activities to become regular/long-term projects.

Conclusion

The compounded vulnerabilities Maldivians face are not easy to overcome in the process of poverty reduction. Women, children, and youth are particularly marginalized. The case studies presented in this report demonstrate some of the best practices for targeting these groups – women directly, youth and children by extension – as well as for improving livelihoods for poverty reduction.

The best practices targeting the marginalized groups contributed to improve social inclusion, food security, managing natural resources effectively, and sustainable development. Furthermore, social cohesion improved among the participating island communities as participants collaboratively leveraged their newly acquired skills and resources. In addition, those interventions effectively promote public-private partnership and engagement of civil society organizations to ensure wider participation.

The best practices discussed above also contribute toward four focus areas of SAARC Development Goal (SDG): livelihood, health, education, and environment where the livelihood SDG goals directly related to eradication of poverty and hunger are clearly reflected.

To ensure that poverty reduction spreads nationwide, programs like the ones outlined in this report need to be improved and replicated.

Recommendations

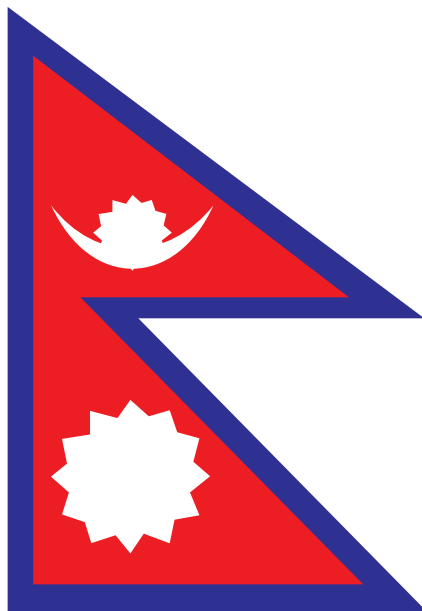
Specific issues that need improvement for future programs include:

- Partner organizations need to ensure that long-term training support is provided for participants.
- Partner NGOs need to be vetted to ensure they possess the capacity and commitment to provide long-term support for programs.
- Private sector partnerships with local entrepreneurs need strengthening and consumer networks for selling locally produced products need cultivation.
- Youth should be targeted directly, in addition to women, given their high unemployment rate.
- Climate sensitivity: Developing programs that incorporate climate change mitigation and adaptation strategies to minimize impacts needs inclusion.
- These programs need to be seen through to fruition, instead of launching new pilot programs.
- Participants should get linked with the Maldivian Business Development Service Centre to cultivate long-term good business practices and leverage government resources.
- Multi-agency partnerships need to be created as a primary mechanism for area regeneration strategies; for example, partnerships involving the public sector, private sector, and community sector.
- Local government is vital and should play a lead role in facilitating and supporting partnerships, given the political commitment and service infrastructure. Private sector partners rarely make effective lead partners in neighborhoodness regeneration.

* * *

Chapter 7

Nepal



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With the beginning of planned development, poverty alleviation has been addressed in one way or other in Nepal. Since the ninth plan poverty alleviation has remained the major objective of the planning process. Though poverty was being defined in general terms until the Ninth Plan, it has been analyzed in terms of three dimensions, namely general poverty, human poverty, and social exclusion from the beginning of the Tenth Plan. However, general poverty has been the only basis for measuring poverty and analyzing poverty rate. Efforts are also being made to minimize incidences of social exclusion through inclusive development programs.

Most of the MDG targets set for 2015 are likely to be met, as the government is committed to taking ownership of the proposed strategic interventions. While some targets have been already met, a few others may be difficult to meet: those related to employment, survival rate to grade 5, ratio of girls to boys at tertiary levels of education and of literate women to men aged 15–24 years, percentage of births attended by a skilled birth attendant, and universal access to reproductive health, and environment. The estimated cost for implementation of strategic interventions is far more than the government is planning currently. It will be hard for the government to raise financial resources internally and externally. Global recession and climate change have made international support less generous. Therefore, the state will have to show higher development aid effectiveness to attract global funds.

The key driver in meeting MDG targets is national commitment. The government, which intends seriously to take up ownership and leadership of development strategies, plans to adopt forward-looking macroeconomic policies that promote sustainable development and lead to sustained, employment-centric, inclusive, equitable, and broad-based economic growth. Committed to promoting national food security strategies that strengthen support for smallholder farmers and contribute to poverty alleviation, it puts emphasis on participatory community-led strategies in a decentralized process to align them with national development priorities and strategies. Promoting

universal access to public and social services, providing social protection floors, and improving capacity to deliver quality services equitably are also its priorities. In the area of environment and climate change, the initiatives started in the TYP for developing climate-resilient development planning will be taken forward systematically and brought under a multi-stakeholder action domain.

MDGs would not be realized with the business as usual approach, and therefore the pace of progress needs to be accelerated. Moreover, poor countries like Nepal require reaching certain critical thresholds in areas of geopolitics, health, education, economic, infrastructure, and governance to escape poverty, such as lack of free international trading system, insurmountable external debts, landlockedness, and smallness. All this gave rise to the SDG, which is MDG-compatible.

Attaining the SDGs is possible in Nepalese context. However, it would require preparing SDG-based plan, localizing SDGs, and their sustained follow-up. Monitoring, given least importance in the national context, should be given critical significance both in terms of priority and resource allocation to enhance the monitoring capability of SDGs. Above all, the attainment of goals requires political will and commitment that can translate the MDG-based plan into action.

Best Practice Projects for Poverty Alleviation

1. Women-Led Enterprise: Gasifire Plant

1. Introduction

Out of the 1,100 households in Jagarnathpur VDC of Parsa District, not a single household is connected with the national power grid (as of July 2012). To get rid of energy crisis in the VDC, the locals of this remote village established a gasifire plant as they read a story published in an Indian daily The Dainik Jagaran about the successful operation a gasifire plant in Majhulia, Bihar. They were eager to replicate the technology, but lacked a supporting organization. The locals convinced the Poverty Alleviation Fund (PAF) officials to support the scheme and the Indian Consulate at Birgunj provided technical assistance for the feasibility study of this project.

Installed under the aegis of six community organizations, all headed by women, the rice husk-based gasifire technology is now electrifying 586 households of the VDC, including 209 community member households. With a capacity of 32 KW of electricity, the plant operates within a radius of 2.5 kilometers.

2. Best Practices

An 11-member Management Committee representing participating community organizations of women is managing Nepal's first husk-based gasifire plant which, apart from power generation, helps in income generating activities including vegetable farming, livestock etc.

The establishment of this plant has generated income from various activities and now their children study in an English Medium School which was a far cry before. They now work till late night while children do their homework. Women are busy in sikki (sieve) and bamboo craft. Elderly women say that respiratory illness has declined.

Box 7.1 Amaravati exults

"The respiratory disease caused by smoke has been reduced and our kids study even during nights and this enabled us to work extra hours. Through electricity, the villagers have had the facilities to charge their mobile phone sets to connect to their relatives working elsewhere in Nepal, India, and abroad." – Amaravati Devi Chaudhary, Chair of the Gasifire Management Committee

3. Match between Intervention and Context

Earlier, villagers relied excessively on kerosene and firewood for lighting and on diesel for the rice mills. The villagers chose to establish the gasifier plant to meet their chronic energy crisis.

4. Criteria for Specific Best Practices

4.1 Innovative

Gasifire is an electricity generating plant, in the form of renewable energy, which works through gasification from biomass (rice husk) or any other organic wastage. This kind of biomass can be converted into fuel through gasification, caused by a chemical reaction between the product and oxygen in a gasifire to produce a gas mixture

known as synthetic gas, or syngas. Gasification is a highly efficient method for obtaining energy from organic materials.

4.2 Environment-Friendly

The technology is eco-friendly and sensitive to climate change. While biomass power generation is carbon-neutral and eco-friendly, there is no greenhouse gas emission. Since the combustion of biomass does not result in net increase of gases like CO₂, CH₄, and NO₂, there is no fly ash or solid waste during the gasification process.

Preliminary assessment shows that households stop using kerosene lamps when they get electricity through gasifire and save 6-7 litres/month of kerosene on average. Kerosene savings cut greenhouse gas emission by an estimated 125 tonnes/year of CO₂ equivalent per plant (assessed as a part of CDM certification). Further CO₂ savings come from the reduced use of diesel generators to supply small businesses: these savings vary from plant to plant because they depend on the type of customers served. With the availability of alternative sources of energy, locals no longer need to buy 6/7 liters of kerosene, saving about NRs 400 every month.

4.3 Sustainability

The Rice Mill required raw materials (husk) to run the plant. The income from the electricity tariffs and rice mill can run the scheme and uplift community livelihood. The area is a famous rice belt of Parsa where the poor receive paddy for their daily wage instead of cash. The husk needed for plant is produced by the Rice Mill. Farmers of surrounding villages bring their paddy as grinding cost is low, nearly 50 percent less than the charge levied by mills of the neighboring villages. The fuel for this plant is locally available, e.g. agricultural residue and husk as fuel. The economy of the local people has improved through the tariff from electricity and sale of rice at high prices.

With the increasing popularity of the scheme, students, NGOs, CBOs, donors and government agencies visit the scheme in large numbers and the community levies on entry fee of NR 2,100.

The money collected through entry fee helped establish a wheat mill recently.

4.4 Cost-Effectiveness and Local Employment

The per kilowatt cost of production for this scheme is NR 125,000, one-fourth of the cost for micro-hydroschemes in Nepal. An AEPC-sponsored survey in 2009 for a micro-hydroplant in Thori VDC of Parsa district has proposed a per kilowatt cost of Rs 400,000 for the scheme.

Box 7.2 What an Expert says

"This plant is an inspiration to all who're trying to develop ways to provide energy to the rural people in a way that is affordable and sustainable. Increased income levels have contributed to economic security and empowerment of the most vulnerable sections of the society." – Manoj Kumar Gupta, PAF Portfolio Manager of Parsa and Rural Energy Expert

This scheme has been able to generate full-time employment including one mill operator, one mechanic, and one electrician – all from the Madhesi and marginalized communities.

5. Beneficiaries: Location, GESI

The village is 35 km from Birgunj Municipality. In stark contrast to the male patriarchal society of Nepal, the plant was started with the help of 209 poor women, who labored daily for local landlords at 7/8 kg of paddy to get exchange for kerosene for lighting their homes.

Now they get extra income through selling rice at high price. Electricity has changed their lives bringing respect and empowerment. Their daily routines have also altered and so has their hope for the future.

The plant provides a household with two 15 watt compact fluorescent lights and mobile phone charge. Each plant serves about 600 customers, and can serve higher demands. About 80% of the homes within the area are connected.

6. Best Practices in PAPA or SDGs

1. Capacity (Asset/Skills) Building

Before installation of the plant, training for operators, mechanics, and electricians was

provided to three male and one female members of the local community. PAF provided training on institutional development and account keeping.

2. Natural Resource Management/Productivity Growth

1. Gasifire is a very efficient method of obtaining electricity from an eco-friendly plant using renewable energy produced from biomass or other organic waste. The gasification process cleans the fuel and reduces chloride and potassium. Syngas from gasification burns cleanly and without any harmful emission.

3. Awareness, Advocacy, Social Mobilization

After the installation of the plant, the community became more aware about their health and sanitation. They now solicit local bodies to contribute in their initiative and are involved in management of the plant.

4. Health, Education, and Welfare

This plant has cut down indoor pollution by replacing use of kerosene and firewood and the electricity generated has enabled children to study properly and adults to work till late night.

5. Social Protection, Focus on Women/Children/Marginal Groups

Family members can now work also in the evening. The risk of snake- and dog-bites and petty crimes has receded. Electricity is distributed to customers via insulated overhead cables to protect households from electric leakage and its risks.

7. Institution Building/Employment Generation

The tariff charged by the plant brings significant savings to communities adding to their income.

8. Participation/Self-Help

The plant is a self-contained unit that draws on local skills to run the plant and local sources of fuel supply and supplies power to an area with a radius of around 2-3 km.

9. Role of Government, Donors, BGOs, and CBOs

The Indian Consulate in Birgunj provided the technical

assistance for study and helped the communities to establish linkage with a manufacturing company. To meet the demands, the VDC and DDC contributed Rs 910,908; communities Rs 206,464 in labor; a local, Satyadev Raut, donated two katthas of land worth 2.8 million rupees; and the CDO issued a letter asking the custom office not to levy custom duties on importing installation devices.

10. Costs (NR)

Particulars	NRs.
Training/HDR	3700.00
Assets/Equipment	3,094,380.00
Civil	1,920,790
Other Capital (Transportation)	132,100.00
Recurrent Costs (Total)	5,184,270.00
Total Project Cost	5,184,270
Poverty Alleviation Fund (PAF)	4,066,899
VDC and DDC	910,908
Communities	206,464 as labor contribution
Individual contribution	Two katthas (0.066 ha) of land worth NR 2.8 million

11. Timeline

The project started on June 25, 2011 and was completed on June 24, 2012.

12. Wider Replication/Upscaling

The scheme is simple that can be applied at any location and time. It is also very popular in Tarai. The locals from the neighboring districts are demanding such schemes, encouraged by the success of plant and wide media coverage.

13. Monitoring and Evaluation

Daily operation and attendance logs help in submission of a monthly report to the management's technical monitoring group to recommend appropriate actions.

Indicators

1. Safety and Cleaning
2. Meter records
3. Fuel records

Project Evaluation: The evaluation of the project is done by the DDC.

14. Conclusion

The plant is running successfully. Availability of

resources, proven technology, local ownership, and benefits incurred contribute to the scheme's sustainability. Female leadership and collaborative local efforts are the hallmarks of its success.

15. Recommendations on Replication, Program, and Policy

The success of the plant and wide media coverage have prompted villagers from the neighboring districts to demand more of such schemes and PAF is encouraging interested communities to establish them. Already twelve such schemes in Tarai are in the pipeline in line with the government's interim plan to encourage promotion of gasifire plant as a source of alternative energy for the region.

2. Production and Marketing of Vegetables

1. Introduction

This case study is a success story of production and marketing of commercial vegetables in Kalleri VDC implemented by the Small Farmer Agriculture Cooperative Ltd and supported by the Project for Agriculture Commercialization and Trade (PACT), a nine-year venture implemented by the Ministry of Agriculture Development with the assistance of the World Bank since November 2009.

Kalleri is situated in Dhading district of Nepal, about 52 km west from Kathmandu. The direct beneficiaries are 105 small farmers involved in commercial production and marketing of vegetables, particularly beans, cauliflower, cabbage, and tomato.

2. Best Practices

Within two years of the start of the project, the area of production extended to 23 ha from 10 ha. Earlier farmers cultivated vegetables at a subsistence level in a 13.75 ha area. Small farmers (105 in numbers) produced 310 MT of vegetables (50 MT of cauliflower, 40 MT of cabbage, 50 MT of tomato, and 170 MT of beans) and sold 275 MT of vegetables at an average of 2.62 MT per household in 2011-12, which fetched an average annual income of the members to the tune of NR 63,810. To enhance production, the cooperative

encouraged members to build two ponds for irrigation with a capacity of 204,000 liters and a collection center.

Following are the best practices adopted:

- Good Governance and Transparency
- Mobilization of Internal Resources
- Effective Utilization of Local Water Source

3. Match between Intervention and Context

Since PACT provides a competitive grant to farmers and the cooperative on the basis of local context, need, and potential and project priority, there is a complete match between the intervention and the context.

4. Criteria for Specific Best Practices

The best practices were selected on the basis of the following criteria:

- Completion within two years
- Completion of the sub-project including all the activities
- Visit by senior officials and assessment of performance as satisfactory
- High proportion of resource - poor small farmers among beneficiaries with a good share of women and janajatis (indigenous groups)
- Tangible changes in terms of production and marketing of products and the producers' income before and after project intervention.

5. Beneficiaries

The beneficiaries of the Project are 105 households - 47 women and 49 janajatis.

6. Best Practices in PAPA or SDGs

This case study represents two thematic areas – capacity (asset/skill) building and growth of natural resource management/productivity. Capacity building includes strengthening of cooperatives and member farmers through training, exposure visits etc. The project has supported setting up of a collection center for collection of vegetables for marketing and two water tanks for irrigation. Local potential in vegetable production and marketing technologies

can be tapped and used through implementation project. Awareness on nutrition and health aspects has helped increase domestic consumption of vegetables as well. Increase in production of vegetables has substantially increased farmer's income and as most of the beneficiaries are women and marginal groups, their overall social status and economic condition has changed.

7. Institution Building

The Project is focused on strengthening the capacity of existing local institutions and generation of self-employment. Days of employment have grown for the members of households. The project focuses on building community assets such as agricultural produce collection center for marketing and water collection tanks for irrigation and other resources, rather than using the fund for recurrent activities like seeds, fertilizers, and chemicals. Trainings to the members of the cooperative, farmer groups, and commercial farmers on production, and post-harvest crop protection technology, and marketing were offered.

8. Participation, Self-Help

The Project is based on active participation of beneficiaries in terms of labor and cash contribution required for activities such as construction of collection centers, ponds as well as procurement of machineries and seeds. Provision of match grant ensures participation of grant recipients and local communities.

9. Crucial Role of Partners

The Project is run under the Public-Private Partnership with the objectives, costs, and risks shared by both the government and the private sector. The project is totally devolved to grassroots organizations, where PACT facilitates local process by providing matching grant. Quality control and regulation-related works are carried out by the project and the cooperative is responsible for proper delivery. There is also technical collaboration from the District Agricultural Development Office (DADO) of Dhading.

10. Costs

The total cost of this project is NR 5,771,000 (approx. USD 67,000) of which, the project provided a matching grant of NR 2,784,000 (approx. USD 32,370). Activity-wise cost disbursement is given in Table 7.1.

Table 7.1 Project input and cost breakdown

Activity	Total Cost (NRs)
1. Training/HDR	27,400.00
2. Assets/Equipment	4,249,000.00
3. Recurrent Cost	853,000.00

The project focused on building community assets and resources rather than using the fund for recurrent activities like seeds, fertilizers, and chemicals.

11. Timeline

The project was of two years, starting from 18th April 2011. It has now completed its cycle and performed all activities stipulated in the grant agreement.

12. Wider Replication/Upscaling

With the project just completed, scope exists for its wider replication. The best practices adopted by the project such as a competitive grant system, sharing of cost by farmers' institutions and capacity building of beneficiary institutions and individuals, collective marketing, best use of existing natural resources etc. can be adopted and replicated elsewhere. Most of the sub-project beneficiaries visit the project and attempt to learn from its best practices. The local District Agriculture Office often organizes training in areas such as integrated pest management. Commercial farming of vegetables in the neighboring areas is already on increase.

13. Monitoring Evaluation Indicators

The project has been applying the following indicators to assess its performance:

Criteria related to Financial Issues

- Installment release status
- Adoption of Financial Management/Accounting System

- Status of Physical Infrastructure Support
- Completion Status/Likelihood of completion as per the matching grant agreement

Contribution to Project Development Objectives

- Outputs: changes in production, productivity, and sales
- Linkages and networking with the value chain actors

Governance and Transparency

- Regular interaction and meeting sub-projects
- Transparency in operation
- Responsiveness to project's guidance/instructions

14. Conclusion

Demand-based projects with a system instituted for active participation of beneficiaries through provision of cash and kind are likely to succeed if carefully selected and implemented. Direct financing to grassroots organizations with transparency and good governance are likely to produce results within the stipulated period.

15. Recommendations on Replication, Program, and Policy

This case study offers a few important recommendations:

- Careful selection of and support to the organization with transparency.
- PACT should focus on capital development (hardware) rather than merely on software.
- Integrated combination of hardware and software support is necessary.
- If output-based financing system is to succeed, monitoring and supervision must be strengthened.

1. Community-Led Enterprise Home Stay

1. Introduction

This case study is based on home stay owned and managed by the local Tharu community of the Far Western Development Region. The concept of home stay in Nepal evolved with the development of Sirubari in Syangja district as a part of Model

Annexes:
(Photographs, opinions, activities, enterprises etc.)
Kalleri Photos

Foundation stone of Collection Centre being laid by World Bank Country's Manager Mr Andras Horvai



Collection Centre under Construction



Village Tourism in 1995 and was developed and promoted in 1998 in the course of Visit Nepal Year. Bhada Home Stay (BHS) is located in Urma VDC, Ward 6 in Kailali district, which is one of the successful home stay sites. Located just 11 km east of the East West Highway, it is a typical rural settlement of indigenous Tharu people where out of 35 households, 18 were registered as part of BHS in 2010, though they are not yet registered officially by the government.

2. Best Practices

Local initiatives

Locally managed home stay packages

Local food and cultural packages

Extensive sharing of tourism benefits

3. Match between Intervention and Context

It is a joint effort of local communities, local

government (VDCs and DDC) and business organizations (Kailali Chamber of Commerce and Industries, KCCI).

4. Criteria for Specific Best Practices

- a. Package Richness/Uniqueness
 - A very authentic cultural experience of indigenous Tharu community
 - Successful home stays run by economically marginalized people
- b. Benefit Sharing Mechanisms: Benefit is shared equally among the home stay operators
- c. Institutional Capacity: Locally managed and controlled
- d. Backward and Forward Linkages: Owned and patronaged by local government bodies such as VDC, DDC, Kailali and Kailali Chamber of Commerce and Industries, KCCI.
- e. Visitor Size: A large number of visitors, Nepalese, Indians, and westerners arrive here.

5. Beneficiaries, Location, GESI, Life Cycle Approach

Out of 35 households 18 are operating home stay venture, charging a minimum of NR 100 for tourist bed, NRs 100 for Nepali dish (Dalbhat), and NR 180 for Dalbhat with meat. They also serve typical Tharu cuisine such as crab, rat, and snail. Additionally, they sell meat products like pork, chicken, and duck, local alcoholic beverages, and seasonal fruits. Forty beds are available for tourists. At least 51 western and 10,000 national and Indian tourists have visited the village in the last 2 years.

- i. Some 4/5 bullock carts, called 'Ladiya', offer 2-3 hours ride around for NRs 1000. One-fourth of it goes to the BHS Tourism Management Committee and the rest to the operators.
- ii. An ensemble of 20 artists (10 female, 10 male) performs Tharu dance for NR 1000. One-tenth of the income goes to the BHS Management Committee and the rest to the performers.

6. Best Practices in PAPA or SDGs

- Capacity (asset/skills) building

- Natural resource management/productivity growth
- Awareness, advocacy, social mobilization
- Health education and welfare
- Social protection, focus on women/children, marginal groups

7. Institution Building/Strengthening Employment Generation

- The home stay package was developed, owned, and managed by the BHS Management Committee which consists of more than 40% women as executive members whose leadership capacity is remarkable.
- The committee has established a forward linkage with the VDC, DDC, and Kailali Chamber of Commerce and Industries (KCCI), Nepal Tourism Board, and some tour operators/hotels from Dhangadhi.
- The committee demonstrated its effectiveness and team work during the tourism fairs organized at national and regional levels (first time in Nepalgunj in 2013).
- The committee has prepared packages for home stay in the village, allocating and distributing visitors on a rotational basis to the member homes, and designing and organizing village tour and Tharu cultural packages.

8. Participation, Self-Help

- BHS is probably one of very few home stay villages in Nepal, initiated, developed, and managed by local people with their own efforts and leadership.
- It has yet not received any donor/project support to design and implement its activities.
- Locals by themselves have developed one tourist room, clean toilet, and kitchen.
- Locals gather in the Community Center to welcome visitors.
- The cultural troupe performs cultural activities for visitors.
- Villagers have maintained the village neat and clean.
- The committee is eager to participate in promotional events organized at the local, regional, and national level.

9. Crucial Role of Partners

- As requested by the locals, DDC, and KCCI, Taragaon Development Committee (TDC) prepared a detailed feasibility study and organized a district level sharing and interaction workshop at Dhangadhi to inform all concerned stakeholders about the prospects of a culture-based home stay package at Bhada.
- KCCI, instrumental in promoting home stay under the broader banner of Sundar Sudur Pachim (Beautiful Far West), has developed promotional activities including brochures and DVD together with Nepal Tourism Board (NTB) to promote the home stay.
- DDC Kailali has been supportive as a local guardian to enhance and expand the capacity of locals and improve physical infrastructure.
- Nepal Tourism Board (NTB), as a national agency, instrumental in enhancing the capacity of the tourism committee and promoting products in the national and international markets, is working with media partners and tour operators to promote the product.

10. Costs

- Capacity enhancement training was provided by TDC.
- Skill development training on hospitality and basic cooking was provided by DDC and KCCI.
- DDC supported by upgrading and improving the access road to Bhada Village from Dhangadhi and the East West Highway.
- Individual households invested NRs 100,000 each (Rs 30,000 to 40,000 for the construction of toilet and Rs 60,000 to 70,000 for kitchen utensils, bedding, and bedroom furnishing in the initial stage).

11. Timeline

Informally operating since 2009

12. Wider Replication/Upscaling

Dalla Home Stay is replication of a similar model situated in the buffer zone of Bardiya National Park. This is also a Tharu culture-based home stay combined with wildlife, Nature, and cultural activities.

13. Monitoring and Evaluation Indicators

- Eighteen home stay operators
- One cultural troupe
- Four cart operators
- Vegetables, local chicken, and pig producers
- one active local management committee
- Strong forward linkage with VDC, DDC, KCCI, NTB, and hotel operators
- Transparent benefit distribution and sharing mechanism
- Self-help and community participation
- Local community monitoring system, self-regulation, and self-control
- Tharu cultural code of conducts and local products.

14. Conclusion

Emerging cultural tourism hub with strong community participation and local benefits
Least leakage at destination level
Sense of pride in Tharu culture and rituals.

15. Recommendations

- Wider promotion and publicity
- Improved access to and from Dhangadhi and East West Highway (all-season fair road and reliable transportation services)
- Product linkages with Chisapani, Shuklaphanta, and Khaptad
- Improved linkages and relationship with regional hotels/lodges, and Kathmandu-based tour operators.

Gender and Socially Inclusive CLDP

1. Introduction

Community Livestock Development Project (CLDP)¹ was launched by the Government of Nepal with a loan assistance of SDR 13.97 million (valued at USD 20 million in December 2013). The loan agreement was signed on 8th April 2004, which became effective on 2nd December 2005. The period of the loan is for 5 years, which is up to 2010.

With the overall aim to reduce rural poverty, the objective was to improve levels of food security, nutrition, and income and employment from

livestock production and small scale livestock-related enterprises in 48 districts of all five different regions of the country. The project intended to benefit 164,000 rural families through increased productivity of the livestock sub-sector in an environmentally sustainable and socially equitable manner as well as to enhance the capacity of men and women to manage development process. The project had five components: community development and capacity building, livestock productivity improvement, livestock processing and marketing, livelihoods pilot program for higher altitudes, and project management services.

2. Best Practices

The project had the following activities as best practices:

- Community Development and Capacity Building
- Livestock Productivity Improvement
- Livestock Processing and Marketing
- Livestock Pilot Program for higher Altitudes.

3. Intervention and Context

The project's design and formulation were consistent with the Government's strategies elaborated in the Agricultural Perspective Plan 1995-2015) and the Tenth Five Year Plan (FY 2002-2007).

4. Criteria for Choosing the Specific Best Practices

The Project has achieved its objectives and targets within the project timeframe and is rated by the Asian Development Bank (ADB) as the best project for 2008-2010.

5. Beneficiaries, Location, GESI, and Life Cycle Approach

The Project was implemented in 48 districts of which 22 were ILP districts: Kailali, Dadheldhura, Kanchanpur, Baitadi, Doti, Achham, Banke, Bardiya, Surkhet, Pyuthan, Rolpa, Salyan, Rukum, Dailekh, Jajarkot, Nawalparasi, Arghakhanchi, Tanahu, Baglung, Palpa, Gulmi, and Lamjung; 21 were agro-processing districts: Dang, Rupandehi, Kapilvastu, Kaski, Dhanusha, Bara, Mahottari, Sarlahi, Rauthat, Parsa, Kathmandu,

Table 7.2 Project target and achievement in CLDP

Project Target	Achievement
A total of 164,000 households will benefit directly from increased livestock productivity, processing, and marketing activities.	195,910 households benefited from increased productivity 118,789 HH through Intensive Livestock Production (ILP) 1,739 through higher altitude program 64,152 through rural microfinance.
Per Capita Income (PCI) of NR 2,925 (1995/96 prices) of poor households to increase by 50% by 30 June 2010.	Per Capita Income increased by 88.10% in rural income at constant prices over the base year (1995/96) income of NR 2,925
Proportion of women and disadvantaged ethnic/castes in farmer groups will be increased to at least 50% by 30 June 2010.	Women participation 62% (Dalit 27%, Janajatis 27%); 7.10% increase in nutritional intake of boys and girls under the age of 6 years.

Makwanpur, Chitwan, Kavre, Lalitpur, Nuwakot, Siraha, Saptari, Sunsari, Morang, and Jhapa; and 5 were high altitude districts: Bajhang, Jumla, Humla, Mugu, and Darchula. The project was also implemented in 5 Regional Directorates for Project Management Service.

6. Best Practices in PAPA or SDGs

This case study represents the following thematic areas as mentioned below:

i. Community Development and Capacity Building

CLDP conducted various types of community development and capacity building programs under which the following beneficiaries were trained (Table 7.3).

Table 7.3 Community development and capacity building

Beneficiary	Number
1. Farmers	154,413
2. NGO/CBO/CLA/COOP/DLAT Entrepreneurs	7,348
3. District Livestock Officers	524
4. District Livestock Junior Technicians	2,361

ii. Natural Resource Management/Productivity Growth

The Project was focused on forage production to support livestock feeding to decrease the cost of production and enhance natural resource management. A total of 12,542 ha of community land was developed as a forage production area, which was 60% above the project target.

iii. Awareness, Advocacy, Social Mobilization

For awareness program, 10,429 farmer groups were formed and 2,534 communities mobilized, including 62% women. Various means were applied to enhance awareness among livestock farmers and

the public at large for improvement of livestock industry including workshops, electronic media, national and local newspapers, and hording boards.

iv. Health, Education, and Welfare

The Project was focused on raising public awareness in consumption of hygienic meat and milk products. It also gave priority to fund collection, group mobilization, and women empowerment.

v. Social Protection, Focus on Women/Children, and Marginal Groups

The Project was implemented on the basis of social inclusion and upliftment of the socio-economic status of people through income generation activities involving Dalits and Janajatis (27% Dalits, 27% Janajatis).

7. Institution Building/Strengthening Employment Generation

The activities done for institution building were:

- Construction of Training Hall in districts
- Distribution of vehicles, motor cycles, and equipment for surgery and artificial insemination equipment.

The Project created 6194 new jobs for developing 1,115 livestock-related enterprises.

8. Participation, Self-Help

- Public-Private Partnership
- Income generating program was fully supported by the project in the community.

9. Role of Partners

Role of Government in Planning, Monitoring, Implementation, and Reporting to higher authorities,

Donor (s): Timely reimbursement of budget and periodic mission review.

CBOs: Social Mobilization at community level.

10. Costs

During the project period, a total of SDR 13,969,000 SDR was involved as shown in Table 7.4.

Table 7.4 Activity-wise Cost (NR)

Activity	Total Cost (NRs)
1. Training/HDR	1,455,227
2. Assets/Equipment	1,455,227
3. Other Capital	5,434,750
4. Recurrent Cost	5,040,568

11. Timeline

2nd December 2005 – 30th June 2010.

12. Wider Replication/Upscaling

The Project can be widely replicated in non-project districts with upscaling of the livestock processing and marketing program.

13. Monitoring Evaluation Indicators

i. Common Indicators: Achievement of the project target program within the targeted timeframe

ii. Technical Indicators:

- Household Coverage – 195,910
- Income generation – 88.10% increment from the base year
- Creation of new jobs – 6,194
- Establishment of Resource Center – 281

Project Evaluation: Periodic impact evaluation study and periodic mission review by the donor; Project Completion Report.

14. Round-Up

The Project was successfully completed within the timeframe. Both the donor and the government ranked it as the best among the ADB-funded projects of that period. Since the farmers, entrepreneurs, and all stakeholders benefited, it may be replicated in other districts and elsewhere.

Conclusion

The four best practices presented here represent

three different activities, entailing exploration, mobilization, management, and utilization of local resources, local skills, local human resources, and local employment generation, with a positive scope for wider replication through community mobilization and participation.

The first case reflects the efforts to come out from darkness to the light through power generation with the help of a gasfire plant in a remote village where no central electricity grid system exists. It is a telling specimen of the best effort made to solve community problems through mass participation. PAF support is participatory and demand-based, not supply-based. The contribution of PAF and the Consulate Office of India was praiseworthy.

The second case is an example of community participation and mobilization to increase production and productivity, marketing, and distribution of vegetable production through agricultural cooperative which represents the best joint efforts of the cooperative organization and support organization (PACT).

The third case is based on the promotion of local tourism with home stay activity in Kailali district of the Far Western Development Region, which is managed by the indigeneous Tharu community which has attracted both national and international tourists. Locally produced items have popularized sale of local goods, not available easily everywhere.

All the three case studies have contributed to promote the socio-economic and cultural activities of communities through community-managed enterprises that may be replicated elsewhere. These cases also reflect how local resources with proper management through community participation can help alleviate poverty. The cases clearly elucidate the efficacy and effectiveness of activities managed by local community and external support.

15. Recommendations

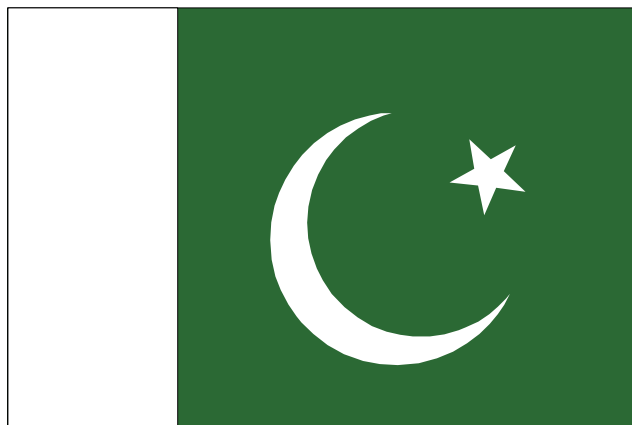
- A 5-year livestock sub-sector development strategy is needed with the adoption of a value chain approach for sub-sector development.

- Commercialization of the dairy sub-sector should be expedited.
- A river corridor based in low cost areas of production should be developed blending high value crop production to maximize the economic impact of farm commercialization.
- Integration of dairy farming and production of high value crops should be optimized through resource mobilization, to reduce the risk of farmers, and allow complementarities of farm operations such as the use of manure for plant nutrients, crop residue for animal feeding, integrated complementary investments in rural infrastructure including market infrastructure, social service provision, and farm advisory services that would make the agriculture sector economically vibrant and sustainable.
- Though there is a good scope for milk production in remote areas, availability of fresh milk is still limited. In such impoverished areas, school milk feeding program could be introduced to increase farmers' income, reduce child malnutrition, and create the foundation for viable local dairy businesses and employment generation. Such programs should be complemented with improved nutrition, health and sanitation, and literacy classes.
- Dissemination of improved forage species accomplished by the CLDP must continue and should be consolidated by DLS staff at the district level, with due expansion to encompass the majority of livestock centers and sub-centers.
- A national school forage program should be introduced as an essential component of DLS's follow-up activities along with initiatives on CLDP forage initiatives.
- Extensive networking with all stakeholders is required to ensure wider adoption of forage with due concern for impact on climate change.

* * *

Chapter 8

Pakistan



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As a sovereign state that came into being on 14th August 1947, Pakistan occupies an area of 852,924 square kilometers (230 to 370 North latitude and 610 to 760 East longitude), sharing boundaries with India on the South and East, Afghanistan on the north and north-west, Iran on the west, Arabian Sea on the south, and China on its north-east. Himalaya lies in the north where its highest peak K-2 rises to 8125 meters above the sea level. Arid Baluchistan Plateau lies to its west, Potohar Plateau and Salt Range on the northeastern range and the densely populated fertile Indus plain extend from northeast to southwest up to the Arabian Sea.

Climate: The average annual rainfall ranges from 16 cm in the southern part of Indus plain to 120 cm in the Himalayan region. Northern and northwestern high mountains are extremely cool in winter with pleasant summer from April to September. The Indus valley is extremely hot in summer with a mild cold and dry weather in winter. The coastal strip in south has a temperate climate.

Demography: According to the 1998 census held in 1998, the population is 187.435 million with 45.3% in the age group of 0-15, 50.8% in 15-65, and 3.9% over 65 years with a growth rate 1.8%. Life expectancy for males is 61.5 years and for females 63 years and 39.5% of the population is living in the urban areas (urbanization rate 4.8%).

Ethnicity: Indo-Aryans with traces of Dravidians, Mughals, and Arabs constitute 97% of the population with Islam as a predominant religion along with Christians, Hindus, Buddhists, Parsis, and Sikhs in minority.

Linguistics: Urdu is the national language understood all over the country while English is the official language used widely in commercial, legal, and other official business. Local/regional languages like Punjabi, Sindhi, Balochi, Pushtoo, Hindko, Saraiki, and Barohi are spoken in the provinces.

Administrative Arrangement: The Islamic Republic of Pakistan is a federation of five

provinces apart from the Federally Administered Tribal Areas, Azad Jammu and Kashmir, and Islamabad Capital Territory. There are altogether 135 administrative districts, 384 tehsils, 11,160 union councils, and 69,667 villages in the rural areas.

Arrangement of Political Structure: Pakistan is a multi-party parliamentary democracy where the National Assembly has 332 ordinary and 10 religious and minority seats (Lower House) and indirectly elected members of 100 constitute the Senate (Upper House). Both the houses and the provincial assemblies jointly elect President as the head of State. The National Assembly elects Prime Minister as the head of government.

Health Status

i. Current Situation of Health

Till date, there are about 9000 First Level Care Facilities, providing inputs in healthcare aiming at reduction of mortalities and morbidities, enhancement of life expectancy and provision of equitable quality care suggested by the Bhole Committee, adopted by Medical Reform Commission (MRC)-1960, guided by WHO – Alma Ata-1978, and sloganeered by the UN in 2000 as the Millennium Development Goals by 2015 and SDGs.

The health sector in Pakistan inherited a miserable environmental condition, under-nutrition, insufficient medical facilities, and deficiency in health manpower. There was only one medical college at the time of independence. Infectious diseases were prevalent with high mortalities and morbidities. Even preventable diseases like malaria, TB, cholera, smallpox, typhoid, and gastro-intestinal problems were quite common.

In spite of steady growth in the economic sector over the years, national health status is characterized by high population growth, infant mortality, and morbidity rates. The major killers are diarrhea, tetanus, and pneumonia in children; pregnancy-related complications among women of productive age; and accidents, cardiovascular

diseases, and cancer in the elderly. Hepatitis B and C is an emergency threat.

Like the poor school health services and environmental health, Occupational safeties and health is a neglected area of custodianship, policy designing, and fragile overall integration of the health sector.

ii. Organizational Structure Sector

Under the Constitution of 1973, health is a provincial domain with the Health Departments managing healthcare through district agencies that manage first aid posts, dispensers, MCH Centers, BHUs, and RHCs, as Primary Healthcare Units and THQ and DHQ hospitals as Secondary Healthcare institutions. Tertiary healthcare is managed by provinces themselves.

In the wake of the 18th Amendment in the Constitution, the social sector including the health sector has been devolved to provinces.

The Basic Health Units (BHU) and Rural Health Centers (RHC) are the backbone of PHC with a network of over 6500 facilities, at least one at each union council. Over 50 percent of all BHUs have been handed over to the National Rural Support Program under the arrangement of Public-Private Partnership known as People's Primary Healthcare Initiative, formerly known as President's Primary Healthcare Initiative.

Medical facilities: There are 830 hospitals with over 100,000 hospital beds in the public sector, majority of them functioning as secondary and tertiary care hospitals. AF presents 6,622 first level care facilities including basic health units, rural health centers, MCH facilities, TB centers, and dispensaries provide primary healthcare.

Mortality: Crude Death Rate is 8.1%, IMR 72, MMR 350 and mortality rate among under 5 children is estimated at 98. The leading causes of death are communicable diseases, accidents, cardiovascular diseases, complicated pregnancies, and cancer. Diarrhea and ARI alone contribute 66% of the mortalities among children under five.

Morbidity: In Pakistan, 40% of the diseases are still infectious in nature with the major contributors being diarrheal diseases, acute respiratory infections, malaria, tuberculosis, hepatitis B and C, vaccine-preventable childhood diseases, parasitic infestation, puerperal sepsis, cardiovascular diseases, and respiratory tract infection. Reproductive health problems account for 12%, nutritional deficiencies for 6%, and non-communicable diseases for 10% of the cases.

The 10th Five Year People's Plan-MTDF 2010-15 translated into Economic Growth Framework and focused on Health Sector-Primary Healthcare, identifies the major issues and constraints in PHC:

- **Policy Focus:** Coordination of PPHI with Health Sector for PHC and HMIS, definition of the role of partnerships and their development according to the prevailing policies and rules, health sector reforms in the wake of the 18th Amendment in the Constitution, strategic policy planning for preventive programs, retention of developed capacities, and utilization, role of federation in devolved health sector, coordination with province, federal ministries, and international partners
- **Implementation arrangement:** Regulation of finance through efficient arrangement of RBM, performance audits and internal and external audits
- **HMIS and DHIS:** Implementation and initiation in secondary and territory care, coordination with private sector
- **M&E:** Development of a culture for internal M and E and validation by a third party and strengthening of performance audit, RBM, and institutionalized evaluation at all levels
- **Project Management:** Enhancement of management capacities and their utilization in the deficient sector
- **HFC:** Development of linkage between allocation, releases, expenditure, and utilization
- **Coordination:** Mechanistic identification and implementation mechanism
- **Nutrition:** MI, Food fortification, Food safeties and securities, Genomes, and abuse of harmful food supplements.

Major Requirements

- Decentralization and defederalization of programs
- Integration of vertical programs into PHC
- Improvement of District Health System
- Strengthening of HMIS
- Public-Private Partnership
- Strengthening of urban PHC
- Awareness and advocacy with technical addressal and in specified areas
- Reform in rural health facilities
- Monitoring, supervision, and accountability to overcome managerial deficiencies
- Evaluation through a third party and internal management
- Development of a credible referral system
- Strategic placement of nutritional intervention, food safeties, and availability of micro-nutrients
- Health promotion and a wealthy life style.

Best Practices

Like most of the developing countries, Pakistan, over the last three decades, has been experimenting with new initiatives and innovative ideas adopted at the international level. Evaluation of the Public-Private Program in the social sector at large, particularly the health sector, is a major issue at the policy level. MTDF 2010-15 translated into Economic Growth Framework is taking into consideration expansion of services, maintenance of quality, and equity of services in the most marginalized communities and poor segments of the population for alleviation of poverty and economic growth.

Criteria for choosing best practices

- **Best Practice promotes Inclusive Development:** A best practice leads to broad-based economic growth and development, promotes full employment of labor, and increases the returns to natural factors of production such as land and water.
- **Best Practice focuses on Youth:** South Asia has a very high proportion of young population due to its high population growth rates.
- **Best Practice focuses on Women and Children:** The low status of women in South Asia and the

miserable state of children in nutrition, education, and care demand more attention.

- **Best Practice is innovative:** This means creative solution to common problems of poverty and social exclusions.
- **Best Practice makes a difference:** It demonstrates a positive and tangible impact on the living conditions, quality of life, and environment of the individuals, groups, and communities concerned.
- **Best Practice has a sustainable effect and is cost-effective:** A Best Practice contributes to sustained eradication of poverty and social inclusion through involvement of participants and is cost-effective.
- **Best Practice is sensitive to climate change:** It should lead to improvement in the environment, protection of natural resources, and abatement of global warming.
- **Best Practice has the potential to build upon the Indigenous Knowledge System (IKS)** ensuring higher participation of the community and economy of time and costs.
- Best Practice has the potential for replication to generate policies and initiatives elsewhere once sustainably adapted to the local conditions.

People's Primary Healthcare Initiative formerly known as President's Primary Healthcare Initiative (PPHI), the social protection provided through Benazir Income Support Program (BISP), and National Program for Family Planning (NFPF) and PHC and FLCF have been selected as the best practices. The selection was based on the following criteria:

- Innovative financing, service deliveries and good governance
- Better quality of care than the existing mode of services deliveries
- Optimum cost efficiency addressed
- Equity in terms of affordability, accessibility, and adaptability
- Transparency in governance and administration
- Feasibility of policy design and administration
- Scope for replication in other areas
- Transformations of practices into recurrent arrangements

- Ownership and custodianship at users, managers, policy designing, and decision-making levels.
- **Wasila-e-Haq:** Financial assistance to widows, orphans, physically handicapped, and other marginalized sects of the population in need of assistance.

iii. National Program of Family Planning and Primary Healthcare

The Government of Pakistan launched NFPF and PHC in 1994 deploying 33,000 female health workers initially that grew to a size of 120,000. Housed in their own homes within the assigned community, LHWs provide service in family planning, MCH care services, growth monitoring, awareness against preventable disease, promotion of healthy life style, and environmental hygiene in addition to participation in crash programs of Polio Eradication, TT coverage to expected mothers, Measles Reduction Campaign etc.

The LHWs program is a flagship program of the Government playing a major role in reduction of MMR and IMR, enhancement of EPI coverage, assistance in Stop TB Initiative, provision of MCH services and growth monitoring, and participation in National and Sub-National Immunization Days of Polio Eradication.

iv. Benazir Income Support Program

This program was launched to protect the poor, offering Rs. 1,000 per family and information through mobile networks and postal arrangements. The criteria for selection are critical verified by the concerned legislators or parliamentarians. In addition to financial assistance, BISP is scheduled to launch the following four projects in social protection in education and health.

- **Wasila-e-Sihat:** Health services will be provided under an insurance scheme to poor segments of the population
- **Wasila-e-Taleem:** Financial assistance provided to talented students who cannot pay for their education (identified, picked, and selected maintaining critical transparency).
- **Wasila-e-Rozgar:** Will provide micro-financial aid to set up small business ventures for poor segments of the population.

Under critical vigilance for maintenance of good governance and administration of accountability, the program is facing teething problems, such as the issues of sustainability. But quite interestingly, for the first time, it has introduced Exit Strategies in development planning which is considered a contribution of this program.

v. Public-Private Partnership

Public-Private Partnership offers public service through private investment funded and operated under a partnership of government and one or more private sector companies under an agreed protocol of understanding under which the private party provides public service and assumes substantial financial, technical, and operational risk in the project. PPP may be developed at the cost paid exclusively by the users of service and not by the taxpayer, and capital investment is made by the private party to provide the agreed services and the cost of providing the service is borne wholly or in part by the government in contributions that may also be in kind like transfer of existing assets in the infrastructure projects. The government may provide a capital subsidy in the form of a one-time grant.

vi. Rahim Yar Khan (RYK) Model

In August 1999, the Government of Punjab started clustering three BHUs in District Lodhran in an innovative way combining resource management and health manpower to provide the best results by utilizing FLCF, efficiency in services delivery, confidence building of community, and addressing issues of logistics at a reduced cost.

In the RYK Model, launched in 2003, all BHUs and MCHs were clubbed in clusters of 3-5 FLCF managed by one medical officer in arrangements of on-call services in case of emergencies in addition to routine consultative schedule on a

rotation basis for medical technicians and other health professionals. Community Support Groups were established for monitoring of service delivery, provision of school health services, and initiation of community awareness campaigns in addition to provision of a prescribed schedule of curative and preventive service delivery. Female medical officers were added in the health staff of some of the clusters, subject to availability of FMOs for provision of MCH services. On-job training was initiated for capacity building of health professionals. Medicine were supplied free of cost. Monthly review meetings were started in the Pilot Project. Good governance was given strong consideration to maintain transparency where accountability was administered through penalties of job suspension and service termination of professionals found irresponsible.

In the RYK Model, all FLCFs were rehabilitated at the cost of Rs 100,000 per FLCF on average provided by the federal government and finance for salaries and medicine supplies; other logistics were provided by the provincial government out of their non-development budget. Under this new arrangement, PRSP retained the existing staff with additional incentives of finance in addition to hiring of fresh manpower at the market rate and according to the provision of services.

vii. People's Primary Healthcare Initiative

Expanding RYK Model–Pilot Project, the Federal Government in 2005 launched People's Primary Healthcare Initiative (PPHI) to improve service delivery at FLCFs with the purpose of strengthening the curative and preventive services provided in FLCF and signed an agreement with the National Rural Support Program which ran Provincial Support Program in the provinces for re-organization and restructuring of management of all BHUs in the districts with a central role for community-based support groups. PPHI was expanded in 2007-2010 to 48% (2,392 out of 5,310) of all FLCFs in 82 districts out of a total of 135 districts in Pakistan. Province-wise, details are given in the Table 8.1.

Table 8.1 Coverage of PPHI at the provincial and district levels in March 2010

Province/Area	Districts	FLCF	Districts with PPHI	FLCF in PPHI Districts
Sindh	23	788	18	927
KP/FATA	31	956	14	424
Baluchistan	30	559	30	558
Gilgit Baltistan	7	17	7	140
Punjab - CMI	36	2455	12	844
AJK	8	203	Not yet started	-
Total	135	4978	82	2392

Objectives of PPHI:

- Definition of the range of PHC as curative, preventive, and primitive services
- Identification of governance structures including the National and Provincial Steering Committees and Federal, Program (Provincial), Regional (Sub-Provincial), and District Support Units
- Development of TOR for National, Provincial, and Regional Directors, and District Support manager
- Development of TOR for Resource Group (a group of "Distinguished Health Professionals" to be appointed at both national and provincial levels to "provide guidance to the PPHI operations appropriate to their specialties".

Service Range of PPHI: The eight components of PPHI are:

- Improvement of basic hygiene
- Adequate supply of drinking water
- Participation of population
- Health and hygiene education
- Appropriate methods of treatment
- Maternal and childcare, including reproductive health and family planning
- Improvement of nutritional status
- Expanded Program of Immunization (EPI)

Healthcare Financing in PPHI: Initially envisaged as a 30 month-project (January 2006 - June 2008), the total cost of Rs 2,004.88 million was to be provided from the Non-Development Budget. Finances for salary component, supplies of medicine and consumables, and other logistic supports are being provided by provincial governments through their non-development budget.

Table 8.2 Funds allocation and release to PPHI Rs (million)

Financial Year (FY)	Allocation	Revised Allocation	Releases
2005-06	320.115	320.115	320.115
2006-07	250.000	50.000	50.000
2007-08	200.000	200.000	200.000
2008-09	200.000	410.000	410.000
2009-10 (upto Dec 2009)	843.819	843.819	337.528
Total	1813.934	1823.934	1317.643

Management of PPHI: A Program Director in each Provincial Support Unit provides management to all District Support Units through an agreement signed by the PSU of the concerned province, the District Government, and PPHI.

- Support Group at every BHU consists of carefully selected persons from the beneficiary community in the catchment area of FLCF such as elected representative teachers, women, students, minorities etc. The Group meets at least once a month to oversee the services delivered at FLCF, availability of staff, and clustering of FLCF for management of more than one facility where medical professionals cannot be made available or hired.
- Arrangement of MCH services managed through a Female Medical Officer who goes around a cluster of upto five FLCFs in a week and provides medical cover to women and children in the catchment area to manage with regular and adequate supply of medicines and materials.
- Monthly Review Meetings at the district level bring together the medical staff, the District Support staff, and the relevant officers of the District Government for participative discussion on the services delivered, any new measures taken at the HFs, and resolution of problems.
- Capacity Building of medical and paramedic staff through regular training sessions is

organized at the FLCF in addition to orientation sessions with Resource Persons, continuous supervision, frequent monitoring, initiation of new services and restarting dormant services, if any, including School Health, Community Health Campaign, Family Planning services, Female Health Programs, and community participation through Support Groups.

- Identification of a Resource Group of Specialists from relevant and important specialties in each district for best guidance of the eight PHC constituents of the PPHI.
- Updating of an Operation Manual providing a framework to guide and regulate management of healthcare operations, job description of professional and management staff, procedures for budgeting, accounting, audit, monitoring, and the manner of providing support services to PHC services.

Physical Progress: In all districts with PPHI, medicines are supplied regularly and adequately. Support Groups are organizing and facilitating visits for PSU and DSU on a regular basis. OPD turnout has improved significantly and steps are being taken to fill the posts of professional staff. FMO program has been launched in many districts covered by PPHI. Staff presence has significantly improved. School Health Sessions are being conducted where children are screened and made aware of health issues and importance of preventive care. Monthly Review Meetings are regularly held at District Headquarters (Table 8.3).

In order to assess the effectiveness of the program a Third Party Evaluation has been done.

Third Party Evaluation of PPHI: Conceptualized in 1999 and with the pilot project of RYK Model launched in 2003, PPHI was

Table 8.3 Physical Progress of PPHI (NOs)

	Province	OPD	Children	Women	Children Screened in School	Repaired and Rehabilitated FLCF	Operation of non-functional FLCF	MOs	FMOs
1.	Sindh	11,342,390	2,410,585	511,608	58,357	283	95	412	326
2.	Baluchistan	2,865,557	425,390	78,403	75,430	316	143	48	53
3.	KP/FATA	2,841,023	42,717	83,172	50,390	212	17	147	14
4.	GB	346,313	25,293	2,988	30,190	31	9	20	3
	Total	17,395,283	2,903,685	676,171	214,367	842	264	627	396

initiated in 2005 in Punjab at the national level in 2007. Comprehensive progress reports are being developed by each province and submitted to the federal government on a regular basis. A host of issues related to management, supervision, coordination, range of therapeutic services, coordination with preventive programs, HMIS, rumors of conversions of FLCF to real estates, and teething problem are being identified.

In Sindh, KP, Baluchistan, and GB, the process made has been evaluated by SoSec, an international consultancy firm, with the financial assistance of DFID and AusAID in 2010. The objectives of the third party evaluation are:

- Utilization of FLCF, specially by the poor;
- The range, volume, and quality of services at FLCF;
- Community participation in delivery of services at FLCF;
- Efficiency and effectiveness of management structures at all levels from National and Provincial to District and Community.

PPHI was launched to overcome the failure of FLCFs in Pakistan to deliver PHC services through health facilities (many of them established 25 years back). Most of them were understaffed, poorly resourced, and/or ineffectively managed. The TPE evaluation of PPHI has noticed significant improvement in staffing and availability of drugs and equipment and physical condition of facilities, including rehabilitation and repossession of hitherto dysfunctional FLCF.

Issues in Best Practices

1. Match between Intervention and Practice

Interventions in all these projects are focused primarily on women in the reproductive age group, children under five years, poor segments of population and rural areas constituting two-thirds of the whole population. NPFP and PHC, in addition, provide employment opportunity to young women where BISP has projects specifically focused on the youth, particularly for their education in addition to cash transfer to poor families.

2. Beneficiaries, Location, GESI Aspects

The best practices in health sector identified for this country paper are PPHI, BISP, NPFP, and PHC. As stated earlier, interventions in all these projects are focused primarily on women in the reproductive age group, children under five years, poor segments of the population and rural areas constituting two-thirds of the whole population. NPFP and PHC, in addition, provide employment opportunity to young ladies where BISP has projects specifically focused on youth, particularly for their education in addition to conditional cash assistances.

Comprehensive Primary Healthcare: Except in a few districts, FLCFs all over the country have been handed over to RSP under PPHI for efficiency in delivery. For the time being, PPHI is offering only clinical services through clubbing up of facilities under a rotating management of doctors. Inadequate preventive services are offered where management information is compiled isolating the Health Sector at large and district health system in particular.

Enhancement of Managerial Capacity and Leadership in Support of PHC Delivery System: PPHI District Health management and leadership in support of PHC is being strengthened through training in managerial skills, community involvement, integration of various health programs, provision of logistic support for effective supervision, expanded role of the community and private sector, incorporation of the community-based health workers in the health system, and the concept of multipurpose health workers.

Integrated Service Delivery—Essential Health

Package: Consisting of a nationwide network of health facilities, staffed with different cadres of health personnel according to the level of care, service is delivered primarily through vertical health programs that are not well integrated into the PHC set-up.

In order to improve the coverage and quality of service delivery, reduce cost of health delivery and optimize the scarce resources, avoid duplication

of training, and facilitate accountability of health providers, an integrated organizational set-up and service delivery at all levels of healthcare and essential health package at FLCF is available through PPHI.

3. Best Practices in PAPA or SDGs

Building of capacity, retention and maintenance of expertise developed through participation in community awareness, advocacy, and social mobilization in addition to oversight steering for provision of quality healthcare of reasonable standard, and welfare of communities through implementation and management of well designed social protection, and focus on marginalized groups of population, women, and children constitute the theme of National Health Policy Planning in Pakistan.

MTDF2010-15 tailored into Economic Growth Framework under the RBM giving comprehensive strategies dictates vision with comprehensiveness in coverage, coordination in efforts, efficiency in delivery, and effectivity in delivery for:

- Reduction of mortalities, morbidities, and disabilities;
- Improvement in quality of healthcare through strengthening and upgradation of health facilities;
- Enhancing efficiency of vertical programs through integrated manners; and
- Achievement of international obligations of MDGs for self-reliance and sustainability.

RBM of Economic Growth Framework, keeping in view the recommendations and suggestions including guidance for research works and reports, emphasizes coordination of efforts in PHC, strengthening of program management, upgradation of facilities involved in delivery of PHC improvement in supply of logistics to PHC through investment in diagnostics, services, skill development of staff and physical infrastructure for quality, efficiency in addition to effectiveness and equity rather than equality with the objectives of poverty reduction and achievements of targets of MDGs and SDGs at the minimum. The following, in this regard, are the strategic interventions.

Human Resource Development and Training for PHC: There are serious mismatches and deficiencies in health manpower in the health sector at large and PHC is no exception. In addition, PHC is suffering from serious shortfalls at the delivery level with shortage of EPI technicians and Malaria supervisors assisting in TB control.

Health System Strengthening through technical and financial assistance of GAVI for the time being is under process for implementation at the provincial level with the support of new recruitments, training of the existing manpower, and development of career structure to build ownership.

Organization of Referral Support for Primary Healthcare: A Referral system of networking and linking the health services of all sectors, public and private, needs to be developed to avoid resource wastage and provide appropriate and timely care to individuals and communities.

The referral path has to be clearly defined. In the case of bypassing the defined referral pathway, charges for services (consultation, diagnostic drugs) have to be levied. In addition, the Medical Transport System can be redesigned through public-private partnership development.

Monitoring, Supervision, and Accountability:

It is proposed that the district managements will be trained in result-based monitoring and supervision techniques and accountability in PHC will be strengthened through:

- Definition of objectives and support services required
- Providing training to managers and supervisors according to their needs and requirements
- Making healthcare providers accountable for their performance to their supervisors, the DHAs, and the community,
- Ensuring regular evaluation of all health programs.

Maternal, Neonatal, and Child Health:

Reproductive Health deals with all aspects of the reproductive system and its functions in the context of PHC, including pre-natal care, safe delivery, post-natal care, family planning, female

nutrition, breastfeeding, STDs/AIDS, treatment of infertility, and diseases of the female reproductive system. Neonatal and Childcare is in progress through a donor-assisted NMNCH project.

Community Involvement and Collaboration with NGOs, CBOs, and Private Sector: There is, currently, a wide gap between the community and the health delivery system. The health personnel are not well trained in community organization and are not accountable to the community for their performance. Inter-governmental agency collaboration and communication are weak at all levels and so are the Government and NGOs linkages. Community relationship with the line departments is unsatisfactory. Public confidence in the health system is lacking. The specific recommendations in this context include:

- Formulation of District Health Authorities with representation from the district health system and the community for assistance in district health management
- Institutionalization of the role of Health Committees and Women's Groups for monitoring PHC activities
- Autonomy to medium-size hospitals
- Greater involvement of community in the selection of Community Health Workers
- Strengthening linkages between LHWs, VBFPWs, and TBAs
- Promoting Home Healthcare through community participation
- Adopting uniform government policies for the NGOs.

Health Promotion and Health Education: Health promotion and health education is an essential component of PHC. The success of PHC interventions depends upon a well informed and motivated public ready to make their proper and timely use of health services and willing to work for the promotion of their health. This requires systematic and well planned health promotion and health education activities. The specific activities will include:

- Establishment of Directorates for HPHE at the federal and provincial levels and Health Education Units in all districts

- Training of Health Education Officers and other health workers in HPHE
- Developing research capability in health education
- Conducting annual impact evaluation of the health education campaigns on mass media
- Strengthening of existing inter-sectoral Communication Advisory Groups and forming Provincial Communication Advisory Groups
- Implementation of a school health program with special focus on school health education campaigns
- Conducting media health education campaigns to educate the public in health matters.

Nutrition through PHC: Food is of critical importance as a basic requirement of living beings. Nutrition, therefore, is considered as a basic element of PHC with particular emphasis on micronutrients required in the growth and development process at large and their need in specific conditions of pregnancy and lactation, neonatal life and infancy, and during and after sickness.

Nutrition faces specific issues of the lack of custodianship and lack of coordination compounded by poor food safeties, securities, legislation, and fortification where the new scientific developments in genetically modified foods are posing potential threats.

During the 10th Five Year People's Plan 2010-15, food safety, security, and fortification are being addressed through various legislations where micronutrient deficiencies are being addressed through provisions and supplies. Definitions of standards of food are recommended where food testing laboratories will be established for maintenance of food and nutrition standards and food sanitation at large. Affective coordination among various stakeholders involved in issues relating to food and nutrition is proposed through establishment of national and provincial bodies with specific mandates.

Critical Problems in Health Services: Drug abuses are an emerging public health problem while malaria and tuberculosis pose potential threat. Communicable diseases remain a severe burden.

Parasitic infestations are common. Inadequate salaries and operational problems lead to inefficient utilization of available resources, insufficient supply, and inequitable distribution. Operational management is characterized by absenteeism in PHC facilities, inappropriate location of health institutions, unbalanced utilization of available facilities, highly centralized decision-making system, political interferences, unbalanced utilization of available facilities, poor supervision, and poor maintenance of equipment and transport and buildings are the other issues of concern.

Environmental Health and Sanitation

Food Hygiene: Food and nutrition are the most neglected issues in Pakistan in terms of custodianship. The Ministry of Food and Agriculture at the federal level has been devolved to province where a new Ministry of Food Safety has been created. The Food and Agriculture Departments at the provincial level are entrusted with the job of production and supply management where their marketing, price control, safety, and hygiene remain vague in terms of job description and specification of responsibility.

Food hygiene basically is a function of civic institution, municipal authorities, local bodies, and district health management where full time employed food inspectors are looking after food hygiene managements at the market level normally undertaking inspection tours to shops, restaurants, and slaughter houses. Rules and regulations dealing with food hygiene are century-old and ill-defined where implementation and enforcement mechanism is very weak.

Drinking Water Supply: Potable water is available to 63% of the total population and 85% of the urban population where municipal treated water is stated to be available in two cities of Pakistan, i.e. Karachi and Islamabad. The existing water resources are under severe threat due to degradation, soil erosion, deforestation, and discharge of untreated municipal and industrial wastes into the rivers and other water channels resulting in biological and chemical contamination of drinking water.

Pakistan Council of Research in Water Resources at the federal level is looking into the potentialities of resources, techniques of availability, and safety mechanism.

Management of Medical Waste: Hospital waste management is the weakest area addressed with installation of small dumping technologies and incinerators in some of the tertiary care hospitals. District and Tehsil Headquarters Hospitals, RHCs, BHUs, and MCH centers are yet waiting for their turn. Diagnostic laboratories may be considered then after.

Disposal of Municipal Waste: General Disposal and Sanitation facilities including sewerages in urban area and drainage in rural population are available to 42% of the total population with urban-rural bifurcation as 65% and 30% accordingly. Of the total population, 45% has no access to toilets. Only 5% of the total population has the facility of municipal garbage collection.

Sewerage treatment plants, though, available in some big cities, is either functioning poorly or providing inadequate coverage due to rapid and un-planned urbanization resulting in discharge into the major water courses that bring public health hazards.

Industrial Waste Management is almost non-existing. Industries in Pakistan import more than 500 types of chemicals and dyes for use in various processes generating toxic wastes which are either discharged to the nearby water channel or open land available. The environments near sugar, flour, textile mills and other industries are nauseating. Effluents out of many industries are emitted without any treatment. Even hospital wastes are disposed like garbage.

Environmental Pollution and Health Hazards: Agricultural chemicals of many kinds are used as fertilizers, pesticides, herbicides, plant protectives, food preservatives, ripening agents, and animal nutrients. Nitrogen, phosphates, and potassium are the common chemical fertilizers with substantial increase in utilization over time replacing animal

manures. Poultry excreta with many chemical ingredients are used as fertilizers as well. Pesticides of varieties with periodic replacement mechanism are in practice over the last few decades.

Health hazards from agricultural chemicals do not affect only the farmers and others involved in agriculture but also cause degradation of environment resulting in health hazards.

Environmental pollution continues to affect livelihood and health in spite of the significant progress made in developing environmental policies, regulatory framework and establishment of related institutes. Pollution of air and water, climatic changes, ozone depletion, deforestation, erosion of biodiversity, land degradation, lack of waste management, and poor urban planning have resulted in ecological imbalance threatening life and civilization. No adequate pest management exists where application of pesticides and herbicides is driven by market mechanics.

4. Institution Building and, Strengthening and, Employment Generation

In spite of the reasonable progress made in developing PHC infrastructure through 9,000 First Level Care Facility, the minimum one at each Union Council, serious deficiencies exist in trained and qualified manpower right from delivery at grassroots up to the management at high level as also in access, coverage, and logistics. This has resulted in under-utilization of FLCF and shifted the burden of PHC to the secondary and tertiary levels.

The Existing PHC Infrastructure is comprised of 3,500 SHC Centers, MCH Centers and Dispensaries, 5,000 BHUs, and 500 RHCs. As many as 500 THQs, DHQs, and tertiary Hospitals assisting in PHC are in need of improvement, strengthening, and upgradation. The emphasis of the Plan is on coordination and integration of all efforts in PHC, strengthening of program management, upgradation of facilities involved in delivery of PHC, and improvement in supply of logistic to PHC through investment in diagnostic, services, and skill development of staff and physical infrastructure for quality and quantity.

Institutions involved in PHC, particularly NIH, NIMRT, and HSA are to be provided support for strengthening, upgradation, and improvement during the 10th Five Year People's Plan 2010-15.

Vertical Programs Devolved to Provinces

- Expanded Program of Immunization
- Roll Back Malaria
- Tuberculosis Control Program
- HIV/AIDS Control Program
- Improvement of Nutrition through PHC
- Family Planning and Primary Healthcare
- Prevention and Control of Hepatitis
- Prevention and Control of Blindness
- Maternal, Neonatal, and Child Health Program
- Prevention and Control of Avian Influenza.

Rural health services in Pakistan were initiated under the recommendation of Medical Reforms Committee in 1960 while the Accelerated Health Program for construction of RHCs and BHUs at the national level was launched in 1982. Over 6500 RHCs, BHUs, and MCH centers, known as FLCF, were completed by 1990 to provide PHC services.

Assessment studies show poor utilization of FLCF. Access was the major issue in FLCF, compounded by absenteeism and rude behavior of the medical staff, poor supply of logistics and medicine, and lack of utilities such as gas, electricity, and piped water supply. Communities lost confidence in the services available from FLCF. After the success of the RYK Model Pilot project, the Government of Pakistan launched PPHI. Strengthening PHC in the rural areas of Pakistan PPHI till date has rehabilitated 2392 FLCFs, out of a total of 4978 in 82 districts out. FLCF in PPHI includes BHU, MCH centers, dispensaries, and first aid posts in the public sector. Water supplies are made available, service areas and residences are repaired, telephone communications are arranged, and logistics and medical supplies have been improved.

Employment generation remains insignificant, but the critical requirements of FMOs are being addressed by hiring services of female doctors along with new recruitments of paramedics and health auxiliaries. In addition to clinical professionals,

DSUs and PSUs provide employment at the district and provincial level.

5. Participation, Self-Help

Participation and involvement of communities for creation of ownership and custodianship in the social sector at large and healthcare particularly are under consideration in policy planning since the 7th Five Year Plan period. Various kinds of interventions with different objectives are being tried. The provision of free land by communities for establishment of FLCF is one example. After construction and establishment of FLCF under the AHP, launching of NPFP and PHC with deployment of 120,000 LHWs for building a bridge between the communities and FLCF is another example.

Rules and procedures do exist for registration of NGOs and CBOs in Social Welfare Departments, now a provincial issue, after reforms were introduced in the wake of the 18th Amendment in the Constitution of Pakistan. Self-help and user participation are not only appreciated and encouraged at the policy designing level but promoted at the implementation stage as well. Reporting of misdeeds, particularly on the part of the international NGOs is, of course, a major concern of the government.

Community support groups have been formed by PPHI with representation of both male and female, religious leaders, community elders, elected persons, teachers, and other notables. These groups are invited to participate in review meetings not only for steering but also for their advice to improve client satisfaction.

Corporate philanthropy has a critical role in provision of social service, particularly in environment. Petroleum, chemicals, fertilizers etc are some of the industrial hazards affecting plant and the living animal kingdom, including humans. Once this issue is taken care of at the policy design and decision-making level, the sustainability of the environment will not be a major issue.

6. Role of Government, Donors, NGOs, CBOs

In the case of PPHI, the partnership is between the government at the federal, provincial, and district

levels and PRSP under a signed memorandum of understanding with the federal government and the concerned provinces and districts.

The Federal Government has provided grant-in-aid of over Rs 2 billion for rehabilitation of FLCF, at the minimum of Rs10,000 per facility. This consists of repairs of building, provision of equipment, improvement of utilities, and strengthening of services. The Provincial Government is providing non-development budget. District health departments are responsible, under an agreement signed with RSP, for oversight and monitoring of the activities, provision of services, and maintenance of the quality of care.

The role of RSP is crucial not only in terms of provision of quality care under transparent financial flow and for maintenance of good governance and administration. In the case of failure of achievement of the objectives at the optimum level, PPHI may neither be extended nor expanded. There are rumors and evidence that are not much in favor of the RSP in this case.

The role of the CBOs, is crucial not only in the adaptation of such practices by communities, but they have also to take care of supervision, steering, assisting, supporting, and suggesting the services required.

7. Costs

Costing in PPHI, as acknowledged by the TPE team, for individual units of facilities or services and themes remained their major handicap. Rs 2 billion was given to PPHI by the federal government as capital grant for rehabilitation of FLCF each at the cost of Rs 100,000. Recurrent costs are provided by provincial governments against non-development allocations otherwise specified for FLCF given to PPHI.

The costs of the training component and human resource development, particularly in PPHI, is regarded not to be very high. Establishment, administration and management consume much of the finances allocated, not only in PPHI but in all such projects, particularly the development programs.

All the FLCF handed over to PPHI were established since the early eighties, after the Alma Ata Declaration of WHO-HFA, where free land was provided by the communities. The cost of transportation arrangements raises a question, since ambulances were not given to any FLCF and they cannot be managed from the federal grant provided.

Recurrent cost is provided to PRSP by the respective province where PPHI is charging for some of its services, at the minimum against the private market. Keeping in view the whole establishment of FLCF, the recurrent costs of FLCF in PPHI are not much of a problem once replication of the model is aimed with the same objectives, existing establishment and prevailing assets.

8. Timeline

After experimenting on PPP-development in District Lodhran of Punjab Province in 1999, PPHI with a project life of five years was scheduled to be launched in 2005, but was initiated in Punjab in 2007 and then in other provinces of the country. Timely completion of development projects, particularly infrastructure management projects, and then their transfer to regular budget, implies a lengthy process of regular financing.

9. Wider Replication and Upscaling

PPHI at the national level is considered an example of wide replication and upscaling. Replication and upscaling consumed almost a decade. Such projects may presumably work for a minimum of half century but would depend on the political environment of the country, development status of economy, welfare-oriented policy design, sustainable financing, efficient administration and management, as also good governance.

PPHI, despite rumors of management issues and financial irregularities, has rehabilitated the non-functioning FLCF in providing some of the services. On the issues of coordination, administration and management, expansion of the range of services, and management of an efficient information system, PPHI is considered replicable in all countries of SAARC and other developing countries.

10. Monitoring and Evaluation Indicators

Monitoring is focused on failure in regularity of exercise and evaluation focuses on achievements at a certain time period of project life for assessment of performance against expenditures. Both M and E require identification and development of indicators which have to be prescribed differently for different issues and according to the situation and objective.

Common and Technical indicators: Monitoring indicators in the management of PPHI is focused on the delivery of services, such as OPD attendance, presence of staff, availability of medicine, training sessions, awareness campaign, school sessions, meeting of support groups etc. PPHI administration for monitoring of their progress in intervention is working on process indicators, service delivery, client satisfaction, logistic management, and administration of staff in their Monthly Review Meeting and is compiling a progress report on a regular basis.

Anthropometric Indicators: Anthropometric indicators have neither been used by PPHI for monitoring nor have been developed or used in a Third Party Evaluation. Technically, the use of anthropometric indicators in monitoring and evaluation of programs like PPHI is considered not very significant.

Project Evaluation: Third Party Evaluation of TRF through SoSec using data existing at the district and facility level has been done on process indicators for physical progress. Improvement in staffing, availability of drugs and equipment, physical condition of facilities, and delivery of services are evaluated through the indicators of OPD attendance, antenatal and postnatal care, place and person for delivery of pregnancies, attendance of birth by SBAs, availability of diagnostics, telephone or transportation, referral record and client satisfaction. Acknowledging their inability to study FLCF-wise financing, indicators in finance are limited to allocation, releases, and expenditure.

The concepts of Result-Based Monitoring and Performance Audit are being introduced at the policy planning level and project design

stages in the policy planning and development sector of Pakistan. Performance Audit has been institutionalized by the Government of Bangladesh in the office of their Audit General who submits reports regularly to the Public Account Committee of their parliament. Such innovation may of great help in replication of the model.

Conclusion

PPHI has been under experimentation over a period of more than a decade. The achievement of the desired objectives in PPHI within the stipulated period of project and cost, both developmental and recurrent, depends not just on financial regularity, but also on efficient management.

PPHI, for the time being, is working in almost 50% of FLCF within 75% districts of the country. With sufficient scope for generation of their own revenue, the sustainability of PPHI is not an issue. But extension and expansion of PPHI depends on welfare-oriented political commitment and designing issues of development and well integrated HMIS or transparent financial arrangements.

Replication of the PPHI model in other countries in SAARC or elsewhere at the global level should not forget modification and adjustments needed in different environments and situations.

Recommendations

- i. Clearly identified, well defined and technically designed Exit Strategies, coming out objectively and not just getting out or closing projects are the basic minimum requirements in almost all development projects generally and particularly in projects like PPHI. This measure deserves a critical consideration.
- ii. Welfare-oriented donor-administered and managed financing in all such projects has to be seriously considered with strict maintenance of good governance and administration of accountabilities.
- iii. M and E, RBM, Performance Audits or Financial Audits should focus all their

attention not only on achievement of performance or financial regularities limited to expenditures but also on the utilization of finance used for various purposes.

- iv. Establishment of vertical projects under the development budget should consider integration for the reason of proper administration and management.
- v. Costing should be given critical attention at the stage of concept design.
- vi. The institutional framework of PPHI or BISP model requires reformation and strengthening with attention focused on capacity building, retention of developed capacities, and their efficient utilization. This is required to prevent brain drain.
- vii. Accountability should be compromised at no cost while focusing on performance, monitoring of service providers, and competence of staff acquired through continuous training in management, legislation, accounting etc.
- viii. Expansion and extension in PPHI should be critically subject to the criteria of best practice on ground.
- ix. Efficient coordination in disease-specific program requires integration in the national program for service delivery and HMIS.
- x. School health should not be limited to one-time screening of students or to awareness session. Aiming at reduction of drop-out, school health should have an efficient referral system and placement of students in their classes as per their requirements.
- xi. Health education is not just campaigning or celebrating some special days of the years for the purpose of exhibition. The agenda should be addressed with all the technicalities of the subject at one's disposal.
- xii. Public health being the most complex subject, requires qualified professionals with dedication and commitment for delivery of service with a missionary zeal for practicing public health.
- xiii. Experimentation should not be avoided just for fear of mistakes. Lessons have to be learnt from new measures, but this demands experiments.

* * *

Chapter 9

Sri Lanka



Contributors:

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As a signatory to the SAARC Development Goals, Sri Lanka occupies a leading position in South Asia. The government policy documents of “Mahinda Chinthana” (Relections of Mahinda: 2005) and “Mahinda Chinthana: Vision for the Future” (2010) encapsulating the Millennium Development Goals (MDGs) and SAARC Development Goals (SDGs) which reflect the contemporary development trends are the force driving Sri Lanka forward to become a “Wonder of Asia” by the year 2016.

The termination of 30-year-long crippling terrorism in 2009 enabled the government to gear a massive development agenda toward poverty. “Mahinda Chinthana: Vision for Future” (2010) is geared toward reducing poverty through various programs such as Samurdhi Safety Net with Mid-Day meal and a Glass of Milk for students and development devices such as Gama Neguma (Village Uplifting Program) and Divi Neguma (Livelihood Uplifting Program).

Best Practices in Poverty Reduction

1. Samurdhi Social Net
2. A Glass of Milk and Mid-Day Meal for Children
3. Divi Neguma Program (Livelihood Uplifting Program)
4. Gama Neguma Program (Village Uplifting Program)

Interventions and Best Practices

The Human Development Report 2011 of the UNDP places Sri Lanka in an outstanding position among the South Asian countries with 97th (0.691) rank in Human Development Index which involves common areas with Millennium Development Goals and SAARC Development Goals such as Poverty and Malnutrition, Women and Child Development, Environment, Health, and the level of Education. Economically, the country has attained the middle-income status.

The initiatives on poverty reduction taken by the Government of Sri Lanka have two aspects: Development-oriented investment promotion

and Subsidy-based safety nets, endeavors, that succeeded in reducing poverty level from 27 in 1990 to 8.9 in 2011, a leap in development transcending the SAARC Development Goal 2.

Per capita income increased from USD 1241 in 2005 to USD 2399 in 2010 and is expected to reach USD 4,000 by 2016 with a continuous growth rate of 8% per annum. Child malnutrition, though remains a major issue, has decreased from 38% in 1990 to 19 in 2010.

Criteria for Choosing the Best Practices

Among the Poverty Alleviation endeavors in Sri Lanka, Samurdhi Safety Net Program plays a vital role in delivering development benefits to the poor and marginalized communities living below the poverty line of USD 1.25 per day.

The provision of mid-day meal and a glass of milk to primary school children of selected poverty-stricken areas and communities has immensely helped reduce child malnutrition in those areas and in promoting the cognitive skills of children.

Divi Neguma (Livelihood Uplifting Program) is a holistic approach in livelihood development encapsulating consumption poverty reduction devised by home-based food production drive and entrepreneurship development with capacity building and microfinance intervention.

Gama Neguma (Village Uplifting Program) is the ideal model of participatory development where people decide their needs at the village level through People’s Councils and implement development decisions with their participation and monitoring.

These initiatives are reflected in government policy documents and impact significantly on poverty alleviation and attainment of SAARC Development Goals, especially in the areas of livelihood and health with positive ramifications for education and environment.

The main implementing agency of the program is the Ministry of Economic Development (MED)

in collaboration with other Ministries. MED is the major institute dedicated to micro- and macro-level development as an integrated endeavor with collaboration of other Ministries and Departments.

1. Samurdhi Safety Net

Samurdhi Safety Net Program started in 1995 integrating social net programs to support poverty-stricken communities earning below USD 1.25 per diem. It is not confined to social protection but also encapsulates preventing poverty with an overall goal to have a strengthened community in a prosperous land. This type of social protection service delivery system ensures the well being of the poor and vulnerable, contributes to economic opportunity, and supports growth with equity. Development theoreticians such as Amartya Sen believe such programs expand opportunities and entitlements to uplift the poor and the vulnerable from their poverty.

Selection of Beneficiaries and Implementation of program

Beneficiaries are selected by 318 Divisional Secretaries posted all over the country. Disbursement of allowance is automated to maximize service delivery and minimize corruption and delays.

Samurdhi Authority has a broad network of staff spread all over the island in addition to the staff at the center, i.e. 25 Assistant Commissioners and 25 Coordinating Officers at the District level, Samurdhi Managers to Head 1042 Samurdhi Banks, and Samurdhi Development Officers in each village as facilitators of beneficiaries.

The major activities of the program are:

- Monthly Allowance
- Social Insurance
- Scholarship Program
- Nutrition Pack
- Kerosene Subsidy
- Housing Lottery
- Samurdhi Micro-Credit Scheme
- Livelihood Development Program

Monthly Allowance: This could be described as the basic protection scheme of the program. Beneficiaries and allowance are determined on the basis of the monthly income and the number

of members in the family. Those who earn less than SLR 4,750 monthly are eligible.

Table 9.1 Variation of allowance depending on the number of family members

Number of family members	Allowance per month SLR
Above 6	1500
3-5	1200
1-4	750
Strengthened families	210

Source: Department of Samurdhi Commissioner General.

Strengthened families, who are dropouts of the program, still obtain a token of support of SLR 210 per month and are eligible for other concessions on a priority basis in water and electricity supply, and admission of children to schools. This component enables to maintain the purchasing power of the poor at a steady level.

Table 9.2 Progress of Samurdhi Safety Net Program during past 5 years

Year	Expenditure SLR mn	Beneficiary Families (Number)
2007	9200.1	1,844,660
2008	9666.1	1,633,309
2009	9274.1	1,600,789
2010	9241.1	1,574,675
2011	9043.4	1,541,575

Source: Department of Samurdhi Commissioner General.

Social Insurance: Social Insurance could be introduced to protect the poor, vulnerable households from economic and social shocks and distresses, such as birth, marriage, death, and hospitalization and enable them to survive safely under the ordeal of increased expenses.

As advocated by the Mahinda Chinthana Policy Document, allowances are distributed in the following way (Table 9.3):

Table 9.3 Allowance distributed

Occasion	Allowance paid SLR
Birth	5000
Marriage	3000
Hospitalization	200*
Death	10,000

*Each for maximum of 30 days per year

Source: Department of Samurdhi Commissioner General.

Scholarship Program: In the families benefitted by Samurdhi, students who pass the General

Table 9.4 Progress of the Social Insurance Scheme during the past 5 years

Year	Births		Marriages		Hospitalisations		Deaths	
	Number	Expenditure SLR mn	Number	Expenditure SLR mn	Number	Expenditure SLR mn	Number	Expenditure SLR mn
2007	16,592	46.4	29,528	31.8	20,274	14.8	24,630	246.1
2008	11,344	32.2	24,057	24.6	17,423	18	24,897	246.7
2009	5,218	14.6	13,801	14.1	12,182	17.4	14,891	148.9
2010	4,771	13.3	15,400	15.7	13,559	19.1	16,036	160.3
2011	4,113	19.9	15,700	41.9	12,808	18.1	15,386	153.8

Source: Department of Samurdhi Commissioner General.

Certificate of Education (GCE) Ordinary Level and qualify for the GCE Advanced Level are paid a monthly scholarship of SLR 1,000 to pursue higher studies for two years.

Table 9.5 Progress of scholarship program

Year	Monthly value SLR	Number of Scholarships	Expenditure SLR million
2007	500	6,232	37.4
2008	500	6,291	37.7
2009	500	6,292	37.8
2010	500	6,173	37
2011	1000	7,400	88.8

Source: Department of Samurdhi Commissioner General.

Nutrition Pack: Food stamps are distributed among pregnant mothers and mothers with newly born babies in the beneficiary families to maintain their good health. SLR 200 is given to pregnant mothers and SLR 500 to feeding mothers monthly.

Table 9.6 Progress of the Nutrition Pack

Year	Number of beneficiaries		Expenditure SLR mn
	SLR 200	SLR 500	
2008	39,173	55,496	385.79
2009	17,541	57,416	505.2
2010	17,208	45,439	388.43
2011	8,850	51,159	361.87

Source: Department of Samurdhi Commissioner General.

Kerosene Subsidy: In response to the price hike of petroleum in the beginning of 2012, measures were taken to issue a kerosene subsidy of SLR 200 per month for low-income families without electricity and using kerosene. Regarding it as a priority, the government started to pay the allowance from February 2012 and identified 40,000 families as beneficiaries allocating SLR 489 for 2012.

Samurdhi Housing Lottery: An amount of SLR 10/= is deducted from the Samurdhi subsidy of each beneficiary family for Samurdhi Housing Lottery. To provide the subsidy, 1200 families will

be drawn as a raffle and SLR 150,000 is given to each winner to construct or complete the house.

Samurdhi MicroCredit Scheme: Samurdhi Banking system is expanded island-wide. Part of the Samurdhi allowance is set aside for this Loan Scheme to promote social protection, economic opportunity, improved livelihoods, and productive jobs. Loans are disbursed to small groups of five members without guarantee. One member gets the loan and the rest make sure that their partner pays back and then others become eligible for loan. This involves not only credit but also skill development and capacity building for a selected industry or entrepreneurship. Samurdhi Development Officers are posted in villages islandwide to monitor the progress of beneficiaries and provide guidance for promoting their industry. This type of monitoring has significantly contributed to the effectiveness and sustainability of enterprises funded by the credit scheme. The quality of products is also upgraded through linkages with other agencies such as Industrial Development Board and Export Development Board. Exhibitions are held to expose products to potential buyers and seek market opportunities.

Livelihood Development Program: Programs are implemented to augment income and the living standards of Samurdhi beneficiaries under four categories:

1. Agriculture
2. Industries
3. Fisheries and Livestock
4. Marketing.

Beneficiaries are supposed to be raised from subsistence level of living and strengthened until they reach an income level of SLR 4,750 per month. One project is launched for one beneficiary family and within the past five years,

out of all the Samurdhi beneficiaries, 32% have taken up livelihood development projects. In selecting the prospective beneficiaries, women, especially those who head families and have girl children, are given priority in compliance with the SAARC concerns for women and girl child.

Table 9.7 Progress of Samurdhi Livelihood Program

Year	Allocated Amount SLR mn	Number of projects
2006	32.835	4065
2007	62.598	16,157
2008	244.386	54,671
2009	978.69	104,508
2010	667.48	59,110
2011	1629.36	57,712
Total	3615.349	296,223

Source : Department of Samurdhi Commissioner General.

A Glass of Milk and Mid-Day Meal for Students in Poverty Pockets

Food and Nutrition insecurity of school children has a devastating impact on their attendance, participation, and education and is reflected in stunting, wasting, anaemia, and Vitamin A and Iodine deficiency. Surveys done by the Ministry of Education in collaboration with the Ministry of Health show that the incidence of malnutrition is 21-29% among primary school children, Vitamin A deficiency is 15% and Iron Deficiency 14%. The most pathetic situation is that of children (30% of the total) who attend school forgoing a breakfast.

Poor health and nutrition have thus been clear barriers to the pedagogical capacity of children from the poor families. This program also serves as a tool to disseminate information on the nutritional status of food and better food practices among children because teachers have been advised to enlighten children on the nutritional properties of foods and the ways and the means of orienting them on the nutritional value of food. Children are also educated on table manners and good practices in taking food.

Intervention to provide proper nutrition to early age children has brought both long and short-term benefits in education and other areas, revealed in a survey outcome:

- Increase in attendance
- Development in concentration
- Improvement in educational performance
- Active participation in educational and extra-curricular activities
- Reduction in malnutrition
- Improvement of awareness among children and public in food habits, choices, and preferences
- Improvement of good hygienic practices.

In order to combat food and nutrition insecurities and other health complications, the school meal and a glass of milk program was started in 2003 by the government in collaboration with the World Food Program. Parents of low income groups have been selected to prepare food. The menu prepared by a team of specialists from the Ministry of Health includes local food items purchased locally so that farmers of the area also benefit by the program.

Table 9.8 Distribution of provision of school meal in 2012

Province	District	Number of Schools	Number of Students
Southern	Galle	270	26,663
	Matara	290	40,627
	Hambantota	261	54,346
	Sub-total	821	121,636
Western	Colombo	231	43,268
	Gampaha	303	46,110
	Kalutara	285	36,912
	Sub-total	819	126,290
North Western	Kurunegala	676	64,611
	Puttlam	228	32,433
	Sub total	904	97,044
Uva	Badulla	502	54,634
	Monaragala	257	42,822
	Sub-total	759	97,456
Sabaragamuwa	Ratnapura	446	43,820
	Kegalla	401	34,452
	Sub-total	847	78,272
Central	Matale	263	24,610
	Kandy	428	42,097
	Nuwara eliya	379	40,338
	Sub-total	1070	107,045
North central	Polonnaruwa	233	36,412
	Anuradhapura	464	48,540
	Sub-total	697	84,952
Northern	Mannar	118	19,244
	Vavunia	170	20,047
	Mullaithivu	98	14,751
	Kilinochchi	96	19,820
	Jaffna	423	83,011
	Sub-total	905	156,873
Eastern	Batticaloa	272	41,594
	Ampara	355	49,008
	Trincomalee	210	28,209
	Sub total	837	118,801
	Grand Total	7659	988,369

In the beginning of 2012, a program was launched to provide a glass of milk consisting of 150 ml to students in poverty-stricken areas. It was supposed to serve two purposes. One, the consumption poverty of students is addressed assuring the nutrition security of students in deprived areas. Two, it facilitates farmers to market the fresh milk they produce.

The total estimated cost for 2012 was approximately SLR 400 mn.

A nutrition survey on the impact on nutrition status of students benefitting from the program is expected to be carried out in the future.

Table 9.9 Provincial distribution of glass of milk in 2012

Province	Number of Schools	Number of Students
North Central	34	2582
Northern	849	170,517
Sabaragamuwa	22	2,142
Southern	7	640
Central	61	19,777
North-Western	48	6,171
UVA	62	6,865
Western	21	3,735
Eastern	40	11,563
Total	1,144	223,992

Source: Ministry of Education.

2. Divi Neguma Program

Divi Neguma Program (Livelihood Development) is one major mode of creating a prosperous village by 2016 through livelihood and social development pledged in “Mahinda Chinthana: Vision For the Future”. President Mahinda Rajapakse in his Budget Speech for 2011 elucidated the process of setting up one million household economic units through agricultural and livestock promotion to launch a National Food Production Drive.

The following features of the socio-economic background of communities prompted work on the Divi Neguma Program to induce attitudinal changes:

- Unhealthy food habits in the form of take-away fast food which are poor in nutritional value
- Dependent consumption patterns (buying everything from market)

- Deteriorating nutritional standards due to choices of wrong food items
- Economic constraints (to be overcome with time utilized productively).

At the national level, this has enhanced agricultural production, reducing imports and increasing exports.

The Program has three major components:

i. Agriculture Development

- Distribution of seeds and plants of vegetables and seasonal crops
- Distribution of plants of perennial crops, such as fruits, coconut etc.
- Provision of Green Nets
- Production of compost manure.

Table 9.10 Performance of Divi Neguma Program in 2012

Item of Distribution	Quantity	Expenditure
Seeds packets	3,648,179	387.18
Coconut plants	1,742,849	136.48
Cashew plants	459,883	37.36
Fruits plants	3,105,135	2.56
Other Perennial crops (Minor Export crops and Medicinal crops)	2,249,464	77.00
Protected House (Green Nets)	3,242	50.55
Number of Bee Keeping boxes	8,550	

Source: Ministry of Economic Development.

ii. Livestock Development including Fisheries

- Distribution of cows, goats etc for milk
- Support for fixing of cattle sheds
- Distribution of chicken for eggs
- Introduction of 14 Fisheries and Aquatic Industries

Table 9.11 Performance in 2011

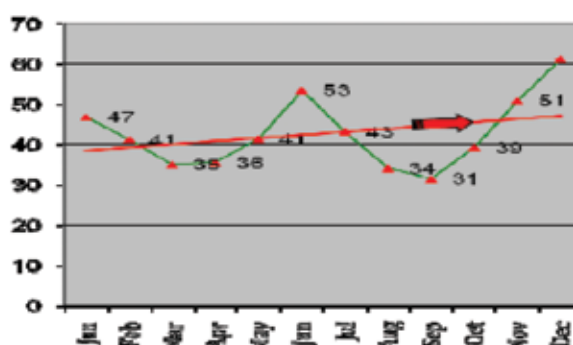
One month-old chicks	4,14,625
Cows/Goats/Pigs	2,147
Fisheries	2,069
Expenditure	Rs 41 million

The program mainly improves the nutritional standards of people by including fresh vegetables, fruits, and dairy products in their meal and thus increasing per capita calorie intake which would reduce malnutrition and ensure food security. It also saves household expenses in buying food items from the market. Excess production may be either sold to fetch additional income or shared

with neighbors strengthening inter-personal relations and social harmony. As it encourages use of organic manure and crop diversification, the program implies a highly environment-friendly impact. The provision of Green Nets for promotion of nurseries, commercial flower cultivation, and high value crop production is another major aspect.

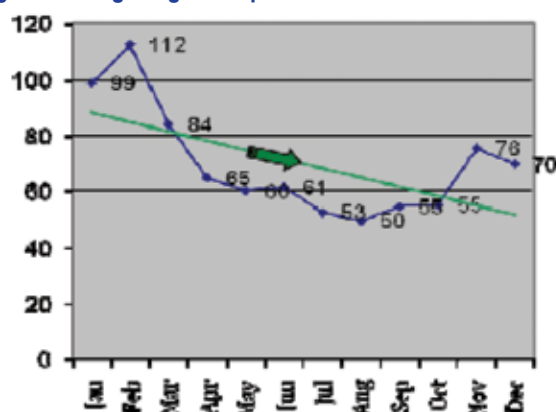
The first phase of the agricultural component achieved the original target of one million home gardens with a significant impact on decreasing vegetable prices compared with previous years from June to August when the harvest of the first phase was supposed to be reaped. The upward trend of vegetable prices in previous years has declined with the intervention of Divi Neguma.

Fig 9.1 Average vegetable prices of Dambulla in 2009



Source: Hector Kobbekaduwa Agricultural Research Institute.

Fig 9.2 Average vegetable prices of Dambulla in 2011



Source: Hector Kobbekaduwa Agricultural Research Institute.

The second phase executed in November doubled the original target of one million home gardens to 2.1 million. The third phase in early 2012 covered 2.5 million households and the fourth phase implemented in September that year covered all 5 million home gardens in the country.

ii. Livelihood Development

- Holding of exhibitions displaying potential industries and entrepreneurial opportunities
- In all 25 districts, exhibitions were held to show the potential industrial initiatives to the public. People were provided with transport facilities at government expense.
- Capacity Building and Skill Development
- Expression of interests indicating their choice of industry will be taken from participants and training will be provided. In 2011, around 10,000 beneficiaries were identified for provision of vocational training in selected industries.
- Micro-Credit and provision of Tools
- Trained beneficiaries are given machines and tools worth upto Rs 10,000 of credit facilities to start the industry.
- The idea is to set up 30,000 cottage industries which definitely affect increase in household income and upgrade the quality of people's life, to create small-scale entrepreneurs in villages in the course of developing their technical and entrepreneurial skills contributing to the social capital.
- Provision of Three Wheelers and Dimo Batta Lorries to promote entrepreneurship.

Support for self-employment also occupies a major area of intervention. Dimo Batta Lorries and Three Wheelers have been provided at a low down payment with the balance to be paid in installments to encourage self-venture employment. In 2011, 360 lorries and 250 three wheelers were distributed.

Divi Neguma Program, based on the concept "People Initiate, Government Facilitates", encourages community participation in development process and enhances the active role of civil society in good governance policies.

The success of this program can navigate global food security endeavors to combat the food crisis anticipated from climate change and eradicate absolute and consumption poverty by realizing the dream of prosperous village with healthy and economically empowered households.

Total Expenditure for the entire program in 2011: Rs 1096 million.

3. Gama Neguma

Gama Neguma was proposed by “Mahinda Chinthana”, a government policy document as a strategy of making all 16,000 villages prosperous through realisation of the dream of ideal village as an embodiment of beauty, splendor, and harmony by the year 2016. A number of features are identified as essential for a village to be an Ideal Village. Through the implementation of Gama Neguma the requirements of the villages are supposed to be fulfilled.

In Gama Neguma Program, villages are regarded as ‘Micro-Centres of Growth’. This model of micro-level, village-based approach as the nucleus of national development could be regarded as a leap forward from the conventional macro-level, center-focused development concepts. It can be expected to overcome the inequitable distribution of development benefits that have resulted in concentration of resources in the center, a consequence of the traditional ‘Trickle-Down’ approach.

Gama Neguma was launched in 2006 in 119 poorest Divisional Secretariat Divisions of the country and was extended to 4000 others in 2007. In 2008 and 2009, it was implemented in 13, 878 Grama Niladhari Divisions with the exception of the Districts of Kilinochchi and Mullaitivu and in 2010, it was extended to 10,566 Grama Niladhari Divisions and from 2011 onward the termination of war enabled extension covering the whole island (14,023 Grama Niladhari Divisions).

The program has intervened in providing the following facilities throughout the country since its inception in 2006.

- **Rural Roads:** Concreting of rural muddy roads has marked a significant change in people’s life styles. The transportation of harvest, daily travel to and from working places, schooling of children, transportation of vehicles, prevention of landsliding of mountainous areas, and

facilitation of transport in such areas have been enhanced.

- **Maternity Clinics:** A model Maternity Clinic with all facilities such as comfortable seating facilities for mothers, examination room, Doctor’s Room, clean toilet facilities, Baby Change room, playpen, television, fans etc. has been constructed in each of the 318 Divisional Secretariat Divisions providing facilities for other maternity clinics as well.
- **Pre-Schools:** Provision of teaching materials for pre-schools would improve the standard of teaching. The impact of this program includes increased literacy rate and schooling of children with improved quality of teaching.
- **Primary and Secondary Schools:** Construction of roofs where there are thatched roofs in schools has enabled students to study in a comfortable atmosphere. Construction of laboratories and playgrounds is a part of the program to extend facilities for students. Construction of school toilets, according to UNICEF recommendations on the number and gender of students, was also executed island-wide to extend sanitary facilities in schools.
- **Minor Irrigation:** Rehabilitation of minor irrigation structures is a major part of the program which serves dual functions. It has provided water for paddy cultivation enabling re-cultivation of abandoned paddy fields. The clearance of canals enhances smooth flow of water and prevents flooding.
- **Community Centers and Government Buildings for Service Delivery:** In rural areas, Community Centers are utilized for holding meetings and public functions to strengthen inter-personal relations and discuss and make decisions for public wellbeing. Government Buildings have been constructed especially to accommodate village-level officers such as Village Headman, Family Health Officer, Agriculture Research and Production Assistant, and Samurdhi Officer to enable villagers to obtain their services under one roof.
- **Water Supply:** Extension of water supply for daily use as well as construction of water supply units such as agro-wells for cultivation purposes was done.

- **Electricity Supply:** Electricity supply illuminates the lives of people and enables start-up and extension of industries.
- **Rural Sales Centers:** Rural Sales Centers are set up to provide market places for peasants to sell their products in the vicinity.
- **Post-Harvest Packaging:** In order to minimize waste of agricultural products farmers are provided with plastic crates for packaging and delivery in distant areas.
- **Temples and other religious places:** Temples and other religious sites are rehabilitated for spiritual development of the people.
- **Anti-Narcotic Program:** In every village, alcoholics are identified and programs are implemented to help them to give up the habit. Alcohol addiction in the low income rural folk is extremely high and they waste money on alcohol, keeping their family members constrained to meet both ends.

Gama Neguma necessitates obtaining of all development proposals from Jana Sabhas or People's Councils which consist of all residents of a particular village. This people-centered, bottom-up approach of development planning has been proposed to identify the true needs of the public to ensure gender equity and social inclusion and is theoretically known as "Participatory Rural Approach" or more commonly PRA. Gama Neguma regards people's contribution as essential in allowing the community to participate actively in development process instead of remaining passive. Proposals submitted are compiled in a Village Development Plan reflecting available human and physical resources, potentials, and needs of each village.

As stipulated in "Mahinda Chinthana", the program is implemented under three major sectors: Spiritual and Social Development, Infrastructure Development, and Livelihood Development. This multi-dimensional, holistic development approach encapsulates spiritual and social development in line with the current global development trends transcending the traditional development concepts and focusing on more economic growth.

Table 9.12 Gama Neguma Program focus areas 2011

Sector	Investment Rs mn	%
Rural Roads & Drinking water	2,570	34
Minor Irrigation	1,790	24
Maternity Homes	868	12
Facilitation for Pre-Schools	168	2
School Toilets	1,442	19
Other	623	8
	7,460	100

Source: Ministry of Economic Development.

Table 9.13 Progress of Gama Neguma Program 2006-2010

Activity	Number of Projects	Expenditure (Slr.Mn.)	Beneficiaries
Rural Roads	61,266	26,124	11,611,305
Electricity	7785	2370.7	400,467
Water supply	2684	1133.32	504,200
Health & Sanitation	11	4.53	8530
Minor Irrigation	4699	1737.52	716,438
Public Buildings	2651	1374.79	524,511
Livelihood Development	14341	1307.6	283,876
Spiritual Development	5909	1213.78	984,243

Source: Ministry of Economic Development.

Policy and Program Development

Divi Neguma Program will launch a novel component focused on poverty-stricken villages. The conceptual framework is presented below.

1. Objectives

Attitudinal Changes: The following socio-economic features of communities prompted Divi Neguma Program to induce attitudinal changes: i) Unhealthy food habits in the form of take-away fast food for poor in nutritional value; ii) Dependent consumption patterns to buy everything from the market; iii) Economic constraints to be overcome with productive utilization of time

- Food Security by increasing domestic food production
- Nutrition Security through consumption of fresh, organic food
- Self-sufficiency in food
- Reduced cost of living through domestic production of required items
- Additional income through surplus production
- Reduced unemployment through entrepreneurship development
- Saved foreign exchange through import substitute production

- viii. Earning of foreign exchange through products exported
- ix. Formation of a spiritually rich family upholding indigenous virtues
- x. Reducing National Poverty Rate from 8.9% to 4%.

2. Selection of Families and Target Areas

Selection of Target Areas: District Secretaries are advised to identify poverty-stricken villages and poverty pockets as target areas based on regional poverty rates of the villages where a majority of the households suffer from poverty mentioned in the table below prepared in compliance with the criteria of the Department of Census and Statistics and International Agencies (Table 9.14).

In selecting target areas, priority has to be given to poor farmers and fisheries communities, Estate communities, and Urban Poor. The dimensions and Indicators given in the table below may be a guideline for the selection of families and target areas.

Table 9.14 Dimensions and Indicators for selection of target areas

Dimension	Indicator
Food Security	Food sufficiency Landownership and Entitlements Livestock
Standard of living	Shelter Roofing Flooring Clothing Household equipment Electricity Energy sources Vehicles Modes of communication
Health and Sanitation	Safe drinking water Toilet and kitchen Child and maternal malnutrition Child and maternal mortality Recreation and sports
Financial Security	Regular Income Expenditure Access to fair credit Thrift and Savings Indebtedness
Education	Years of Schooling Child Enrolment Availability of School in proximity Skill development opportunities
Community Vitality	Rural access roads Modes of Transportation Social Welfare and CBOs Participation in religious and cultural activities Gender empowerment and decision-making ability of women

Preparation of a Beneficiary Family Profile:

A family profile with information encompassing the private, social, economic, cultural, social, and spiritual background of the beneficiary family members has to be compiled by the Economic Development Officer. Information regarding poverty factors should be entered and the existing family's as well as the expected level target which could be utilized should be clearly mentioned. The strengths and potentials with scope for improvement as well as the weak points, issues, and constraints have also to be clearly identified. Mobilization of family also should be a part of the exercise in the preparation of family profile. The main contact person of the family should be the female chief occupant and due respect and courtesy should be observed in all communication and dialogue.

Mode of Intervention

Basic sectors of intervention: 1. Economic Livelihood Development; 2. Health and Sanitation; 3. Social and Spiritual Development; and 4. Physical Infrastructure Development.

1. Economic Livelihood Development

1.1 Home Garden Development: Each household should have a Home Garden or pots for vegetable plants. The possibility of providing a land for those who do not possess sufficient land will be considered. Five Model Home Gardens have to be developed in each village under the direct supervision of the Agricultural Research and Production Assistant responsible for this task. At the national level, this can enhance the production reducing import and increasing export.

1.2 Agriculture Development: Distribution of seeds and plants of vegetables and seasonal crops, of plants of perennial crops such as fruits, coconut etc., of medicinal plants, of minor export crops, provision of Green Nets, production of compost manure.

1.3 Livestock Development including Fisheries: Distribution of cows, goats etc. for milk,

support for fixing of cattle sheds, of chicks for eggs, introduction of 14 Fisheries and Aquatic Industries.

1.4 Capacity Building and Skill Development for Entrepreneurship Promotion: Vocational Training, provision of tools and machinery.

1.5 MicroCredit Schemes: There is a hub of public and private banks led by the Central Bank of Sri Lanka with several micro-credit loan schemes at low interest rates especially designed for Divi Neguma and SME development. Formation of Small Groups is necessary to provide micro-credit without guarantors or securities for the poor community folk. These small groups may be formed either on a sector basis with beneficiaries engaged in homogenous industries get-together or on a proximity basis wherein people of the same neighborhood establish small groups for easy operation. Exploration of market opportunities and creation of forward and backward linkages is an important aspect for the products under the Divi Neguma activities.

1.6 Awareness about Financial Management: It is imperative to inculcate thrift habit and broaden the knowledge of the beneficiaries on financial management. Banks have a tailored financial management program prepared for the beneficiaries of loan schemes.

2. Health and Sanitation

It is essential to maintain proper health and nutrition condition in the family. Especially, Maternal Health problems including iron deficiency, maternal mortality, births un-attended by skilled medical practitioners, and Children's health issues (such as Low Birth Weight, Stunting, and Wasting) need to be combated. People have to be made aware of proper food habits, nutritional values of food, and methods of preparing food without destroying their nutritional value. At the same time, adolescents and adults must be educated on gender matters where the Family Health Officer can serve a responsible role.

3. Social and Spiritual Development

Peaceful coexistence among the family members needs to be cultivated to keep them away from bad habits and anti-social activities. Domestic violence and child abuse have to be prevented. Schooling of children should be encouraged through scholarship programs and children's educational and extracurricular abilities must be enhanced directing them to the proper institutes for capacity building. The leadership of religious institutions and clergy may be consulted for this purpose.

4. Physical Infrastructure Development

Domestic essentials such as proper roofing, toilet, safe water, electricity and common amenities such as access roads, public service, transport, communication facilities, and minor irrigation have to be provided through coordination with the relevant authorities in-charge.

Implementation and Monitoring

Economic Development Officer at the village level is the key responsible officer for implementation and monitoring of the program through proper coordination and liaising with relevant institutes, officers, especially the following village-level officers in obtaining their services for the community under the Divi Neguma Program:

- Agricultural Research and Production Assistant
- Family Health Officer
- Village Headman or Grama Niladhari
- Samurdhi Development Officer.

At the same time, the Economic Development Officer has to maintain a cordial relationship with other officers of the government and non-governmental agencies and political authorities in the course of discharging their duties and organizing events.

Conclusion

“Poverty-free Sri Lanka by 2016”: Increasing per capita income up to USD 4000 as a Middle Income Country, has become the major thrust area of the government agenda in the year 2013

as advocated in the Budget Speech for 2013. The current incidence of poverty is 8.9% for 1.8601 million out of the total population of 20.9 million, even if it is the lowest poverty rate among SAARC countries. This calculation is based on income and consumption poverty where people are not able to meet the minimum consumption requirement of 2030 calories per day in the local set-up and corresponds with the international poverty cut-off point of USD 1.25 per diem (approximately equal to SLR 4750). Poverty in Sri Lanka is multi-dimensional that has reciprocal repercussions in the key areas of public life such as Income, Shelter and Status of Houses with household equipment, Health and Sanitation, Food and Nutrition, Education, Social and Economic Accessibility, Land Ownership and Entitlements, Social Recognition opposed to Social Exclusion etc. Therefore it is imperative to adopt a holistic approach. Furthermore, in any endeavor in Poverty Alleviation, regional disparities also have to be taken into account. For instance, in the year 2011, in Sri Lanka, Urban Poverty rate was 5.3% compared to 9.4% Rural Poverty rate, slightly better than the Estate Sector where it was 11.4% according to the Department of Census and Statistics. District-wise, Vavunia shows the lowest poverty rate of

2.3% with Batticaloa figuring highest at 20.3%. The trend is declining in most areas over the past decade in spite of global economic calamities and devastating terrorist activities that prevailed in the past thirty years in the North and the East.

In the trajectory toward a 'Poverty-free Sri Lanka', Samurdhi Social Net, Glass of Milk and Mid-Day Meal for Children, Divi Neguma Program and Gama Neguma Program play a major role in building up the economic and social capital of the country.

The tables below elucidate the contribution toward attaining the SAARC Development Goals in practice.

The provision of Meal and a Glass of Milk Program contributes to achievement of the following SAARC Development Goals:

- Goal 1: Eradication of Hunger Poverty
- Goal 3: Ensuring adequate nutrition and dietary improvement for the poor
- Goal 6: Reduced social and institutional vulnerabilities of the poor and children
- Goal 13: Access to school for all children
- Goal 14: Completion of primary education cycle.

Table 9.15 Contribution of DIVI NEGUMA PROGRAMME towards attaining SDGs

Goal Component/Goal No.	1 Eradication of Hunger Poverty	2 Halve proportion of people in poverty by 2010	3 Ensure adequate Nutrition & dietary improvement for the poor	4 Ensure a robust pro-poor growth process	6 Reduce social and institutional vulnerabilities of the poor & the children	8 Ensure effective participation of poor & women in anti-poverty programmes	9 Maternal Health	10 Child Health	12 Improved hygiene & public Health	19 Acceptable level of water & soil quality
Agriculture	√	√	√	√	√	√	√	√	√	√
Livestock	√	√	√	√	√	√	√	√	√	√
Livelihood	√	√		√	√	√				

Table 9.16 Contribution of Samurdhi Safety Net Programme towards attaining SDGs

Goal	1	2	3	4	5	6	8	9	10	12	13
Component/Goal No.	1	2	3	4	5	6	8	9	10	12	13
Monthly Allowance	✓	✓	✓	✓		✓	✓				
Social Insurance	✓	✓	✓	✓		✓	✓	✓	✓	✓	
Scholarship Programme											✓
Nutrition Pack	✓		✓			✓	✓	✓	✓		
Kerosene subsidy	✓	✓	✓								
Housing Lottery		✓		✓	✓					✓	
Samurdhi Micro Credit Scheme		✓	✓	✓			✓				
Livelihood Development Programme	✓	✓	✓	✓		✓	✓				

Table 9.17 Contribution of Gama Neguma Programme towards attaining SDGs

Goal	1	2	3	4	5	6	8	9	10	11	12	13	14
Component/Goal No	1	2	3	4	5	6	8	9	10	11	12	13	14
Rural Roads		✓		✓	✓								
Maternity Clinics								✓	✓	✓	✓		
Pre-Schools												✓	✓
Primary & Secondary Schools											✓	✓	
Minor Irrigation	✓	✓	✓										
Community Centres					✓								
Water Supply		✓		✓							✓		
Electricity		✓		✓	✓						✓	✓	
Rural Sales Centres		✓		✓									
Post Harvest Packaging	✓		✓	✓									
Temples & Religious Places					✓								
Anti-narcotic Programme							✓	✓					

* * *

Chapter 10

Regional Dimensions of Poverty Linkages, Programs and Way Forward

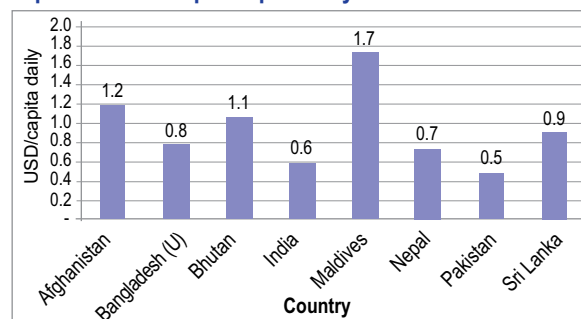
The final chapter on regional synthesis of the best practices in poverty alleviation draws from the country case studies and relies on documents such as the Household Income and Expenditures Survey (HIES)/National Living Standards Survey (NLSS), national development plans, MDG reports, reports on food and nutrition security and the like with emphasis on ‘small area estimates’ for summing up the lessons to arrive at a synergic collaboration for reducing poverty. The first section starts with a comparative appraisal of National Poverty Lines (NPLs), norms, and poverty situation. This is followed by a summary of programs, inputs and costs, and the way forward. It also includes supplementary appendix tables, figures and maps according to Member States to emphasize some important aspects.

Assessing National Poverty Lines (NPLs)

The norms on NPLs follow different approaches such as the cost of basic needs (CBN), income approach or Multi-dimensional Poverty Indices (MPI). Almost all the Member States have been following the expenditure approach to CBN so that people can afford a minimum basket of goods and services for an active and healthy living and development. The CBN includes foods and non-foods to make a provision of calories, proteins, health, education, fuels, housing, and other basic necessities. Assessment of NPLs by country and their sub-national region in terms of existing consumption basket of poor households, those at poverty line class, and gaps in consumption of goods and services help assess peoples’ developmental needs for their graduation from BPL to APL status and above.

The latest estimates of NPLs in South Asia provided in Figure 10.1 show that NPLs vary from USD 0.6 in India to USD 1.2 in Afghanistan on expenditure basis; the poverty line at US\$ 1.7 in Maldives is actually based on the relative income approach. The differences in NPLs in seven out of eight Member States are largely due to the difference in the cost of living and exchange rates, but there are also variations in allowances for foods and non-foods across the countries.

Fig. 10.1 National Poverty Lines in South Asia in nominal expenditure USD per capita daily



Note: National HIES for expenditure and WDI Database for exchange rates. For Maldives, the Poverty Line is based on income basis.

The NPLs in SAARC States are anchored to kilocalories per capita daily (Figs. 10.2 and 10.3). Thus a simple average of the nutritional anchor of poverty line in South Asia is 2,098 kilocalories per capita daily. The anchor to food energy assumes that a dietary intake of 2,098 kcal daily leads to fulfillment of other nutrients, such as proteins, minerals and vitamins, and trace elements. The simple average of the share of expenditure on foods in South Asia turns out to be 59%, ranging between Nepal’s 71.6% and Maldives’ 37.7%. The large share of foods in the household budget of poverty line class is significant as a majority of people live in rural areas and are engaged in agriculture. Thus one key to poverty alleviation lies in enabling the rural people to produce enough food for them.

Fig. 10.2 Nutrition based anchor of Poverty Lines in South Asia kilo calories per capita daily

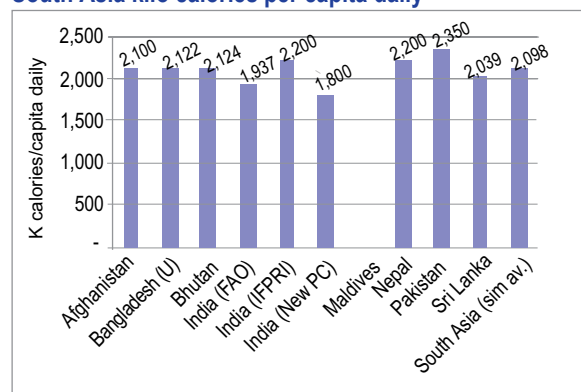
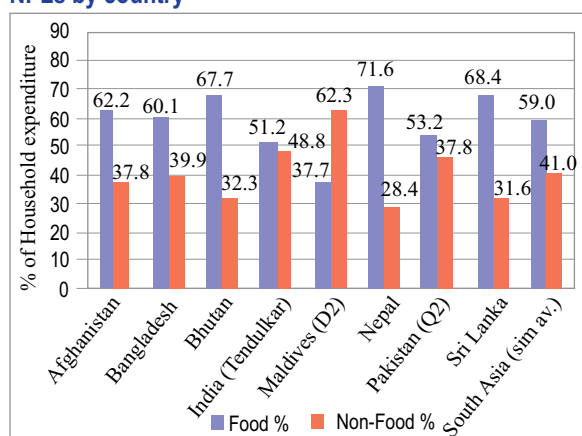


Fig. 10.3 Relative share of Foods and Non-Foods in the NPLs by country



Note: In figure 10.3, D2 refers to the second decile, and Q2 refers to the second quintile.

The allowance made for non-foods like health, education, housing, clothing, mobility etc is small (41% of poverty line) and is further lower in case of Nepal (28.4%) and Bhutan (32.3%). Countries such as India, Pakistan, and Maldives have put a higher importance on non-food needs of the people in poverty, which are reviewed in the following section.

Country Norms about Poverty Lines

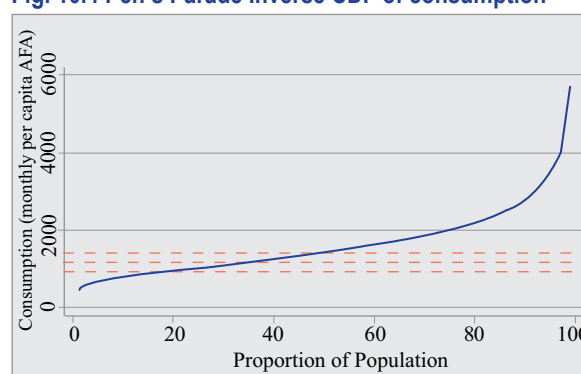
Afghanistan: Poverty assessments in Afghanistan emphasize the risk and vulnerability of households. The national poverty line was based on observations in the urban areas of central Afghanistan to represent a typical cost of attaining 2,100 calories/person/day, and of meeting some basic non-food needs. The Afghanistan National Development Strategy (ANDS) 2008-13 and the NRVA stated that the CBN poverty line represents the level of per capita consumption at which the members of a household can be expected to meet their “basic needs” in terms of both food and non-food consumption.

Some observations on the estimates of poverty line in Afghanistan: First, a comparative analysis of food consumption patterns shows a reduction over time in the relative share of staple food (bread and cereals) from 43% to 33%, accompanied by an increase in the share of relatively more nutritious foods such as meat, fish, dairy products, and vegetables. Second, the total expenditure on non-food items covers expenditure on energy,

education, transportation, and clothing but it does not include the health expenditure.

The alleviation of food poverty in Afghanistan would be achieved if a person in poor household can afford a total of 0.8 kg of foods from grains and bread, meat, dairy, oil, vegetable and fruits, and sweets and sugar. The development gap between the 1st and 2nd quintiles for foods, non-foods, and durables is about 1.5 times, and that for housing, it is 1.35 times. Further, more than half of the population is vulnerable to falling into poverty (Fig. 10.4).

Fig. 10.4 Pen's Parade Inverse CDF of consumption



Sources: Joint Report of Ministry of Economy and World Bank (July 2010), “Poverty Status in Afghanistan: Based on NRVA 20007/08”.

Bangladesh: Bangladesh has two poverty lines: a lower poverty line and an upper one. The food poverty line is anchored to the nutritional requirement of 2,122 kcal/capita/day. A non-food poverty line is the cost of consuming non-food items by the households close to the food poverty line. The lower poverty line refers to extreme poor households whose total expenditures on food and non-food combined are equal to or less than food poverty line. The upper poverty line is estimated by adding together the food and non-food poverty lines (Table 10.1).

Table 10.1 Types of Poverty Line and their components in Bangladesh as per HIES 2010f

	Food Poverty line	Lower non-food allowance	Upper non-food allowance	Lower poverty line	Upper poverty line
Pooled	63.9	21.4	42.3	80.2	100.0
Rural	64.7	21.1	35.3	85.7	100.0
Urban	58.6	19.2	41.4	77.8	100.0
SMA	56.8	20.2	43.2	77.0	100.0

Source: Bangladesh HIES Reports.

The simple average of poverty line in Bangladesh turns out to be Taka 1,553.3 per capita monthly for 2010. The lower poverty line may help the authorities to lay priority on addressing hunger first; and once the hunger issue is addressed, they could further afford to deal with non-food needs progressively.

Bhutan: Bhutan has emphasized subsistence poverty and self-image of poverty besides the poverty HCR, gaps, and severity. In the Bhutan Living Standards Survey (BLSS) 2012, the food poverty line refers to a single national reference food bundle providing an average subsistence diet of 2,124 kcal/capita/day. The food bundle includes cereals and pulses, dairy products and eggs, meat, fruits, vegetables, spices, seasonings and pastes, and beverages (NBS/World Bank 2013). Such information is very useful for planning livelihood of the rural/family households. Secondly, the non-food allowance was estimated as the per capita monthly non-food consumption of households whose food spending was near the food poverty line. Finally, the sum of non-food allowance and food poverty line yields NPL as Ngultrum 1,704.84/person/month at 2012 prices. (Table 10.2).

Table 10.2 Poverty Lines in Bhutan as per BLSS 2012
Nu/ capita/ month

Particulars	2007	% share	2012	% share	CPI Inflation
Food Poverty Line	689.0	62.8	1,154.7	67.7	1.7
Non-food poverty line	408.0	37.2	550.1	32.3	1.4
Total	1,096.9	100.0	1,704.8	100.0	1.6

Source: BSN and World Bank (2013) bhutan Poverty Profile, based on Table 2.1.

Across the Dzongkhags, the price indices range from 0.75 in Samtse to 1.3 in Gasa in urban areas, and from 0.86 in Zhemgang to 1.12 in Bumthang showing that market prices in Bhutan are highly segmented and efforts are needed to integrate by ecological region. Finally, it is found that the monthly per capita consumption in the 1st and 2nd quintiles are Nu 1,471.1 and Nu 2,465.7 against the NPL of Nu 1,704.8. The policy targets under poverty alleviation programs would be to close these consumption gaps between the 1st and 2nd consumption quintiles in the absolute sense.

India: Assessments of poverty in India provide a detailed description of consumption by people at the ‘poverty line class’ for various goods and services. The Tendulkar Report (2011) applies the same NPL for rural and urban population. The revised calorie norm for India as recommended by FAO is around 1,800/capita daily. The Tendulkar Committee gave an itemized list of expenditures of those “around poverty line class for urban areas in all India” for the year 2004-05 (Figs. 10.5 and 10.6). It shows that poverty line is defined as per capita private expenditure (PCPE) for the urban areas as IRs 578.8/month and for the rural areas as Rs 446.68/month in 2004-05 prices.

Fig.10.5 Consumption of commodity groups around poverty line in urban area, India Rs/month

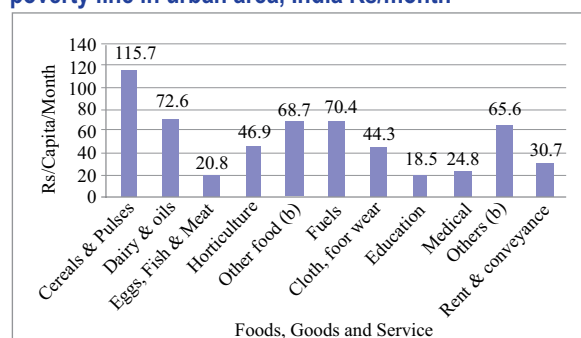
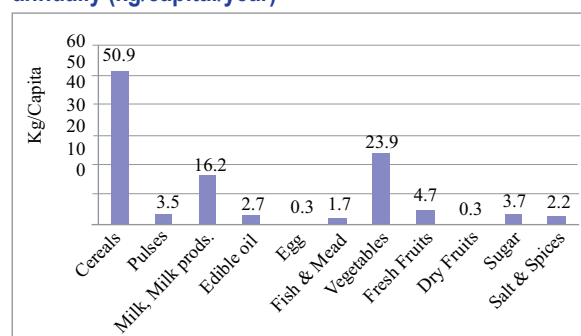


Fig.10.6 Food consumption at poverty line class annually (kg/capita/year)



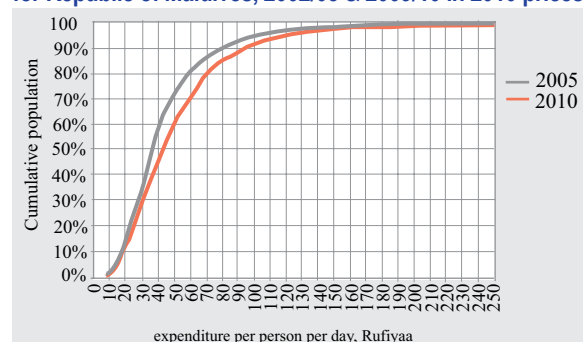
Source: For a, GOI/ PC (2009), Annexure E for allowances for goods and services. For (b), Pangariya and Mukim (2013).

The Indian estimates of consumption basket are very helpful to relate the poverty alleviation works to the human development indicators and MDGs on the basis of estimates of required food-groups (i.e., cereals and pulses, horticulture, livestock, fishery etc), and health, education, housing, energy, mobility etc. These estimates of the minimum requirements of goods and services for the people under

poverty are helpful in designing livelihoods, food production, and social services/protections.

Maldives: Maldives has applied the theory of poverty dominance to characterize poverty. The HIES 2009/10 has set new relative poverty lines at Rf 44 and the median of Atoll expenditure per person per day and half the Atoll median at Rf 22 per person per day. Fig. 10.4 shows the cumulative distribution of consumption aggregate for 2003 and 2009 with values expressed at 2010 prices. The Vulnerability and Poverty Assessment (VPA) surveys show that the curves for cumulative proportion of population with expenditure below Rf 30 a day declined from about 40% to 30% during 2002/03 to 2009/10 (Fig. 10.7)

Fig. 10.7 Cumulative population ranked from poor to rich for Republic of Maldives, 2002/03 & 2009/10 in 2010 prices



Source: Maldives HIES 2009/10 Findings, p. 19, Fig. 2.3.

According to ADB Report (2007), *Maldives: Strategy and Poverty Assessment*, the characteristics that helped poor households escape from poverty are: (i) having a high percentage of income earners in the household; (ii) having a higher percentage of employers; (iii) shifting from agriculture to another activity; and (iv) changing from self-employment to be an employee. Households where most workers were engaged in fisheries, trade and transport, or construction were also most likely to escape poverty, while households with a large proportion of workers in manufacturing and agriculture were least likely to escape from poverty. The most important determinant of escaping from poverty is the level of education.

Nepal: The food energy requirement is 2,220 kcal/capita daily at the minimum for the age and

sex of an average Nepalese household in 2010-11, and using the recommended dietary allowances (RDAs) by age-gender group for late 1980s. Accordingly, the NPL is NR 52.8/C/D in the prices of 2010-11. Magnitudes of domain-specific poverty lines vary from 83% to 213% of NPL in rural-western Tarai to urban-Kathmandu valley respectively depending on prices.

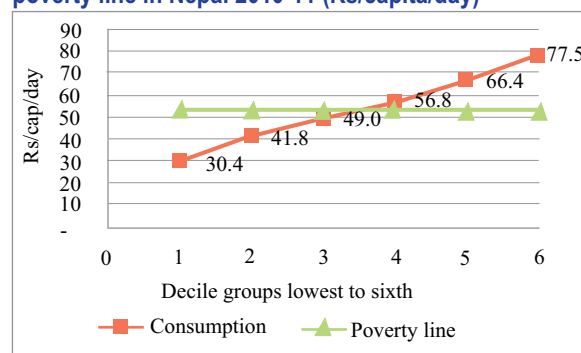
The consumption basket of lowest quintile group (Table 10.3) shows that the share of foods is as high as Rs 33.0 per capita per day (71.6%), share of education is as low as nearly Rs 1.6 per capita per day (3.4%), and so on. Such a tiny expenditure by people on education can severely constrain their development of skills for future. Further, the total consumption of 1st decile at Rs 30.4 per capita per day is some 42% below the national poverty lines (Fig. 10.8). These people in the first decile may be considered as ultra-poor for urgent targeting under the poverty alleviation programs.

Table 10.3 Consumption bundle of lowest quintile household in Nepal in 2010-11 prices

Consumption Item	Rs/Cap/Day	%
Share of food	33.04	71.6
Share of housing rent	3.32	7.2
Share of education	1.57	3.4
share of other non-foods	8.21	17.8
Total	46.14	100.0

Source: CBS (2013) Poverty Report and NLSS Reports. The household size of 1st quintile is 4.852. www.cbs.gov.np.

Fig. 10.8 Consumption by deciles 1-6th in relation to poverty line in Nepal 2010-11 (Rs/capita/day)



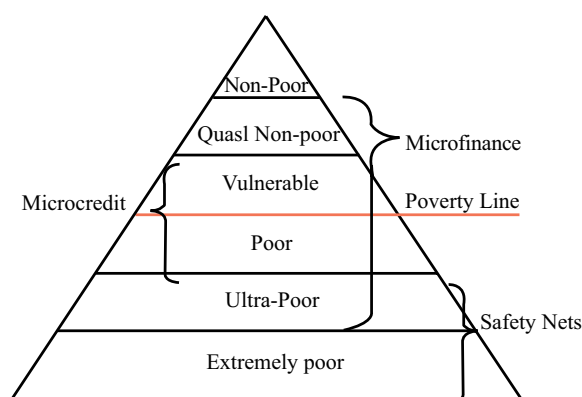
Source: CBS (2012) NLSS 2010/11 Report.

Pakistan: Pakistan's Planning Commission in 2001 declared an official poverty line on the basis of 2,350 calories per adult equivalent per day (adult equivalent intake of 2,150 calories in urban

areas and 2,450 calories in rural areas) or a NPL of Rs 673.54/capita/month in 1998-99 prices.

For the purpose of project intervention, Pakistan PAF states that they adopted the 'Poverty Scorecard' as a simple objective targeting tool for the Benazir Income Support Program (BISP) in 2009. The Poverty Scorecard uses a number of weighted indicators to classify a household as Extremely Poor, Chronically Poor, Transitory Poor, Transitory Vulnerable, Transitory Non-poor or Non-poor. Such a classification helps to design intervention programs such as microfinance, micro-credit, and safety nets (Fig. 10.9).

Fig.10.9 Households types BPL



Researchers in Pakistan have recently estimated the MPI covering four dimensions: education, health, living conditions, and asset ownership at the national, provincial, and districts levels. At the national level, the largest contributors to MPI are lack of assets, child enrolment, and household education. In the rural areas, the main drivers of poverty are health facility distance, lack of assets, and child enrolment.

According to Pakistan's 10th Plan (2010-15), there is a strong correlation between illiteracy/education and incidence of poverty. Large households are more likely to be poor than the small ones. There is a significant and large difference in the amount of land per capita owned by the poor and non-poor households. Similar differences exist in the ownership of livestock, housing, and other assets.

With regard to employment status, the incidence of poverty is high among the self-employed (street vendors in urban areas and sharecroppers in rural areas). The households dependent on women's labour for survival are more prone to poverty due to women's low wages, lower skills, and restricted mobility.

Sri Lanka: The Sri Lankan official poverty line is fixed at a nutritional intake of 2,030 kcal/capita/day. It assumes that the minimum requirements of proteins, micro-nutrients etc will be met if calorie requirements are met (based on the Medical Research Institute of Sri Lanka, 1989).

The Department of Census and Statistics (DCS) estimated that, for the year 2002, the official poverty line was SL Rs 1,423 for real total food and non-food consumption expenditure per person per month (Table 10.4).

Table 10.4 Summary of poverty lines at 2002 national prices

Poverty line	Rs/month	%
1. Food poverty line	973	68.4
2. Lower poverty line	1,267	89.0
3. Upper poverty line	1,579	111.0
4. Official poverty line (average of 2. and 3.)	1,423	100.0

Source: www.statistics.gov.lk/poverty/OfficialPovertyLine.

The national official poverty line for Sri Lanka is an arithmetic mean of the lower and upper bounds. Interestingly, the poverty gap in Sri Lanka is very small.

Inclusion: Country/Geographical, Gender, and Social Aspects

In terms of the MDGs, the reduction of poverty gap is related to the 'elimination of extreme hunger'. In South Asia, the poverty gap declined from about 12 to 7 percent during 1990-2015, and may approach 4 percent by 2020. Poverty gaps are higher in Bangladesh and India, but this gap in Nepal and Pakistan declined from 31% and 23% to below the regional average as shown in Figs. 10.10 and 10.11 in next page.

Fig. 10.10 Poverty gap in South Asia Region at USD 1.25 (PPP) (%)

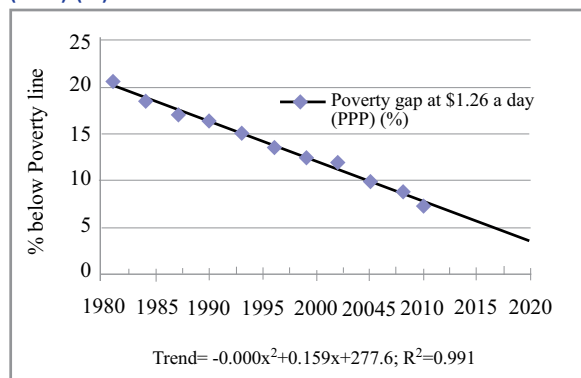
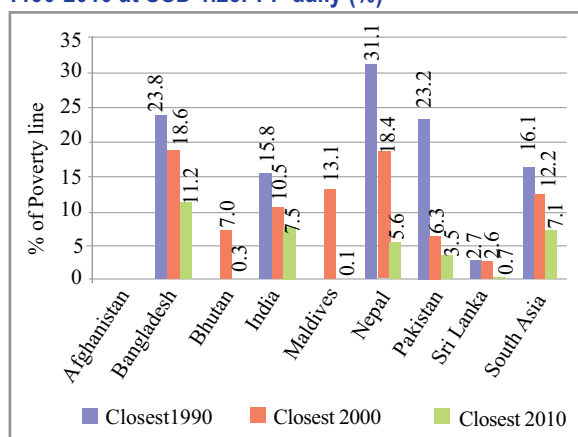


Fig. 10.11 Poverty Gap in South Asia by countries during 1190-2010 at USD 1.25PPP daily (%)

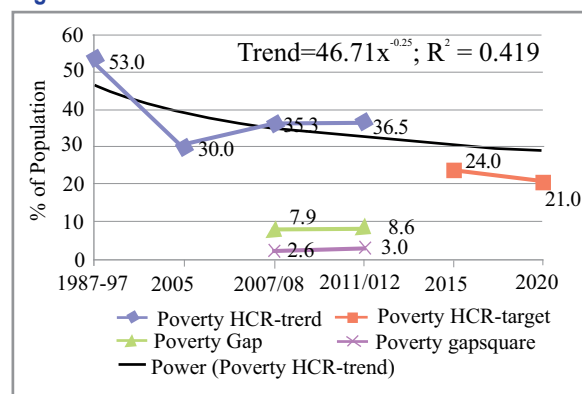


Source: WDI datasets.

Afghanistan: Afghanistan signed the agreement on MDGs in March 2004 with benchmarks for monitoring progress from 1990. The MDGs Technical Working Groups in Afghanistan decided to add the 9th Goal to MDGs on Enhancing Security. The Afghanistan National Development Strategy (ANDS) 2008-13 also underpins MDGs and the Afghanistan Compact 2006. However, NRVA showed that Afghanistan's poverty HCR actually increased from 36.3% to 36.5% during 2007/08 - 2011/12 against its target of reducing poverty HCR to 24% by 2015 and to 21% by 2020 (Fig. 10.12).

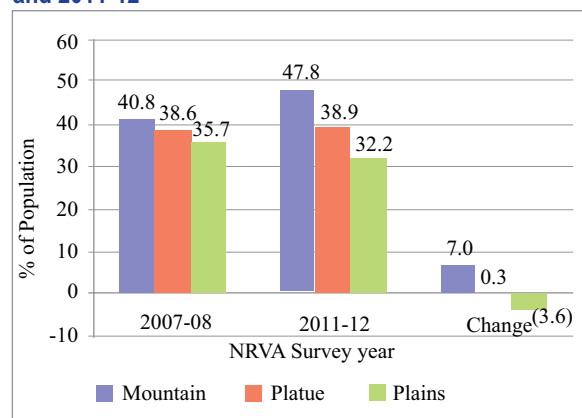
Afghanistan is characterized by sharp differences in poverty incidence by provinces and regions (Fig. 10.13 and Appendix tables). Poverty incidence has sharply increased in the mountain regions from 36.1% to 50.91 percent of population; so is the case in the plateau regions. In terms of inclusion, poverty has increased in the rural areas, but has

Fig. 10.12 Trend of Poverty HCR, Gaps and Severity in Afghanistan



Source: MDG Report 2005, and MDG Progress Report 2010.

Fig. 10.13 Incidence of poverty in Afghanistan by ecological regions, and its change as per NRVA 2007-8 and 2011-12

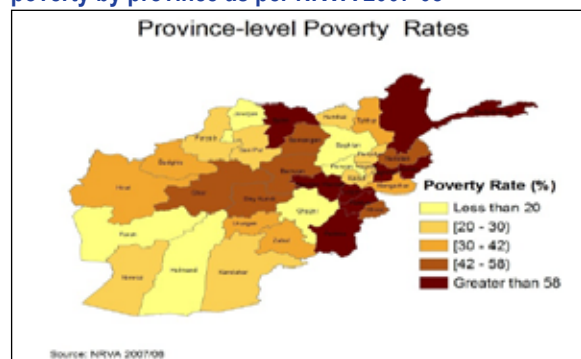


Note: The poverty HCRs are simple averages over zones.

declined in the urban ones. The nomadic Kuchi population is most vulnerable to absolute poverty, with poverty rates of 53.8 percent.

According to the poverty map 10.1, most poverty-stricken provinces are bordering with one of

Map 10.1 Map of Afghanistan showing incidence of poverty by province as per NRVA 2007-08



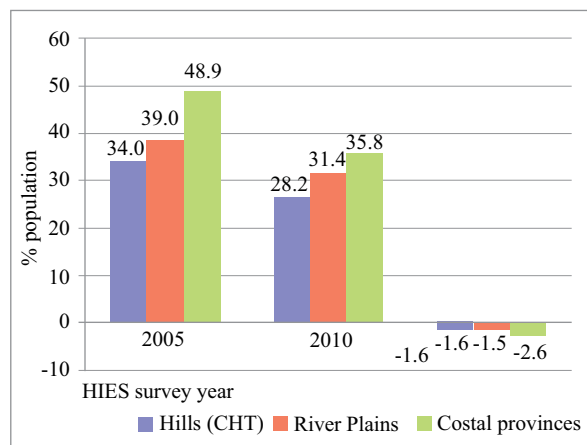
Source: Central Statistics Organization (2014) National Risk and Vulnerability Assessment 2011-12: Afghanistan Living Conditions Survey.

the neighboring countries, such as Uzbekistan, Tajikistan, China or Pakistan. The poorest human capital endowments (literacy, education attainment) in poorer households might have prevented them from reaping the opportunities of better employment in the non-farm and (high-skill) service sector, resulting in stagnating poverty rates and widening inequality. Improving agricultural productivity that is low and extremely volatile is one of the biggest challenges to poverty reduction in Afghanistan.

Bangladesh: The Planning Commission in the Perspective Plan 2010-2021: Making Vision 2021 A Reality stipulates acceleration of economic growth and lays stress on inclusive and pro-poor approach to growth, eradication of poverty, and a comprehensive scheme of social inclusion. The Plan states that poverty HCR will be reduced from 31.5% to 22.5% during 2010-15 and to 13.5% by 2021.

Regional and Local Levels: In Bangladesh, poverty HCR is less in Chittagong Hill Tracts (CHT) than in the river plains, and is highest in the coastal areas as Figure 10.14 suggests.

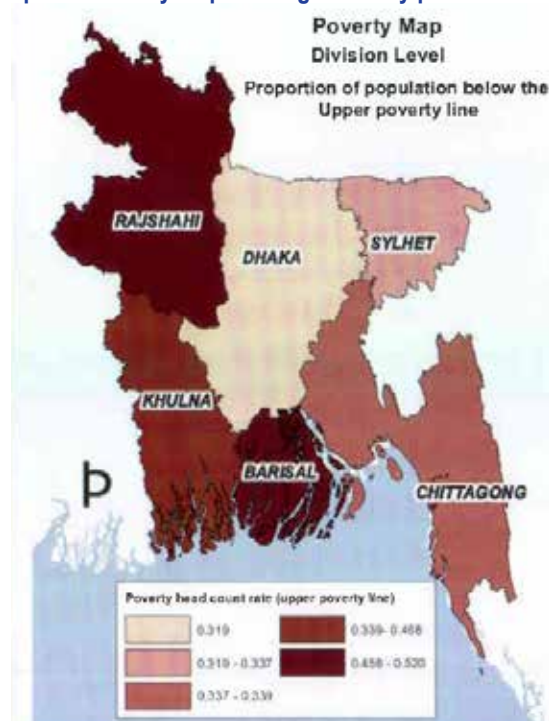
Fig. 10.14 Trends in poverty HCR by ecological region 2005-2010



Note: Numbers on the right hand side of the figure show changes in percent points annually.

The document Updating Poverty Maps of Bangladesh (Map 10.2) suggests that three regions have the highest prevalence of poverty: (1) regions on the banks of Jamuna-Teesta-Brahmaputra in greater Rangpur and Mymensingh; (2) coastal regions of greater Khulna and Barisal division; and (3) regions bordering Myanmar in the southeast of the country.

Map 10.2 Poverty map of Bangladesh by province



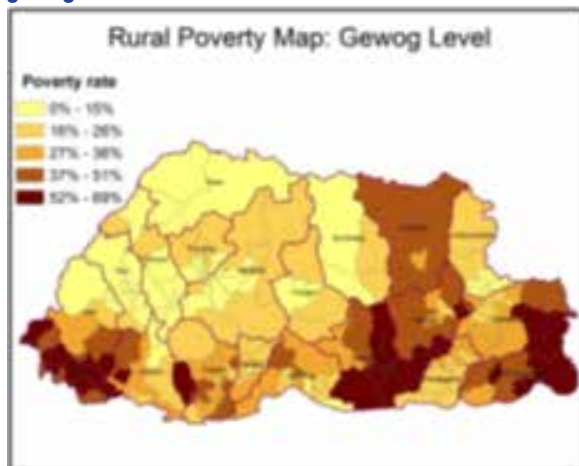
Source: World Bank and WFP BBS (2009) "Updating Poverty Mapping in Bangladesh".

The report suggests that the phrases 'where poverty is' and 'where the poor are' do not bear the same meaning. For example, even though Dhaka has proportionately far less poor, because of the large number of people living in Dhaka, it ends up with a lot more poor people than Bandarban of the coastal areas of the Sundarbans. The upazillas of greater Rangpur are notable for both high prevalence of poverty and the number of poor. Unsurprisingly, areas of high poverty also have lower educational attainment and wage levels. Travel time to and from Dhaka seems to be a strong correlate of prevalence of poverty. The report states that while coastal regions are subject to tidal surges, it is not clear why Rangpur and the adjoining areas of Jamuna should have more poverty than areas like Faridpur which suffers from more severe floods.

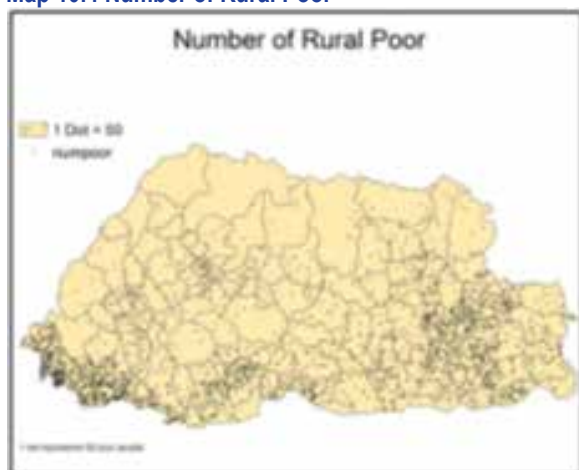
Bhutan: Bhutan's Gross National Happiness Commission (2013) has just commenced the Eleventh Five Year Plan 2013-18: Self-Reliance and Inclusive Green Socio-Economic Development. Here, the element of Inclusive Development refers to "reducing poverty and inequality by enhancing

the standard of living and the quality of life of the most vulnerable sections of the society". The micro estimates of poverty in Bhutan can be found in Maps 10.3 and 10.4 below.

Map 10.3 Bhutan micro-estimates of rural poverty at gewog and individual levels



Map 10.4 Number of Rural Poor



Source: National Statistical Bureau and the World Bank (2010) Small Area Estimation of Poverty in Rural Bhutan.

In the 11th Plan, the objective of the National Key Performance Indicators is to sustain the GDP growth rate of 10 percent or more compared to eight percent in 2012. The KPIs for NKRA 2 are poverty reduced and MDG Plus achievement during 2012-17/18 as follows: (1) Income poverty is to be reduced from 12% to 5%, the MPI to be reduced from 25.8% to 10%, and the Gini index of inequality is to be reduced from 0.36 to 0.30. (2) In MDGs Plus, the health targets are to reduce IMR, U5MR, MMR, tuberculosis, and malaria, and improve coverage of clean drinking water and sanitation. The education target is increasing female/male ratio from 71% to

90% in tertiary education, school enrollment rate target is 100%; and (3) Stunting to be reduced from 33.5% to 30% or below.

Poverty is high in Bhutan's south-eastern region bordering with the Indian Arunachal/Assam States, and in the south-western region bordering with Jalpaiguri/Darjeeling districts, West Bengal. These are also the areas with the largest absolute number of people under poverty line which is shown by the dot points. These poverty maps may offer scope of cooperation with the neighbouring countries.

India: The Planning Commission of India's 12th Five Year Plan 2012-17 has set out its poverty and employment targets as follows: (1) Consumption poverty HCR to be reduced by 10 percentage points over the preceding estimates by the end of the 12th Five Year Plan; (2) Generate 50 million new work opportunities in the non-farm sector and provide skill certification to equivalent numbers during the 12th Five Year Plan; and (3) Reduction in poverty to be done through real GDP growth rate of 8.2 percent (agriculture growth rate 4.0%, manufacturing growth rate 10.0%). For

Fig.10.15: India - Poverty HCR and Poverty gap at the national level

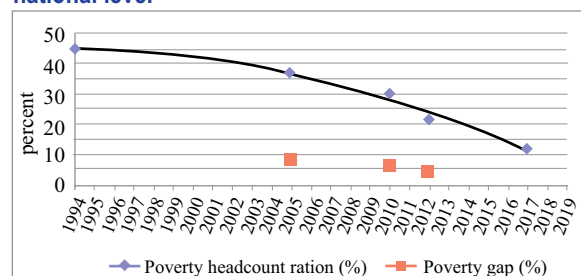
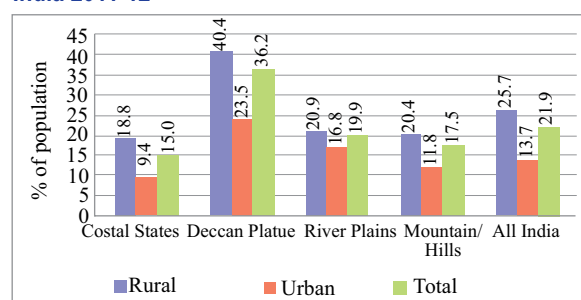


Fig. 10.16: Poverty head count ratio (HCR) by ecological region (simple average) and rural-urban settlement in India 2011-12



Note: Refer to Appendix for poverty incidence by states and the latter's areas of residence.

India, Fig. 10.15 provides the status of poverty incidence and poverty gaps, Fig. 10.16 presents poverty by ecological regions, and Table 10.5 provides poverty by State. Thus, poverty HCR declined from 37.2 to 29.8% of population during 2005-09, further to 21.9% by 2012 and is targeted to 11.9% by 2019 and poverty gap declined from 8.4% to 4.0% during 2005-12.

Table 10.5 Poverty Percentage State Wise 2009-2010

States	Rural	Urban	Combined
Andaman & Nicobar	0.4	0.3	0.4
Andhra Pradesh	22.8	17.7	21.1
Arunachal Pradesh	26.2	24.9	25.9
Assam	39.9	26.1	37.9
Bihar	55.3	39.4	53.5
Chandigarh	10.3	9.2	9.2
Chhattisgarh	56.1	23.8	48.7
Dadra and Nagar	55.9	17.7	39.1
Daman and Diu	34.2	33	33.3
Delhi	7.7	14.4	14.2
Goa	11.5	6.9	8.7
Gujarat	26.7	17.9	23
Haryana	18.6	23	20.1
Himachal Pradesh	9.1	12.6	9.5
Jammu & Kashmir	8.1	12.8	9.4
Jharkhand	41.6	31.1	39.1
Karnataka	26.1	19.6	23.6
Kerala	12	12.1	12
Lakshwadeep	22.2	1.7	6.8
Madhya Pradesh	42	22.9	36.7
Maharashtra	29.5	18.3	24.5
Manipur	47.4	46.4	47.1
Meghalaya	15.3	24.1	17.1
Mizoram	31.1	11.5	21.1
Nagaland	19.3	25	20.9
Orissa	39.2	25.9	37
Puducherry	0.2	1.6	1.2
Punjab	14.6	18.1	15.9
Rajasthan	26.4	19.9	24.8
Sikkim	15.5	5	13.1
Tamil Nadu	21.2	12.8	17.1
Tripura	19.8	10	17.4
Uttar Pradesh	39.4	31.7	37.7
Uttarakhand	14.9	25.2	18
West Bengal	28.8	22	26.7
Total	33.8	20.9	29.8

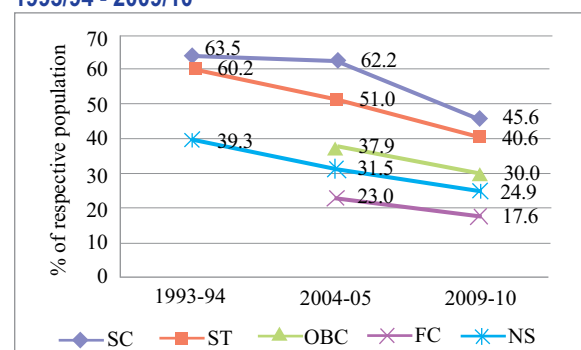
www.mapsofindia.com/maps/india/poverty.html

For lessons from a cross-country perspective, poverty in India may be examined in the major regions such as mountains/hills, river plains, Deccan plateau and coastal area and, within each region, by their rural-urban residences, are shown

in Fig. 10.15. The following features emerge: (1) Poverty ratio is the highest in the Deccan plateau rural residences at 40.4% and is followed by Deccan plateau urban residences with a poverty ratio of 23.5%; (2) River plains come second with a poverty ratio of 19.9%; and (3) Incidence of poverty in the mountain/hill region comes third at 17.5%. In terms of states, five states (Kerala, Andhra Pradesh, Punjab, Himachal Pradesh, and Sikkim) have already reduced poverty ratio below 10% and four states (Tamil Nadu, Haryana, Uttarakhand, and Meghalaya) have poverty ratio at about 11%. Although poverty ratio in rural India is almost twice that of urban India, India has some states (Punjab, Chandigarh, Daman Diu and Lakshadweep) where in the rural areas it is less than in the urban areas (refer to the Appendix Figure for details).

On the GESI aspects, India's 12th Plan (2012-17) and World Bank's Report (2012), a Comprehensive Analysis of Poverty in India, shows that the Scheduled Caste has the highest incidence of poverty HCR at 45.6% or nearly half of their population. Poverty ratio among the Scheduled Tribes was the second highest at 40.6 % in 2009-10. (Fig. 10.17). Poverty rate has been impressively reduced among these social groups compared to other backward and forward classes, but more programs are needed to address the

Fig.10.17 Status of poverty by social groups in India, 1993/94 - 2009/10



Note: SC is scheduled cast, ST is scheduled tribe, OBS is other backward class, FC is forward class, NS includes OBC and FC

GESI aspects.

The implications of these observations for designing programs in South Asia may be: (1) Activities to support the growth of rural economy,

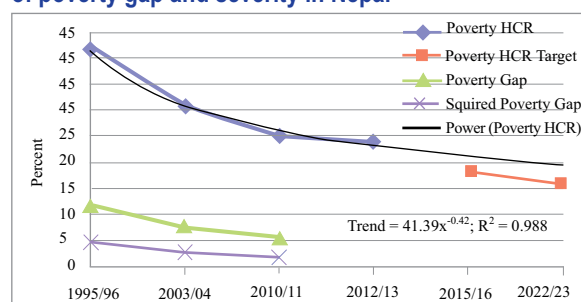
including agriculture, food, and nutrition are more important than others in the production activities; (2) The focus of rural economy upliftment has to be mostly in the Deccan Plateau and the NEFA region; and (3) Indian regions/states bordering with neighbouring countries are relatively better off except Bihar, Arunachal Pradesh, and Manipur where the possibility of joint projects with Nepal, Bhutan, and Bangladesh respectively may be explored.

Maldives: The poverty related to different poverty lines in Male and Atoll are provided in Fig. 10.18 below. The Ministry of Planning and Development (2005) in its document, the Strategic Economic Planning 2005-20 of Maldives, stated the thrust areas as economy, human resources, and technology. Here the modern technology is to be the part of the socio-economic process to reduce volatility and vulnerability of the economy as follows: (1) Diversification of fishery into high-value marine products other than skipjack tuna, secondary processing activities, marketing strategies for finding new export markets, building up of new expertise in marine aquaculture, and environment protection; (2) Diversification of tourism into new tourism products to attract new groups of tourists, upgrading of manpower to groom higher-skilled in diving specialists, resort, development, and management; (3) Upgrading and expansion of agriculture to save foreign exchange, bring social balance, and attain greater self-sufficiency in essential food supplies; and (4) Expansion of traditional tourism, agriculture, and

fisheries to branch out into other new clusters (Port and Logistic Services, ICT, Offshore Banking, Finance Centre etc). These new clusters will complement the traditional ones to maintain its ecological balance, and to reduce poverty.

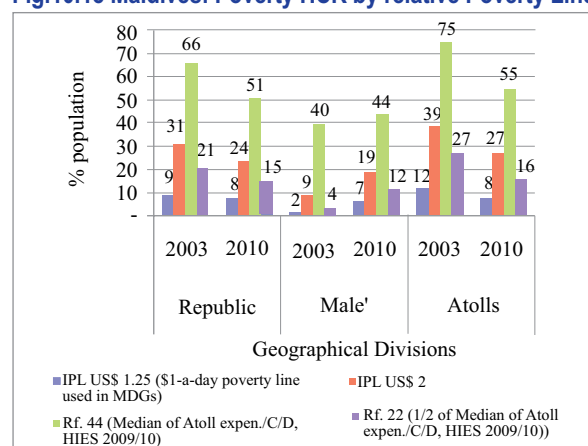
Nepal: The National Planning Commission 13th Development Plan 2012/13 - 2015/16 has set out targets about poverty reduction for 2016 and aims to meet the SAARC Development Goals, and progress into developing country as per the Istanbul Plan of Action by 2022. Specifically, the 13th Plan aims to: (1) Reduce economic and human poverty and improve living standards of common people and (2) Reduce poverty HCR below 18%. Poverty reduction is to be done by increasing economic growth rate to 6.0% (agriculture 4.5% and non-agriculture 6.7%), and increasing employment rate by 3.2% annually. As presented in Fig. 10.19, Nepal's poverty gap and its severity have declined much slower than the incidence of poverty.

Fig. 10.19 Poverty HCR trends and targets, and trend of poverty gap and severity in Nepal



Note: 13th Plan for figures of poverty HCR in 2015. Poverty targets in 2022/23 refer to undernourished people.

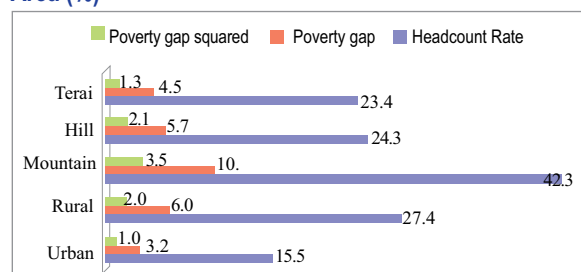
Fig. 10.18 Maldives: Poverty HCR by relative Poverty Line



Source: Maldives HIES 2009/10 Findings, Page 23, Figure 2.7.

Concerning the regional dimension of poverty (Fig. 10.20), poverty incidence is high in Terai, which shares border with West Bengal, Bihar

Fig. 10.20 Poverty in Nepal by ecological rural / urban Area (%)

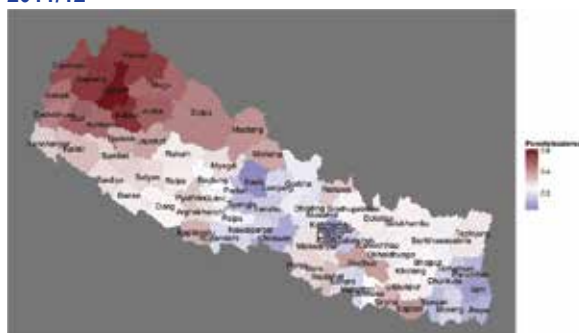


Source: Based on NLSS 2011/12.

and UP of India. Poverty incidence and severity are high in the Mountain region that shares the border with Tibet/China. Hence, there may be cross-border cooperation for poverty alleviation. The higher rate of poverty in the rural areas partly explains increased migration of people from the rural to the urban areas and consequent rise of urban slums and poverty.

Small area estimates of poverty in Nepal can be found in Map 10.5, and the GESI aspects of poverty rate may be inferred from occupational/industry groups in Table 10.6. The results show the highest concentration of poverty in the far west-northern mountain and hill regions (a tri-junction with India and China), and among the people with self-employed agriculture, wage employed agriculture, and extended economic activities.

Map 10.5 Estimates of poverty in Nepal by district 2011/12



Based on CBS 2011 data <http://prabhasp.com/wp/mapping-poverty-in-nepal/>

Table 10.6 Poverty by occupation of the household head in Nepal

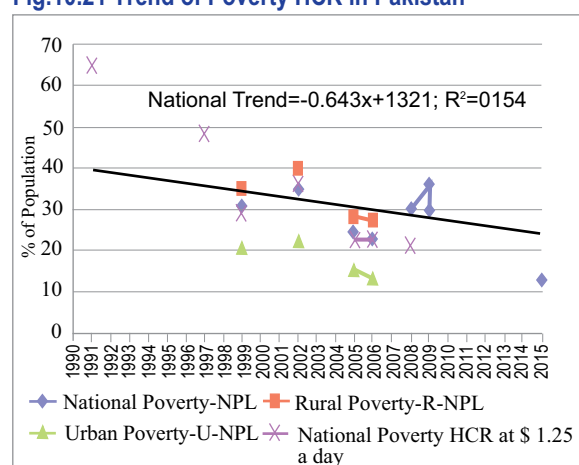
Household head's main occupation	Incidence			Distribution	
	Headcount rate	Poverty gap (x100)	Poverty gap squared (x100)	of the poor	of the population
Self employment					
Agriculture	27.23	6.00	2.05	55.2	51.0
Manufacturing*	22.44	5.03	1.77	3.8	4.2
Trade	13.21	2.54	0.74	4.1	7.9
Service	19.63	3.33	1.02	2.0	2.6
Wage					
Agriculture	47.03	8.56	2.52	6.3	3.4
Professional	5.55	1.14	0.35	0.7	3.3
Other	28.25	5.76	1.73	16.2	14.5
Extended economic activity	31.55	9.37	3.67	5.9	4.7
Unemployed	26.65	3.60	0.86	0.4	0.4
Inactive	16.63	3.35	1.09	5.3	8.0
Nepal	25.16	5.43	1.81	100.0	100.0

*Manufacturing includes workers in mining and quarrying, construction, electricity and utilities as well

Source: CBS (2012) Poverty in Nepal: Based on NLSS 2010/11.

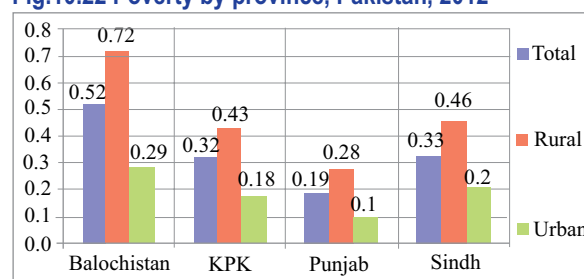
Pakistan: The Government of Pakistan, Planning Commission's Tenth Five Year Plan (2010-15) has set its poverty alleviation targets as: (1) Economic growth rate of 6.0 percent, job creation in Baluchistan and FATA, and rekindling of growth in NWFP and less developed districts in Punjab and Sind; (2) Moving as close as possible to the MDG target of 13 percent of population BPL; and (3) unemployment reduction from 4.0 to 3.5 percent, and significant increase in the real wages. Thus, poverty in Pakistan in the national, urban/rural settlements as per the small area estimates are summarized in Figs. 10.21 and 10.22, and Appendix 4 respectively. The national estimates of poverty HCR widely fluctuate depending on the economic condition and may not hit the MDG target of 13% by 2015. The poverty ratio in the rural areas is double than that of the urban areas reflecting a stagnant rural economy and migration to urban areas. Based on IPL of US\$ 1.25 a day, the trend of poverty reduction has slowed down and poverty gap is high at around 5-10%.

Fig.10.21 Trend of Poverty HCR in Pakistan



Source: Pakistan Economic Survey and National Development Plans (various issues), and the WDI Datasets.

Fig.10.22 Poverty by province, Pakistan, 2012



Source: Pakistan PAF (2013) Poverty Perspectives, October, www.paf.gov.pk.

Poverty in Pakistan by ecological region and province (Fig. 10.22) is based on MPI, which shows that Baluchistan has the highest incidence of poverty at 52 percent of the households under poverty. Poverty in KPK and Sindh are equal to the national average whereas Punjab is the least poor province with only 19 percent households at BPL. The provinces also show a very high rural-urban divide in poverty HCR. Rural Baluchistan has the highest incidence of poverty (74%) versus the urban Baluchistan (29%). The second highest rural-urban disparity is seen in Sindh and KPK. Rural-urban divide in Punjab is the lowest amongst all the provinces.

The real challenge of poverty reduction perhaps lies at the sub-provincial, district level (Table 10.7). Some generalizations about the extreme poverty are as follows: Extremely high incidence of poverty afflicts several districts of Baluchistan and some northern districts in KPK. District Kohistan in KPK and Musakhel in Baluchistan are the two poorest districts of Pakistan. Majority of the districts in Baluchistan have more than 60 percent households below the poverty line. Districts adjacent to Kohistan in KPK also show very high incidence of poverty. Similarly, the southern regions of KPK and Punjab and southeast Sindh, too, have high incidence of poverty. Information on poverty by district and cluster would be very useful for designing poverty alleviation programs.

Table 10.7: Pakistan - District ranking over MPI Score

Province	District	MPI Score	MPI Rank
Balochistan	Musakhel	0.56	1
KPK	Kohistan	0.53	2
Balochistan	Awaran	0.45	3
Balochistan	Washuk	0.45	4
Balochistan	Dera Bugti	0.44	5
Balochistan	Kohlu	0.39	6
Balochistan	Chaghi	0.39	7
Balochistan	Qillah Abdullah	0.37	8
Balochistan	Bolan/Kachi	0.37	9
Balochistan	Jhal Magsi	0.36	10
KPK	Shangla	0.34	11
Balochistan	Nasirabad	0.31	12
Balochistan	Jafarabad	0.30	13
Balochistan	Barkhan	0.30	14
Balochistan	Qillah Abdullah	0.30	15
Balochistan	Lasbela	0.29	16
Sindh	Mirpur Khas	0.28	17

Province	District	MPI Score	MPI Rank
Balochistan	Nushki	0.27	18
KPK	Upper Dir	0.27	19
KPK	Batagram	0.27	20
Balochistan	Kharan	0.26	21
KPK	Bonair	0.26	22
Sindh	Tharpakar	0.25	23
Balochistan	Kalat	0.25	24
Balochistan	Kech/Turbat	0.25	25
Punjab	Rajanpur	0.24	26
Balochistan	Khuzdar	0.23	27
Balochistan	Sibbi	0.23	28
Balochistan	Ziarat	0.22	29
Balochistan	Zhob	0.22	30
Sindh	Dadu	0.15	61
Sindh	Sanghar	0.15	62
Punjab	Multan	0.15	63
Punjab	Pakpattan	0.15	64
Punjab	Rahim Yar Khan	0.14	65
KPK	Karak	0.14	66
KPK	Mansehra	0.14	67
Punjab	Bhakkar	0.14	68
KPK	Hangu	0.14	69
Punjab	Khanewal	0.14	70
Sindh	Shikarpur	0.14	71
Punjab	Vehari	0.14	72
Sindh	Khairpur	0.13	73
Punjab	Bahawalnagar	0.13	74
Sindh	Hyderabad	0.13	75
Punjab	Jhang	0.13	76
Sindh	Sukkur	0.13	77
KPK	Kohat	0.13	78
KPK	Peshawar	0.13	79
KPK	Bannu	0.12	80
KPK	Charsada	0.12	81
KPK	Swabi	0.11	82
Punjab	Okara	0.11	83
KPK	Chitral	0.11	84
Punjab	Kasur	0.10	85
Balochistan	Pashin	0.22	31
Balochistan	Loralai	0.22	32
Balochistan	Mastung	0.22	33
Sindh	Badin	0.21	34
Sindh	Thatta	0.21	35
KPK	D.I. Khan	0.21	36
Sindh	Jamshoro	0.21	37
Punjab	Muzaffargarh	0.21	38
KPK	Swat	0.21	39
Sindh	Tando M Khan	0.21	40
Sindh	Nawabshah	0.21	41
Balochistan	Gwadar	0.20	42
Sindh	Shahdadkot	0.19	43
Sindh	Larkana	0.19	44
Punjab	D.G. Khan	0.19	45
Balochistan	Quetta	0.19	46
KPK	Tank	0.18	47
Sindh	Jacobabad	0.18	48

Tabel 10.7 contd.

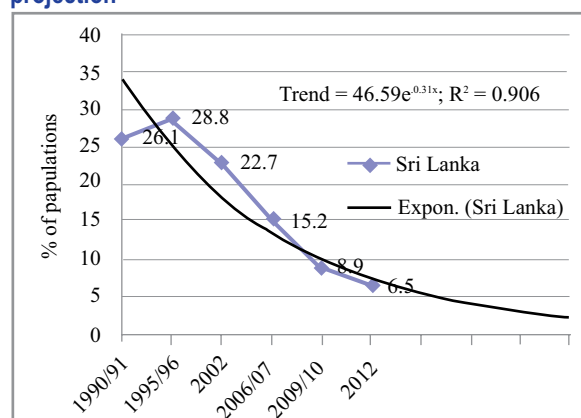
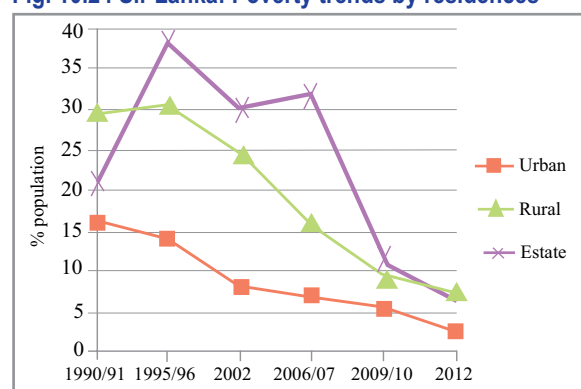
Table 10.7: Pakistan - District ranking over MPI Score (contd.)

Province	District	MPI Score	MPI Rank
KPK	Malakand	0.18	49
Sindh	Tando Allah Yar	0.17	50
Punjab	Bahawalpur	0.17	51
KPK	Lower Dir	0.17	52
Sindh	Ghotki	0.17	53
KPK	Mardan	0.17	54
KPK	Lakki Marwat	0.17	55
Sindh	Kashmore	0.17	56
Balochistan	Panjgur	0.17	57
Punjab	Layyah	0.16	58
Punjab	Lodhran	0.16	59
Sindh	Matari	0.15	60
Sindh	Karachi	0.10	86
Sindh	Noshero Feroz	0.09	87
KPK	Nowshera	0.09	88
Punjab	Nankana Sahib	0.09	89
Punjab	Sahiwal	0.09	90
KPK	Abbottabad	0.09	91
Punjab	Sheikupura	0.08	92
Punjab	Sargodha	0.08	93
Punjab	Mianwali	0.07	94
Punjab	Khushab	0.07	95
Punjab	Narowal	0.07	96
Punjab	Hafizabad	0.06	97
Punjab	Lahore	0.06	98
KPK	Haripur	0.06	99
Punjab	Attock	0.05	100
Punjab	T.T Singh	0.05	101
Punjab	Faisalabad	0.04	102
Punjab	Rawalpindi	0.04	103
Punjab	Sialkot	0.03	104
Punjab	Gujranwala	0.03	105
Punjab	Mandi Bahuddin	0.03	106
ICT	Islambad	0.02	107
Punjab	Chakwal	0.02	108
Punjab	Gujrat	0.02	109
Punjab	Jhelum	0.02	110

Source: Arif Zaved and Nazal Ali (2012) Clustered Deprivation: District Profile of Poverty in Pakistan. Sustainable Development Policy Institute (SPDI)

Sri Lanka: The Ministry of Finance and Planning's Unstoppable Sri Lanka 2020: Mahindra Chintana Vision for Future has targeted to reduce poverty HCR from 6.5% to 2.0% during 2012-2020. According to the 2nd Five Year Development Framework 2011-2016, the MDGs to be achieved by 2016 also include: eradication of hunger and hard-core poverty; reducing malnutrition rate of children from 33% to 12-15%; and increasing access to clean water in urban areas from 65% to 90%. The Department of Census and Statistics (DCS) HIES report 2012/13 shows that the poverty

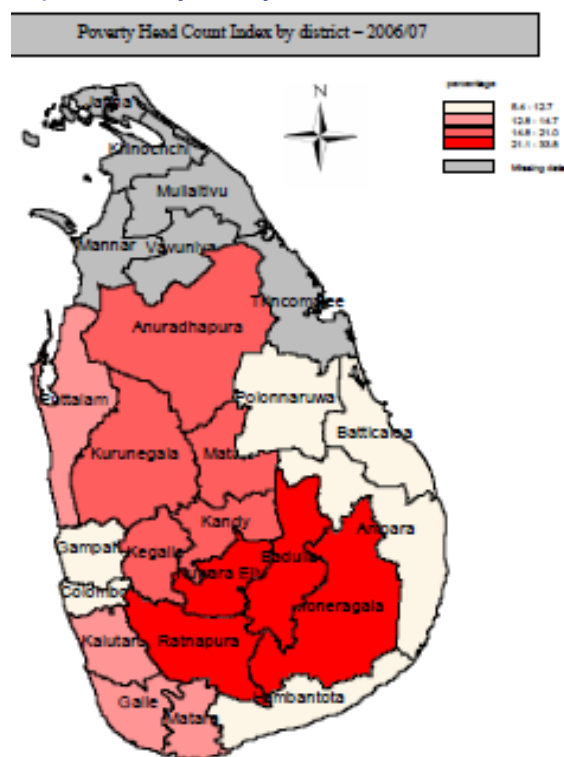
HCR in Sri Lanka is 6.5%, which is the lowest in South Asia. Details in Figs. 10.23 and 10.24 show that poverty HCR used to be very high at 32% in the tea estates until 2006/07 and declined to 7.5 % by 2012/13, which is quite exemplary.

Fig.10.23 Sir Lanka: Poverty HCR trends and projection**Fig. 10.24 Sir Lanka: Poverty trends by residences**

Source: DCS (2013) HIES 2012/13 Preliminary Report.

At the sub-national level, poverty HCR ranges from a minimum of 2.3% in Vavuniya and 3.6% in Colombo to 16.1% in Jaffna and 20.3% in Batticaloa in 2012/13. Poverty rates have declined unevenly during the past two decades across the provinces and districts. The poverty map estimates at sub-national levels link these figures to maps of remoteness/isolation and drought (Map 10.6 in next page) and there is considerable overlap between poverty and the extent of tsunami damage. Sri Lanka has found it useful to compare DS division level poverty estimates with the extent of Samurdhi coverage in these divisions to get a rough idea of the extent of mis-targeting. This has helped generate a consensus around the need for better targeting.

Map 10.6 Poverty HCR by districts in Sri Lanka



Source: DCS HIES 2006-07, and DCS and World Bank (2005): A Policy Note: A Poverty Map for Sri Lanka.

SAARC Region

The foregoing review of countries' poverty situations emphasizing trans-boundary ecology and GESI are summed up in Table 10.8 to provide a pan-SAARC view of poverty HCR. The top rows show the ecological regions, gender aspects, and social minorities as headings and the bottom rows show the respective regional averages. The poverty situation of these variables for each country is also compared with the national averages. Here, the regional average is estimated as a simple average, which assigns equal weights to all the eight Member States of SAARC.

The latest figure of poverty HCR from this table is 23.1% in South Asia on the average. Compared to the overall regional average, poverty in the coastal areas is lower at 19.2 percent which is true for all countries with access to the ocean, except Bangladesh. Among the inland areas, poverty HCR is the highest in the plateaus at 28.5% and increases to 38.9% in the central provinces of Afghanistan. Poverty in the river plains averages at 27.3%. Thus, ecologically, incidence of poverty is the highest in the areas facing water shortages, coastal cyclone, and lowland flooding. Poverty in

Table 10.8 Ecological, Gender, and Social Dimensions of Poverty HCR in South Asia

Country and Year		National average	Mountains	Ecological Regions			GESI	Minority	Remarks
				Plateaus	River Plains	Coastal Areas	Female-Headed HH		
1	Afghanistan 2011-12	36.5	47.8	38.9	32.2		54.7	53.8	Kuchh
2	Bangladesh 2010	31.5		26.2	31.4	35.8	26.6	31.1	Non-Muslim
3	Bhutan 2012	12.0	12.0						
4	India 2010-11	21.9	17.5	36.2	19.9	15.0	27.2	45.5	Scheduled Tribe (ST)
								40.6	Scheduled Caste (SC)
								43.7	Muslim
5	Maldives 2009-10	15.0				15.0			
6	Nepal 2010-11	25.2	26.7		23.4		23.7	40.6	Dalit
								27.0	Janajati
								28.7	Mid-Caste (hill)
7	Pakistan (IDB, 2008) (b)	33.8	39.3	32.9	29.5	22.4			
8	Sri Lanka 2009-10	8.9	12.0	8.2		8.0		16.1	Jaffna
								20.3	Baticolawa
	Simple Average	23.1	25.9	28.5	27.3	19.2	33.1	34.7	

Note: The Indian 12th Plan 2012-17 reports poverty ratios among the SC and ST Tribes for urban and rural areas separately; so we took population-weighted average. In the case of women, we assigned a weight of 0.7 to poverty in rural area and 0.3 in urban area. In the case of Nepal, poverty ratio in mountains is average. Poverty in the mountains and hills is based on population. Poverty ratio among the Dalits and Janajatis is also an average of mountain, hill, and Tarai based on the total population weights. For Pakistan, Plateau refers to Baluchistan. For Sri Lanka HIES 2009-10, the poverty ratio in Jaffna and Baticolawa may be taken as indicative of the Tamil community.

the mountain regions of Afghanistan and Pakistan is very high. In other words, poverty alleviation interventions have trans-boundary characteristics and require cooperation of the Member States to maximize policy synergy.

In terms of GESI, poverty HCR among the female-headed households is as high as 33.1% in South Asia and 54.7% in Afghanistan. Poverty HCR among the minority communities in South Asia averages to be still higher at 34.7% of their population. No South Asian country can be seen as doing better to alleviate poverty among women and minority communities compared to the overall regional average. By implication, the ecological and GESI dimensions of poverty HCR as benchmarks in South Asia, would underline the need to accord a higher priority to the ecological, gender and social aspects of poverty alleviation.

Program Areas

The preceding two sections covered the poverty lines and poverty gaps in the consumption of goods and services in South Asia, poverty incidence by ecological region, GESI aspects as well as micro-estimates about the spatial distribution of poverty rates or the number of poor people in the region. In this context, this section sums up the country-wise best practices in poverty alleviation in terms of program areas for the delivery of goods, services, utilities, institutions, resources, and environment to improve the quality of life of the target people.

The eight SAARC countries have reported about 28 case studies at the sectoral or project level on the best practices in poverty alleviation. Each project deals with a different area in addressing poor people's needs and developing their capabilities, and each such area can be a project area in itself. From these country projects, an attempt has been made to extract the main subject areas covered by way of assigning a score of unity and adding them to get an indicative picture of the most frequently occurring themes to reflect the choices of governments and people at the regional level. The results of such a frequency analysis are presented in Table 10.9 below.

Table 10.9 Frequency of major program areas covered by Best Practice Reports of SAARC Member States

	Major Program Area for Project Interventions	Frequency
1	Food Production/ Income Generation	11
2	Institutional Development	9
3	Micro-Finance	7
4	Infrastructure Facility, Utility	7
5	Environment	7
6	Technology	6
7	Target people (women, Child, Youth)	6
8	Small and Medium Enterprise	5
9	Nutrition	5
10	Water Conservation, Use	5
11	Social Protection, Safety Nets	5
12	Vocational Education, Employment	4
13	Land Entitlement/ Common Property Resources	3
14	Participation of People	3
15	Model Village	3
16	Sanitation	3
17	Insurance	2
18	Rights Based/ Legal Approach	2
19	Health	2
20	Renewable Energy	2
21	Culture	2
22	Remittance	1
	Total	100

Source: Based on project reports in chapters from 2-9 above.

It is important to note that any single best practice project of a country includes one or more subject areas, and that such coverage of different areas when counted for all projects under consideration is one way to reflect the relative importance of the subject. Thus the main program areas are listed here as covering one or more of a total of 22 themes ranging from food production/small agricultural income generating activities at the community level to remittance earning from labor migration to other countries. The results show that the Governments in South Asia have emphasized most food production, institutional development, microfinance, infrastructure and facilities, technology, targeted people upliftment, SMEs, nutrition, water management, and social safety nets/protection in a descending order. On the other hand, the areas least represented in the PA programs are remittance, culture, renewable energy, health, legal rights, insurance, sanitation, model villages, people's participation, land entitlement, and education in an ascending order. In general, it seems that the nature of Poverty Alleviation activities gradually gets transformed

from emphasis to hunger eradication, to nutrition improvement, social protection and legal rights as the development status of society rises. The paragraphs below provide a gist of such discussion from the Symposium on the Best Practices in Poverty Alleviation.

Country Best Practices

Afghanistan: Afghanistan has put forward four major projects in Poverty Alleviation: (i) Microfinance Programme (MP), (ii) National Skill Development Programme (NSDP), (iii) National Solidarity Programme (NSP), and (iv) On-farm Water Management (OFWM). Microfinance program helped mitigate poverty by providing financial assistance to those who had skills to start a business or expand an existing one; to create employment and assets for themselves and their families; and to avoid slipping back into poverty. This has been one of the most effective programs in the country. NSDP is about conducting skill-based training program to villagers and training farmers and creating skilled labour. The goal of NSDP is to contribute to socio-economic recovery through development of a national Technical and Vocational Education and Training (TVET) system responsive to labor market needs that helps women and men to lead a professional decent life. NSP is dedicated to the development of the ability of people to identify, plan, manage and monitor their own development projects. Hence, it has created the foundation for the rural communities for inclusive and progressive local governance in 390 districts, enhancing national solidarity.

In Afghanistan, a semi-arid and sub-humid climatic country with high inter-annual variation of precipitation, irrigation is paramount for cultivation of summer crops. On-Farm Water Management Project is a new water-based project, because of poor water management in the country. This project is quite effective in villages and has bolstered the possibility of small agriculture activities. Two major objectives of this project are (a) to secure food security and livelihood of rural communities and (b) to enhance agro-production by introducing farmer-friendly techniques for

improving water use efficiency and farm-based water irrigation management.

Some of the areas of projects from Afghanistan of possible interest to other countries in the region are: (a) On-farm Water Management functioning and type of technology and methods undertaken such as water pumps, wells, and small dams and supply water through canals (the country imports such import hi-tech machines). There is a need to improve affordable availability of water as also for training of people on the use and management of water, and promoting saffron cultivation which hardly requires water. (b) Need to improve the situation of microfinance, particularly about the kind of mechanism used in microfinance and agriculture in the implementation of these programs, the way microfinance institutions provide loans to start up small business in remote and isolated areas, and lessons from how banks have come hand-in-hand with their microfinance projects to run the program effectively. (c) There is a need also to boost the status of women's participation and involvement of government and NGOs in NSP.

Bangladesh: Bangladesh proposed the following as the best approaches related to poverty alleviation: (i) Participation of the poor in growth activities; (ii) Use of Microfinance; (iii) International migration and remittances; and (iv) Social protection program. On remittance earnings, some of the issues of larger interest to other countries from Bangladesh are: (a) Challenges faced by women vis-à-vis UN's idea of 'women migrant workers'; (b) Status of international migration and remittance and whether it was a right approach to continue at the cost of draining out a huge chunk of promising youths; and (c) How to improve the domestic employment mechanism. Bangladesh has been comfortable now sending off women abroad for work only after proper training and skill development. It has generated a tremendous reservoir of skilled labourers, empowering women.

Bhutan: Bhutan reported the following best practices in poverty alleviation: (i) Micro-Initiative Fund (MIF); (ii) Targeted Poverty Intervention

through Rural Economy Advancement Program (REAP); and (iii) Comprehensive Community Development (CCD) Initiatives. REAP, CCD, and credit through MIF have bolstered rural development and addressed the associated issues of poverty, food security, livelihood and income and employment generation. The use of participatory approach to address the best practices in poverty alleviation has been one essential feature through which communities can play an important role in inception, planning, and implementation, resulting in socio-economic transformation in the lives of beneficiaries. Improved nutritional level, shelter, education, and health of the beneficiaries, creating self-employment, and augmenting income-generating activities are some of the salient indicators of the best practices in poverty alleviation. Further, inclusiveness has been an important factor, so that the people themselves could be the drivers and promoters of the programs.

Some of the areas of projects from Bhutan that could be of greater interest to other countries in the region are: (a) “Management of soil-land towards sustainable agriculture in southAsia”; (b) Measures taken to address decline in citrus production: the government has issued ordinance for effective citrus draining (in some citrus-decline areas, adopting ancient methods like root-pruning treatment or applying various assortments of cow urine and dung have helped in reviving trees in some pockets); (c) Best practices followed in organic farming: Bhutan has decided not to go 100 percent organic, but has an area-specific or commodity-specific organic agriculture, emphasizing production of commodities such as mushroom, potatoes, asparagus with export potential.

India: India has identified four best practices: (i) Role of Self-Help Groups (SHG) and their Federations; (ii) Rural Self-employment Training Institutes (RSETIs); (iii) Model Village Development through Local Self Good Governance; and (iv) Self-Sustained Sanitation Programme (SSSP). First, with the formation of SHG, the interventions initially embarked on awareness and sensitization activities to motivate rural women on importance of team work on self-help principles and equity, and settling things by themselves. These women groups were encouraged

to go beyond saving and credit activities, promoting women empowerment and social development. These initiatives proved their mettle with several success stories. Second, one of the interventions of the government was to create opportunities for rural youths in promoting enterprises in realizing their aspirations. The unique feature of RSETI has helped promote a positive attitude to life and team work and building confidence and capacity of youths to become entrepreneurs through training. Third, the development of villages was mainly due to the community mobilization steered by locally elected bodies called Panchayats. The experience has clearly demonstrated how good governance at the micro-level can bring about significant change in the lives of people of rural community. Fourth, Intensive Sanitary Programme (ISP) launched in Midnapore district increased sanitation coverage from 4.74 percent to cent percent, and made it an open defecation free-zone. The ISPs transcended government boundaries. The main objective of the ISP intervention is to ensure that all households have sanitation facilities and safe drinking water through the participatory approach.

The best practices of India might provide a number of insights, which have a potential for replication across the SAARC region. Some issues of sharp interest are: (a) Poverty Alleviation practices in India suggest that there should be a path with seven important steps for poverty alleviation: (i) to identify the poor; (ii) to organize them into strong community-based organizations; (iii) to build their capacity; (iv) to exploit their full potential; (v) to open the doors of capital showing path for a better livelihood; (vi) to promote social agenda; and (vii) to create safety nets for the poor. One unique feature of the project has been its hiring process: they do not take on any outsiders, but employ only locals from the same communities for local leadership, opportunity creation, and empowerment. (b) The government grants funds to the tune of 1 crore to banks in each district for the development of agriculture, with mandate to establish institutions of the training for youths. However, the banks forward loans only to beneficiaries who have a collateral while the asset-less ones remain deprived.

Maldives: The best practices followed by Maldives

are based on small scale programs with small inputs that engender larger impacts subsequently, namely (i) Hydroponic Agriculture Project initiated by Women Entrepreneurs Council (WEC) in the island of Burini. Realizing the effectiveness of this project, the government and the donors have been encouraged to replicate it all over the country. (ii) Chili Project in Veymandoo supported by NGOs under a cooperative society has proved equally lucrative. The project provided innovative livelihood options to women and leadership training for organizing and mobilizing themselves for environmental sustainability, equitability, and empowerment. (iii) Virgin Coconut Oil (VCO) Project, supported by the Ministry of Fishery and Agriculture (MoFA), created various income-generating trainings and establishing market links and payment mechanism for VCO producers.

The key components of the WEC's project include life skills and business skills, especially with regard to financial management of their income-generation activities, networking, pricing, and marketing. The microcredit facility program has also contributed to the enhancement of people's livelihood. Among the activities funded are small enterprises, family businesses, fish processing, trade handicrafts, and shops and cafes. These practices in income generations face some difficulties though: (a) There was a great challenge in selling the product outside the local market and the beneficiaries started building up a cooperative society to overcome this shortcoming. Ironically, the people of Maldives knew nothing about the concept of cooperative society, which was another patent hurdle. (b) Certifications of guarantee of their products are needed so that they are genuinely salable in the domestic market and internationally as well. However, the people till date have been grappling to meet the expenses they had invested.

Nepal: Nepal presented three best practices in poverty alleviation: (i) Women-led Enterprise: Electricity from Gas-fire Plant in Jagarnathpur VDC, Parsa; (ii) Commercial Vegetable Production and Marketing, Dhading; and (iii) Community-led Enterprise: Bhada Home Stay, Kailali District. In addition, the report includes Community Livestock Development Project (CLDP). First, under the Electricity from Gas-fire

Plant, a women-led enterprise took the initiative to generate electricity from the unique rice husk-based gas-fire technology in Jagarnathpur. The plant is illuminating villages within a radius of 2.5 kilometers and people are carrying out vegetable farming, livestock, and other activities. The project might be a good response to meet the energy crisis. Second, commercial vegetable production and marketing in Khalleri VDC is implemented by the Small Farmer Agriculture Cooperative Society (SFACS). The direct beneficiaries are 105 small farmers involved in commercial production and marketing of vegetables, specifically beans, lintels, cauliflowers, cabbage, and tomatoes. To enhance productivity, the Cooperative encouraged its members to construct two ponds for irrigation with a capacity of 204,000 liters of water and a collection center. This project is a participatory scheme where most of the beneficiaries are women. Third, Bhada Home Stay is a community-level project based on the promotion of local tourism with home stay facility owned and managed by the local Tharu community. It is a locally initiated venture where tourists can enjoy indigenous accommodation, food, cultural, and lifestyle of the villagers. It has attracted domestic and international tourists. Thematically, this project aims at building the capacity of the locals in terms of leadership quality, management of natural resources, raising awareness, social mobilization, and social protection, and is focused on women and marginalized groups.

The best practices of Nepal might provide a number of issues of interest to others in the region: (a) Generation of subsidiary income for farmers/people and use of the latter to raise the Cooperative Organizations' share capital; (b) Use of Cooperatives to conduct training for the production of agricultural technicians and organic fertilizers, construction of irrigation canals and collecting centers, and creation of sustainable mechanisms for the marketing outlets for products; (c) Issues related to managing visiting tourists, and opportunity to start home stay in the project sites; (d) Best practices which are self-driven to uplift and promote local economy and culture, coupled with the empowerment of women that have helped eliminate gender discrimination.

Pakistan: Pakistan's best practices in poverty alleviation focus on four sectors: (i) Family Planning, (ii) Benazir Income Support Programme, (iii) Rahim Yar Khan Model (RYKM), and (iv) People's Primary Healthcare Initiative (PPHCI). First, under family planning, the government deploys Lady Health Workers (LHW) in rural communities, providing basic logistic support for bridging communities with FLCF. Visiting homes of the designated community, LHW, as a part of their assignment, provides supplies for family planning. Second, Benazir Income Support Programme (BISP) facilitates the needs of the poor by providing insurance for healthcare, providing financial assistance for talented students, creating provision for micro-financing to start up small business ventures, and offering financial assistance to widows, orphans, the physically handicapped, and other marginalized sections of the populace. Third, the Rahim Yar Khan Model is a newer version of healthcare scheme. It established Community Support Group (CSG) for monitoring service delivery, provision of school health service, and initiation of community awareness campaign, together with provision of prescribed schedule of curative and preventive service deliveries. On-job training has helped in the capacity building of health professionals and has supplied medicines free of cost. Finally, inspired by RYKM, the Government has launched People's Primary Health Care Initiative (PPHCI) for the improvement of service delivery at FLCF to strengthen the curative and preventive services provided. Thus, the national health policy plan in Pakistan has helped in capacity building as well as the maintenance of developed expertise through participation for community awareness, advocacy, social mobilization, besides quality healthcare and welfare of communities through the implementation and management of well-designed social protection, focusing on marginalized groups, women, and children.

Sri Lanka: The case of Sri Lanka suggests four best practices. (i) Samurdhi Safety Net Programme plays a crucial role in delivering development benefits of macro-level development strategies to uplift the poor and marginalized communities, providing privileges, including social insurance,

scholarship programs, nutrition pack, micro-credit, and livelihood development programs, among others. (ii) The provision of mid-day meal and a glass of milk to primary school children of targeted poverty-stricken areas and communities has substantially reduced child malnutrition, enhancing their attendance and participation in academic activities. (iii) Divi Neguma or livelihood uplifting program provides a holistic approach to livelihood development resulting in consumption reduction supported by a home-based food production drive and entrepreneurship development with capacity building and micro-finance interventions. (iv) Gama Neguma or village uplifting program is a participatory endeavor wherein people decide their needs at the village level through the people's councils, and make development decisions with their participation and monitoring. This program has intervened in providing facilities for building rural roads, maternity clinic, and schools, and also relates to anti-narcotic programs.

The best practices of Sri Lanka might provide a number of insights, which have a potential for replication across the SAARC region. Some issues of interest are: (a) Sri Lanka has made a laudable breakthrough in poverty alleviation offering a holistic way of looking at development but its budgetary implications (ratio of expenditure to GDP) needs consideration; (b) The use of a lifecycle approach of providing social protection to the poor, especially overcoming malnutrition among children is noteworthy; and (c) Management of various social programs in terms of providing insurance, nutrition pack scheme, food for the pregnant women and the like despite a high malnutrition rate and huge budgetary deficits and the implications of these activities in economic growth deserve consideration.

Additional notes on program areas based on presentation in the plenary sessions of symposium

Urban Poverty Alleviation and Slum Upgrading (UPASU): South Asia witnessed unprecedented urbanization resulting in multidimensional urban poverty challenges coupled with development challenges concentrated in cities more than ever

before and thus needs special efforts to address urban poverty. The sharp rise in urban population has created tremendous pressure in urban facilities, livelihoods and poverty, slum dwellings, and environment. Thus a project proposal like UPASU can be conceived to initiate a community-driven slum upgrading agenda drawn from the best practices in the region. The implementation framework for urban poverty and slum upgrading in select secondary cities need three key objectives: (i) improved housing and security of tenure for the urban poor and vulnerable; (ii) strengthened institutional capacity to equitably manage urban infrastructure for the urban poor; and (iii) pro-poor urban governance and decision-making structures in slums. A way forward could have three-pronged pro-poor strategy: (a) Evidence-based municipal reforms leading to improved performance by councils and equitable access to social and infrastructural services for the urban poor; (b) funding for built environmental services for the poor; and (c) strengthening civil society organizations and association of the urban poor to address urban poverty and inequalities based on good practice models.

The approaches to city-wide slum upgrading and housing development could include: (a) Undertaking a survey of all urban poor settlements to target and register all the poor in the city; (b) Engaging the urban poor actively in involving, organizing, networking, and working with the Government; (c) Upgrading all urban poor communities into proper settlements and strong communities with a secure tenure and healthy housing as well as economic and social development; and (d) developing a new financial system and community development fund to support initiatives on the urban poor.

Indicative responses of the Member States on some parameters for an UPASU project received from four Member States, namely Afghanistan, Bhutan, Nepal and Sri Lanka, indicated the following:

- i. The number of direct beneficiaries of such a project may be some 81,000 people per country;
- ii. The UPASU project output/deliverables may be prioritized on a scale of 1-10 as follows:

- a. Employment skills/micro-enterprises: 8.0 points;
 - b. Access to community/social infrastructure: 7.2 points;
 - c. Environmental infrastructure: 6.7 points;
 - d. Policy and institutional support program: 6.1 points;
 - e. Poor people's housing: 5.7 points; and
 - f. Others: Optional (employment/ livelihoods): 3.5 points;
- (iii) The UPASU project costs by different stakeholders may be shared as follows: (a) Government: 25%; (b) Private sector: 18%; (c) Community people: 15%, totaling 58%. The remaining project outlay to the tune of 42% can be injected by external agencies. If one were to include additional outputs/activities, the cost-sharing for the project may change.

Micro-Finance and Micro-Insurance: Micro-finance activities are largely concentrated in rural society as some 80 percent of the poor in SAARC Member States live in rural areas and depend on agriculture, including livestock, which is one-fifth of the world's livestock. A regional micro-finance project may consist of three components: (i) Regional Conclave for Micro-Insurance; (ii) Pilot projects in three SAARC Member States for Business Development Services for Small and Growing Businesses; and (iii) Regional Learning Platform in all SAARC Member States for Micro-Deposits.

The first component, Regional Conclave for Micro-Insurance, may aim to protect the poor from risks to their livestock by delivering an appropriately designed and cost-effective insurance product. The benefits to accrue from this project are: (a) increase in livestock insurance policies subscribed by poor households and (b) livestock-related losses minimized for the poor households. The second component, Business Development Services, aims to develop and test a collaborative arrangement between the business development service providers and microfinance providers to build the capacity of informal micro and small enterprises to record and generate enterprise financial information in a form that will enable financial institutions to lend to them based

on credit underwriting standards. The project's outputs will be to (a) increase the number of cash-flow-based loans disbursed to micro-small enterprises; (b) increase micro and small entrepreneur capacity to access in formal credit; (c) increase assets and/or revenue of micro-small enterprises; and (d) contribute to employment generation. The third component, Regional Learning Platform (RLP), consists of leaders and young professionals from each SAARC Member State coming together at least twice annually over a three-year period for exchange of ideas, providing a regional forum to interact and assess opportunities for cross-learning within the financial inclusion space. RLP will help build a regional understanding on financial inclusion, share good practices, and possibly venture into cross-country initiatives. By formalizing cross-learning, RLP allows for combining the resources to address the causes of poverty in the region.

Addressing Energy Poverty with Renewable Energy Technology (RET): All countries in the SAARC region have energy deficit, barring Bhutan, and import oil and electricity. A significant proportion of the population in the region still does not have access to modern means of energy and continues to depend on traditional sources such as biomass and fuelwood for most of their energy needs. Despite the fact that the region has a huge potential of renewable energy source, it remains underexplored. With a population of over 1.6 billion and its high population growth rate, South Asia is projected to have the highest growth rate of energy consumption in the world by 2020.

For the poor people, a small increase in energy consumption is often associated with a dramatic improvement in the quality of life. At the local level, modern energy services help to reduce the hard work of women, improve health and education, and stimulate micro-enterprises. At the national level, energy services facilitate economic development by reinforcing industrial growth and providing access to global trade. Among other benefits, RET supports cooking and heating fuel, saving time and income; sustains lighting, communication, and refrigeration; reduces purchase of fossil fuel and fuelwood; creates job for local people; generates income; and reduces CO₂ emission and mitigates climate change.

As the way forward, the following recommendations need serious consideration: (a) promote RETs in an integrated way to achieve diverse development goals; (b) review the existing policy and create a conducive environment to boost up the share of increased renewable energy in national energy supply; (c) establish a metrics for progress with climate goals made measurable, reportable, and verifiable (MRV), often a prerequisite for receiving credit and financial support; (d) integrate technical solutions to develop RETs in the most cost-efficient way; and (e) build capacity in research, public awareness, and the private sector to facilitate greater cooperation and understanding.

Priority Project Ideas for Implementation: The Symposium also tasked groups to propose the best practices to be implemented and upscaled by the SAARC Countries. Such proposals should entail economic, social, and environmental dimensions in poverty reduction and sustainability without being oblivious of gender issues. Following the brainstorming sessions conducted by the three groups, the participants submitted their proposals as follows: (a) Production of organic food that they produce at their backyards, which could generate food security for communities and also contribute to GDP starting from the micro-level; (b) Organic farming and empowerment of women; and (c) Participatory community mobilization for social development.

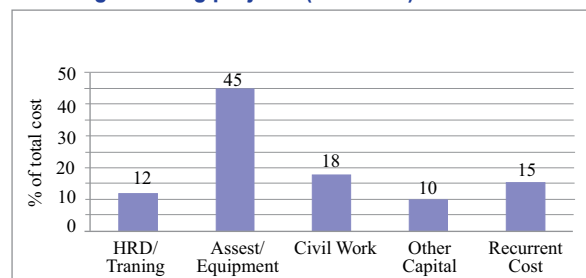
Inputs, Costs, and Financing

The Poverty Alleviation program design and implementation require a good knowledge of project inputs to be used, their cost structure, and sources of financing. Such a mix of inputs, cost, and financing would vary by the type of Poverty Alleviation programs such as safety nets/social protection, social mobilization/ training centers, income generating activities, nutrition education, and so on.

The authors of the best practice reports were advised to present the project costs by five major input categories, namely, human resource development (HRD)/training, assets/equipment, civil works, other capital, and recurrent costs. Only a couple of countries reported the cost of project

interventions along these lines. Thus, based on the indications from the reports of Nepal, Bhutan, and Maldives, and indicative contribution of different inputs, the total cost is presented in Fig. 10.25.

Fig. 10.25 Approximate shares of inputs in total cost of income generating projects (Total 100)



Source: Generalizations based on IGA from Nepal, Bhutan, and Maldives.

The shares of inputs in the total costs apply generally to the income generating activities (IGA), which is the core of any poverty alleviation program. Accordingly, the share of developing productive assets/equipment comes out to be around 45%. Civil works follow this, with 18% as most of the Poverty Alleviation interventions have a corollary of backward area development. The share of HRD/ training is 12% which should perhaps increase.

On the total costs, the reports from as many as five countries, namely, Bhutan, India, Maldives, Nepal, and Sri Lanka provide information on the projects' total costs and total beneficiaries (households and family size). Thus, it is possible to derive the average cost in terms of US\$ per capita of Poverty Alleviation intervention in a fairly representative manner. The results of cost per capita by country and their projects are provided in Table 10.10 in the next page. It shows that the average costs range from USD 20.4 in Nepal to 279 in Maldives on a per capita basis. The weighted average of these costs turns out to be US\$ 22 per capita at the prices and exchange rates around the year 2005 in South Asia.

With this information on the average cost as USD 22 per capita and the share of different inputs, it would be possible to hypothesize on the total cost of PA intervention. If there are 460 million people below the line of poverty, the total cost of designing Poverty Alleviation intervention

would be about USD 10 billion at the present level of intervention in the prices and exchange rates of year 2005.

On project financing, these costs are to be shared among the public agencies, CBOs, and households. It seems that SDF has by now built up a sizeable amount of real projects in poverty alleviation and their project records could be used to further beef up PA interventions' input shares, cost structures, mode of financing, and efficacy of these interventions to close the poverty gaps.

Recommendations and Way Forward

The selected best practice projects on Poverty Alleviation, presented at the Symposium by eight Member States provide a rich inventory of information and ideas on poverty alleviation in South Asia. Certain tested and valuable measures can show the ways for South Asia's social and economic progress through a participative, inclusive, and sustainable process:

1. **Land Management:** A comprehensive land management policy will need to be adopted to ensure a proper balance between different uses of land like crop production, rural roads and urban settlements, and the access of the poor to lands such as Khas land, Char, and water bodies.
2. **On-Farm Water Management:** Technical Skills, farm level irrigation systems (basins, furrows), water losses due to seepage in earthen canals and lack of control structures, water distribution systems, water storage capacity, proper water management organization, farmer's knowledge on crop water requirements, and new technologies.
3. Water harvesting/water management techniques crucial for any farming activities.
4. **Climate Sensitivity:** Developing programs that incorporate climate change mitigation and adaptation strategies to minimize the impacts need to be included.
5. **Agricultural Technology:** Developments need to be diversified and redirected toward cereal and non-cereal crops resistant to the stresses of climate change.
6. **Crop Sector Diversification:** Strategies need to consider future consumer demands for individual food commodities.
7. **Commercial Vegetable Production and**

Table 10.10 Indicative Cost of best practices in poverty alleviation in selected South Asian countries

Best Practice	Local Currency	Amount (LCU) 1000	LCU/D (Indicative)	US D 1000	Beneficiary 1000	US D/capita	Reference Period
Bhutan				1,380	8.07	171.1	
1 Micro-Initiative Fund (MIF)				520	2.13	244.2	2006-12
2 Targeted Poverty Intervention through Rural Economy Advancement Program (REAP)				801	5.85	136.9	2008-13
3 Comprehensive Community Development Initiatives			60	0.09	666.7	2006-08	
India				2,010,259	92,392	21.8	
1 Women Empowerment: Role of SHGs and Their Federations in Orvakal Mandal, Andhra Pradesh	I Rs	515,200	44	11,709	55.43	90.0	1995-2012
2 Promotion of Self-Employment and Entrepreneurship of Rural Youth: Role of Rural Self-Employment Training Institutes	I Rs	9,353,400	50	187,068	187.00	1,000.4	2011-12
3 Model Village Development through Local Self Good Governance: Experiences of Hivre Bazaar Village Panchayat, Maharashtra	I Rs		40				1994-
4 Self-Sustained Sanitation Programme: How Midnapore has shown the way	I Rs	85,139,638	47	1,811,482	92,150	19.7	1999-2002
Maldives				862	3	279.0	
1 Hydroponics for Vilufushi Community	Rufiyaa			5	0.32	15.3	2007-
2 Chilly Project in the Veymandoo: Towards Environmentally Sustainable, Equitable and Empowered Communities	Rufiyaa			37	1.09	33.8	2010-11
3 Virgin Coconut Oil on the Island of Hanimaadhoo in Haa Dhaal Atoll Livelihood Support Activity	Rufiyaa			459	1.18	387.7	2006-
4 Livelihood Support Activity	Rufiyaa	5,415	15	361	0.50	361.0	2005-
Nepal				20,184	988	20.4	
1 Women-Led Enterprise: Electricity from Gasfire Plant in Jagamathpur Village Development Committee of Parsa District	N Rs	5,184	82	63	3.52	18.0	2011-12
2 Commercial Vegetable Production and Marketing: Small Farmer Agriculture Cooperative Society Ltd.	N Rs	5,771					
3 Community-Led Enterprise Bhada Home Stay	N Rs	3,500	72	49	0.21	231.5	2010-
4 Gender and Socially Inclusive Development: Community Livestock Development Project (CLDP)	N Rs						
Sri Lanka				424,019	17,565	24.1	
1 Samurdhi Safety Net	S Rs	9,284,960	108	85,972	1,306.96	65.8	2006-11
2 Glass of Milk and Mild-Day Meal to the Students of Schools in Poverty Pockets	S Rs	400,000	130	3,077	223.99	13.7	2012-
3 Divi Neguma Programme (Livelihood Uplifting Programme)	S Rs	1,096,000	130	8,431	1,000.00	8.4	2011-
4 Gama Neguma Programme (Village Uplifting Programme)	S Rs	35,266,240	108	326,539	15,033.57	21.7	2006-12
Pooled				2,456,703	110,956	22.1	

Source: Based on Country Reports.

Marketing: Careful selection and support to the service provider organization with transparency. Integrated combination of hardware and software support is necessary.

8. **High Value Crops:** Investment on high-value agricultural products (specifically on poultry and dairy which provides immediate returns) and agro-processing.
9. **Community Livestock Development:** Adoption of a value-chain approach, river corridor based in low cost areas of production, school milk feeding program, extensive networking to ensure wider adoption of forage.
10. **Social Safety Nets:** Better targeting efficiency via local level poverty maps to improve geographic targeting and improve beneficiary

selection, address fairness and transparency in beneficiary selection, and empower local community members as stakeholders.

11. **Targeted Nutrition and Health Programs:** The priority interventions are age-specific complementary feeding and micronutrient supplements, community management of malnutrition, scaling-up of nutrition, access to safe water and improved sanitation in the urban slums and rural areas, local homestead food production and use of fortified foods.
12. **Self-Sustained Sanitation Program:** SSSP interventions are easily implementable and affordable by the community. Environmental interventions are important for the poorer sections. The approach is based on a

- participatory development model.
13. **Essential Healthcare Services:** The institutional framework of PHHI or BISP models requires reformation and strengthening with focused attention on capacity building, retention of developed capacities and their efficient utilization, and integration in the national program for service deliveries and HMIS.
 14. **Energy:** Active engagement in energy generation through renewable sources such as solar panels, wind turbines, biomass gasification, and biogas.
 15. **Electricity:** Expansion of Gasfire Electricity Plants in Tarai region; networking with the central electricity grid; and development of other renewable energy resources/technologies.
 16. **Micro-Initiative Funds (MIF):** MIF programs could be diverted to other enterprises such as vegetable and horticulture production.
 17. **Self-Help Groups (SHGs):** Enhancing the capacity of self-help groups and farmers' groups/cooperatives through capacity building programs such as trainings and study tours. SHG model can, in fact, be developed as a tool for empowerment of the people to overcome their poverty. Development of micro-level self-help-based institutions ensures participation of women to fulfill their needs with their own capacity. The idea includes developing resource persons at the community level, institution building at the cluster level and above it so that the micro-level institutions can have guidance and services in managing and diversifying their activities.
 18. **Rural Self-Employment Training Institute:** RSETI to be built by Ministry in collaboration with banks and state governments. Identification of suitable trades will help to attract more youth and facilitate establishment of enterprises. It is important to include inputs on motivational and entrepreneurial development aspects to make the scheme successful.
 19. **Pro-Poor Employment Generation:** Access to finance, infrastructural support, wider market, and production network as a key to increase non-farm employment.
 20. **Model Village Development:** MVD serves as a model for democratic decentralization and empowerment of the village community and envisions development plan based on available natural and human resources; collectively implemented through the spirit of self-help, voluntarism, and cooperative approach.
 21. **Training:** Partner organizations need to ensure long-term training support for participants.
 22. **NGO/CBOs:** Training
 23. **Business Development Alliance:** Private sector partnerships with local entrepreneurs need strengthening and consumer networks for selling locally produced products need cultivation. Linking participants with Business Development Service Center should occur to cultivate long-term good business practices and leverage government resources.
 24. **Targeted Groups:** The youth should be targeted directly, in addition to women, given their high unemployment rate.
 25. **Home Stay:** Wider promotion and publicity and improved access/transportation services. Product linkages and relationships with the regional hotels/lodges, tour operators, and Adivasi development.
 26. **Poverty as a Multi-Dimensional Problem:** has reciprocal repercussions in the key areas (income, shelter, health and sanitation, food and nutrition, education, accessibility, entitlements, recognition) and, therefore, it is imperative to engage in a holistic approach.
 27. **Urban Planning:** Limited supply of basic amenities to city dwellers.
 28. **Program Monitoring and Information Management:** Strengthened monitoring capacity and information management systems are needed for a better view of ongoing program operations and performance.
 30. **Governance:** The practice of governance should reflect participation, especially of the vulnerable and marginalized to ensure their engagement in local public institutions.

For designing and implementing the interventions mentioned above, the preceding chapters also suggest the types of inputs, costs, financing, and institutional arrangements needed. To conclude, this anthology of best practice projects and policies in poverty alleviation and the analysis and synthesis of these projects may serve as a useful resource book and working manual for all concerned.

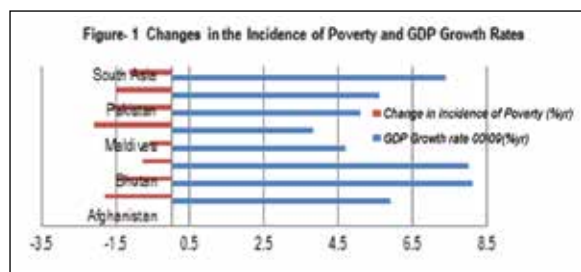
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Appendices

Appendix 1: Template for Country Reports on Best Practices in Poverty Alleviation (circulated in October 2012)

Introduction

The South Asia region is the highest populated region in the world with a total population of about 1.6 billion people (2012) in the eight Member States, namely, Afghanistan, Bangladesh, Bhutan, India, Maldives, Pakistan, Nepal, and Sri Lanka. The incidence of poverty has been high, and is declining only slowly in the region. There were over 500 million people below the line of poverty in the beginning of the past decade, and it has decreased to about 448 million (29% of the total population) by the end of the decade. The decrease in the total number of people under poverty has occurred despite high population growth rates of about 1.5% in South Asia which is an important achievement. Thus it is necessary both to document the factors that have contributed to alleviate poverty and draw lessons on what more can be done to accelerate the rate of poverty alleviation in South Asia in the future.



The figure below compares the rates of reduction in the incidence of poverty with GDP growth rates. In conclusion, the rate of reduction in the poverty is less than expected with higher economic growth rates, and much work needs to be done in the future to bring about more inclusive development process.

It should be clarified that the above mentioned progress in poverty alleviation in South Asia is mostly based on the measurements using the National Poverty Lines (NPLs), which usually follow the 'expenditure approaches' for affording a basic consumption (popularly known as the 'Dal-Bhat', i.e., rice and pulses). The NPLs

usually tend to be lower than the International Poverty Lines (IPLs) of US\$1.0 to 1.25 per capita daily. Likewise, the status of poverty in South Asia might look higher if we consider other approaches to the measurement of poverty, such as the 'income' approach, 'capability development' approach or 'multi-dimensional' approach.

The South Asian Association for Regional Co-operation (SAARC) has the agenda of poverty alleviation as one of its prime objectives since its inception in 1985. Latter, the SAARC launched the Poverty Alleviation Plan of Action (2006-15) and Taking Forward SDGs (2007-12), and the Addu Declaration has decided to form the Inter-governmental Working Group to expedite poverty alleviation, and fulfillment of SDGs. They have dedicated the 2006-15 as a decade of implementations including poverty alleviation, and fulfillment of SDGs.

The box below provides some excerpts from the Addu Declaration on poverty alleviation, SDGs, and social services. In short, the progress in poverty alleviation needs to be monitored covering specific works at the community levels, and this progress needs to be linked with the development policy and institutional capacity on poverty and SDGs.

Box 1 Addu Declaration

Socio-economic situation

17th Summit Addu, November 2011

10) To direct the convening of an Inter-governmental Expert Group Meeting to discuss the establishment of a regional mechanism to ensure empowerment of women and gender equality in the region, with focus on national legislations, including timely realization of the MDGs and SDGs.

11) To direct the finalization of the work on the elaboration of the SAARC Regional Convention on Preventing and Combating Trafficking in Women and Children for Prostitution with a view to its adoption by the next Summit.

12) To formulate an actionable framework to address the common challenge of sanitation and access to safe drinking water in the region.

In view of the above, the proposed Compendium on the Best Practices for Poverty Alleviation/SDG Achievements is intended to facilitate the

post-PAPA (2006-15) and post-SDG (2007-12) discourse, implementation of regional poverty alleviation investment projects, and contribute to the Poverty Reduction Strategy Paper (PRSP) in the Member States.

The present memo on the outline of papers on Best Practices for Poverty Alleviation or SDG Progress suggests the subjects covered, structure of individual report, and a timeline during September – March 2012. Since the SAARC Secretariat has created an important knowledge base on poverty alleviation and refinement of the Millennium Development Goals (MDGs) during the period of 2002-2007, there is a need to update this knowledge base during the later period of 2008-12, and extensively use it in the following decade. In this context, the proposed Symposium would work as yet another milestone as follows:

1. The Compendium is to be published in an appropriate form such as a printed book or an online PDF document, and is to be made widely available.
2. The recommendations of the Symposium will contribute for designing regional/ sub-regional investment projects for poverty alleviation both at the regional level and at the country levels.
3. Since SAARC has not done evaluation of the Poverty Alleviation Plan of Actions and the SDGs, the symposium on BPs will cast some light from the point of view of monitoring and evaluations (M & E).
4. The above may be used to update: (i) the existing “SAARC Plan of Action for Poverty Alleviation” which was approved by the 12th SAARC Summit, Islamabad, and January 2004, and (ii) Taking SDGs Forward (2007-12) for their next cycles.

Methods

The symposium puts a high emphasis on the ‘best practices’ for poverty alleviation/SDG achievements with a view to contribute in formulation of the new investment projects. A Best Practice is a technique or methodology that, through experience and research, has proven to reliably lead to a desired result. It is sustainable

and adaptable to different situations. Some core characteristics of the Best Practices may be listed as follows:

- i. Best Practice promotes Inclusive Development: A best practice should lead to economic and development which is broad-based, promotes gain full employment of labour and increases the returns to natural factors of production such as land, water etc.
- ii. Best Practice focuses on Youth: A Best Practice focuses on the young populations because South Asia has a very high proportion of young populations due to its higher growth rates.
- iii. Best Practice focuses on Women and Children: A best practice focuses on the conditions of women and children because the status of women in South Asia is low, and the state of children in nutrition, education and care needs more attention.
- iv. Best Practice is innovative: A Best Practice develops new and creative solutions to common problems of poverty and social exclusion.
- v. Best Practice makes a difference: A Best Practice demonstrates a positive and tangible impact in the living conditions and quality of life or environment of the individuals, groups or communities concerned.
- vi. Best Practice has a sustainable effect and is cost-effective: A Best Practice contributes to sustained eradication of poverty or social inclusion, especially through the involvement of participants. It is cost-effective.
- vii. Best Practice has climate change sensitivity: The Best Practice should lead to improvement in environment and protection of natural resources and abate the global warming.
- viii. Best Practice has the potential to build in Indigenous Knowledge System (IKS): The promotion of IKS is important to ensure a higher participation of the community and to economize on the time and costs
- ix. Best Practice has the potential for replication: A Best Practice can serve as a model for generating policies and initiatives elsewhere once sustainable to the local conditions.

In general, a Best Practice that is effective in one place needs to be adapted elsewhere, though often

only a few core principles can be transferred. This is a 'rational approach'. With increasing globalization, it is a 'learning approach' that is likely to gain impetus in the years to come. Still, it is an uncertain approach because the social, economic, and cultural variations as well as the variations in the target group are likely to disturb direct transfer of one successful program to a different culture.

The idea of developing a Best Practice Database is based on the observation that carefully documented case histories can provide excellent guidelines for policymaking and planning of new programs. The goal of a database on BP is to present and promote creative, successful, and sustainable solutions to economic and social problems arising from poverty and social exclusion, in order to build a bridge between empirical solutions, research, and policy leading to the ultimate goal of poverty reduction.

The country studies would also outline the process of observing the Best Practices in all its dimensions such as time, space of coverage and level of achievements. Thus, the authors of BP in the Member States will decide for themselves about the most appropriate topics for documentations.

Areas to be Covered and Selection of Subjects for BP

The country authors may select the studies based on their departmental decisions. The Poverty Alleviation program stated differently as livelihoods are a subset of the SDGs. So the proposed documentations about Best Practices with respect to poverty alleviation can be considered to go on to cover other aspects of SDGs, outlined below and in the Tables 1 and 2 attached.

1. The Plan of Action on Poverty Alleviation lists the Internal Policies under 12 main headings, and the External Policies under four main headings. Using these 16 headings and the points under each of them, one could choose any topic for study on best practices from a menu of

62 instruments. In general, these topics will be chosen based on the prevailing regional issues with due consideration for the emerging issues. Examples include demography and migration, youth employment, profiles of poverty etc. Details are provided in Table 1.

2. ISACPA's Taking SDGs Forward (2007-12) has 22 goals and 67 indicators. Since the SDGs are a South Asia version of the MDGs, the studies conducted for MDGs would also be helpful for the SDGs. Details are provided in Table 2.

Structure of Individual BP Case Studies and Experience Sharing

The outline of the report is designed to facilitate the input/cost analysis of the BPs. This is important to derive lessons for investment projects. If some heading is not relevant, the authors may state so. The individual BP studies in member countries need to follow a common template as far as possible to facilitate comparison and synthesis at the regional level to produce the main report. So, drawing from the RPP 2004, Table 6.2, and adding a few lines, the template for all studies on Best Practice is suggested here in Box 2 in the next page.

The participants in the context of experience sharing may organize their views picking up some points from the above table.

Layout Plan for a Compendium of Symposium Report on BP Studies

The documentation on the country-wise reports on best practices, floor discussions on the subject, notes of the rapporteurs and concluding remarks of the chairs of sessions would contribute to the preparation of the Main Report or Compendium of the Best Practices including a synthesis chapter. The template for the Main Report will be as in Box 3 as in the next page.

Work Process and Plan

The Work Plan for conducting of the BP studies, Symposium Process, and publication of the Compendium Report is provided in the Chart in the next page.

Box 2: Template for Individual Reports**Table of Contents for Individual Reports**

1. Introduction
2. What are Best Practices (as explained above)
3. Match between interventions and context
4. Criteria for choosing the specific BP (used by country authors)
5. Beneficiaries: Location, GESI aspects and Lifecycle approaches in the family
6. Thematic/SAARC Best Practices on PAPA or SDGs:
 - i. Capacity (asset/ skill) building
 - ii. Natural resource management/ productivity growth
 - iii. Awareness, advocacy, social mobilization
 - iv. Health, education, and welfare and
 - v. Social Protection, focus on women/ children, marginal groups.
7. Institution building/ strengthening employment generation
8. Participation, self-help
9. Crucial role of partners: Government, Donors, BGOs, and CBOs
10. Costs:
 - i. Training/ HRD
 - ii. Assets/ Equipment
 - iii. Other Capital and
 - iv. Recurrent costs
11. Timeline
12. Wider replication/ upscaling
13. Monitoring and Evaluation Indicators:
 - i. Common indicators
 - ii. Anthropometric (if relevant)
 - iii. Technical indicators and
 - iv. Any evaluations of the project done.
14. Conclusion
15. Recommendations related to the replications, program and policy developments
- Annexes

Box 3: Template for the Main Report on Best Practices for Poverty Alleviation and SDGs**Table of Contents for the Main Report**

1. Introduction,
2. Country/ Geographical Aspect and GESI Dimensions:
 - i. Uplands (rural/ Urban)
 - ii. Plains (rural/ urban) and
 - iii. Coastal areas (rural / urban)
3. SAARC Plan of Action on Poverty Alleviation/SAARC Development Goals:
 - i. Livelihood (8 goals)
 - ii. Health (4 goals)
 - iii. Education (4 goals)
 - iv. Environment (6 goals))
4. Policy, Resource, and Technology
5. Connectivity and Interdependency
6. Programs:
 - i. Beneficiaries
 - ii. Inputs
 - iii. Costs and
 - iv. M&E Indicators
7. Flashback on new cycles of:
 - i. PAPA and
 - ii. SDGs
8. Conclusion and Recommendations
- Annexes

Gantt chart for Publishing Compendium on Best Practices in Poverty Alleviation/ SDGs, 2008-13

Activity	Oct I	Oct II	Nov I	Nov II	Dec I	Dec II	Jan I	Jan II	Feb I	Feb II	Mar I	Mar II	Apr I
1. Secretariat shares Concept Notes on BP with Member States	xx												
2. Member States provide contact details about the authors of papers		xx											
3. Status reports on documentations of BP			xx	xx	xx	xx							
4. Last date for receipt of papers						xx							
5. Symposium on BP for PA and SDGs								xx					
6. Papers finalized							xx	xx					
7. Final editing of papers								xx	xx				
8. Publication design of Main Report										xx	xx		
9. CRC preparation											xx	xx	
10. Printing and Delivery													xx

Detailed Tables

The themes for study of the Best Practices in the SAARC Member States can be chosen from the priority areas of the Member States, including the following documents of the SAARC Secretariat:

Table 1 Based on SAARC Plan of Action on Poverty Alleviation

INTERNAL POLICIES	
1. Recognize poverty alleviation requires good governance	a Prioritization of public expenditure
a Improved public sector mgmt. & delivery system esp. in land admin., police and judiciary	b Increased domestic revenue to reduce the dependence on ODA
b Effective monitoring of public expenditure to prevent leakages	c Fewer but well-targeted subsidies
c Transparent and cost-effective public procurement practices	d Co-ordinated improvement of revenue collection agencies
d Steps to prevent domestic money laundering	9. Empower local communities and governments through...
e Development of IT	a Decentralization
2. Pursue sound macro-economic management policies	b Financial devolution
a Focus on quality and pattern of growth	c Community participation
b Fiscal discipline, domestic resources mobilization and reduced internal and external borrowing	10. Strengthening poverty alleviation programmes through...
c Outcome based spending on poverty reduction programmes	a Build up the physical asset of the poor, including grant assistance to the indigent for purpose of small capital assets
d Economically viable projects in the productive sector	b Supportive policies for social mobilization
3. Enrich the concept of Human Development ... promoting "Gross National Happiness"	c significant budget and credit allocations for (a) & (b) above
a Equitable socio-economic development	d Associating non-governmental and civil society organizations(CSOs)
b Preservation of environment	11. Expand intra-regional trade and capital flows as decided by the 11th SAARC Summit through..
c Promotion of cultural heritage	a Early completion and full operationalization of SAPTA
d Good responsible governance	b Faster movement towards SFATA
4. Recognize the importance of combating both rural and urban poverty through ...	c Facilitation of intra-regional capital flows
a Better targeting of poor both in rural and urban areas	12. Learning from each other's experience through
b Appropriate agriculture, livestock and fisheries policies, including pricing, tenure, water and watershed development	a Exchange of best practices
c Promoting employment through non-frame enterprises	b Frequent consultations among scholars, practitioners and policy makers all levels
d Access to micro-finance	EXTERNAL POLICIES
e Small and medium enterprise development	1. Work with developed countries to increase ODA to 0.7% of GNP through..
f Creation of rural infrastructure	a Formulating common positions at relevant international for a
g Development of service sector	b Frequent consultations among members on issues of finance and international investment
5. Promote multi-culturalism, pluralism and mass education through...	2. Seek increased market access in developed countries through...
a Removal of social and cultural barriers to put the pursuit of human development goals	a Joint-positions to address the biases against developing countries in WTO related issues
b Representative and participatory institution building	b Removal of tariff and non-tariff barriers
c Gender equality and empowerment of women	c Joint-positions against creeping protectionism against the exports of developing countries
d Extension of coverage of education, improvement of its quality and reduction of dropouts by school feeding programmes and introduction of other incentives	d flexibility of developing countries in Intellectual Property rights
e Vocational and technical training and skill upgradation	3. Reduce the burden of multi-lateral borrowing and external debt through...
6. Expand social safety Nets through...	a More-seal borrowing/active multilateral borrowing
a Food assistance for vulnerable groups	b Debt swaps for human development
b Schemes targetting the poorest and the most vulnerable by providing old age benefits, disability and benefits on the death of primary bread winner	c Debt relief for poverty reduction
c Affordable health package	d Debt relief for non-HIPC developing countries
7. Invest in human capital and social sectors through..	e Increasing grant assistance for investment in social sector development
a Outcome driven allocation to social sectors	4. Discuss with developed countries ways to unearth past inflows of illegal and tax-evaded money originating from SAARC and control them in future through ...
b Encouragement of private sector investment in education and health	a Instituting mechanisms, wherever required, to prevent corrupt practices in international trade and service transactions
8. Exercise prudence in allocating public resources and strengthen domestic resource mobilization through...	b Disallowance of illegal capital flows into international Banking System

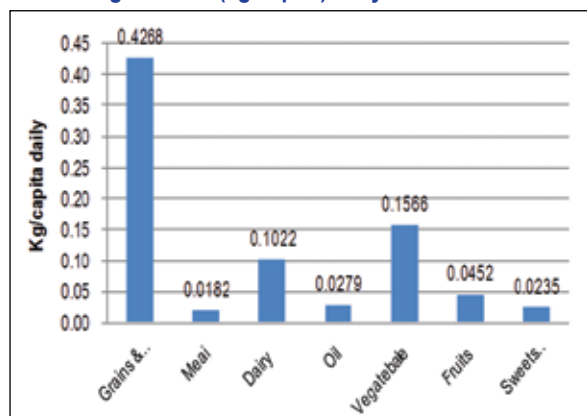
Table 2 Based on SAARC Development Goals (SDG) and their indicators

Goals	Indicators
Livelihood SDGs	
Goal 1: Eradication of Hunger Poverty	1. Malnutrition in children under five years 2. Malnutrition for overall population (in average intake)
Goal 2: Halve proportion of people in Poverty by 2010	1. Percentage of people living on less than 1\$ per day (PPP terms) 2. Head count poverty ratio based on nationally determined poverty line(s)
Goal 3: Ensure adequate nutrition and dietary improvement for the poor	1. Percentage of the poor covered by various food support programs 2. Micro-nutrient supplements, e.g. % of people having access to Vitamin A, iodized salt etc.
Goal 4: Ensure a robust pro-poor growth process compared to top 20% of the population	1. Budgetary/fiscal expenditures for pro-poor growth sectors as % of GDP, and as % of total government expenditures 2. % of poor covered by micro-credit and similar programs 3. Reduction of Income/Consumption inequality (Gini coefficient) 4. Rate of growth of employment (disaggregated) 5. Assets ownership by poor (quantifiable indicators to be developed) Additional Indicators – rate of increase of income/consumption of bottom % of the population
Goal 5: Strengthen connectivity of poorer regions and of poor as social groups	1. Transport connectivity for the poor in Rural areas (e.g. length of rural roads/availability of boats per 1000 population/average time/distance taken to reach nearest road/major population centre) 2. Communications connectivity - % of people using telephone/cell phone 3. % of rural population having access to electricity 4. Representation of the excluded groups (dalits/tribals/indigenous groups) in Local Governance. 5. Mass media connectivity – Percentage of people using TV and radio
Goal 6: Reduce social and institutional vulnerabilities of the poor, women, and children	1. % of children who are working 2. Share of women in Employment (wage/self/organized/unorganized) 3. Coverage or amount of public expenditure as % of GDP on Social Protection for the Vulnerable Groups 4. Early marriage (average age at marriage; % of girls married before legal age) 5. Birth registration (% of children registered) 6. Sex ratio at birth
Goal 7: Ensure access to affordable justice	1. Average Time required in disposal of legal disputes 2. Access to alternate dispute resolution 3. Access to free legal aid for the poor (marginalized group)
Goal 8: Ensure effective participation of poor and of women in anti-poverty policies and programmes	1. Percentage of women in local governments/parliament/civil service etc. 2. Gender Budgeting – Budgetary expenditures for women/poor as % of total budgetary amount
Health SDGs	
Goal 9: Maternal health	1. Maternal Mortality Ratio (MMR) 2. Percentage of births covered by the Skilled Birth Attendants (SBA) 3. Life expectancy of women as a ratio of life expectancy of men 4. Age-specific fertility rate of 15 to 25 years girls
Goal 10: Child Health	1. Immunization coverage (measles can be proxy) 2. Under 5 Mortality Rate (CMR) 3. IMR 4. Neo-natal Mortality Rate
Goal 11: Affordable health-care	1. Out of pocket expenditure on health as a % of total household expenditure 2. Total government expenditure on health as a % of GDP 3. % of budget allocated to primary healthcare vis a vis total health budget 4. No. of doctors per 1000 of population
Goal 12: Improved hygiene and Public health	1. % of population with access to safe drinking water 2. % of population having access to sanitation 3. Policies on health education (no. of programs, preventing and health promoting, on communicable diseases e.g. HIV/AIDS, TB and Malaria)
Education SDGs	
Goal 13: Access to primary/communal school for all children, boys and girls	1. % age of children having access to primary schools by distance (physical or time to be decided by respective countries) 2. Gross Enrolment Rate/Net Enrolment Rate 3. Public expenditure on education in terms of GDP 4. Gender parity at primary and secondary level
Goal 14: Completion of primary education cycle	1. Survival rates (along with dropout)
Goal 15: Universal functional literacy	1. Adult literacy rate
Goal 16: Quality education at primary, secondary and vocational levels	1. % age of trained teachers 2. Student-Teacher Ratio (STR) 3. % age of schools with toilets for girls
Environment SDGs	
Goal 17: Acceptable level of forest cover	1. Percentage of forest cover 2. Percentage or extent of community/social forest
Goal 18: Acceptable level of water and soil quality	1. Chemical Fertilizers/pesticides consumption per ha of arable land 2. Percentage of contaminated wells/water sources
Goal 19: Acceptable level of air quality	1. Carbon dioxide emissions (metric tons per capita) 2. Particulate matter (PM 2.5/10) in the major metropolitan centres 3. Percentage of firewood in total energy mix
Goal 20: Conservation of bio-diversity	1. % and no. of protected areas out of the total land area (with management plan) 2. No. of protected species
Goal 21: Wetland conservation	1. No. and % of protected wetland/Ramsar sites
Goal 22: Ban on dumping of hazardous waste including radio-active waste	1. Solid waste generation per capita (kg p.a.) 2. % of waste treated 3. Regulatory framework for hazardous waste treatment in place

Appendix 2: Maps, Figures, and Tables

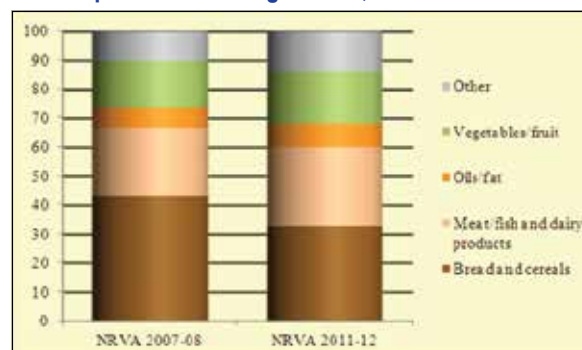
1. Afghanistan

Appendix Fig 1 Basic Needs Basket at the Poverty Line in Afghanistan (kg/capita) daily NRVA 2007-08



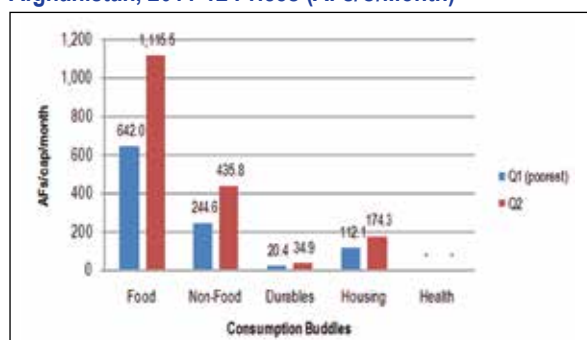
Note: NRVA is National Risk and Vulnerability Assessment.

Appendix Fig 2 Changes in the share of Food Consumption Basket in Afghanistan, 2007/08 and 2011/12



Notes: Based on CSO (2014) National Risk and Vulnerability Assessment (NRVA) 2011-12 Reports/ Tables on Expenditure and Poverty Lines; within non-foods, the estimates for health expenditure are not reported, and NRVA 2011-12, page 158 (for Figure b).

Appendix Fig 3 Consumption Expenditure of Household for 1st Quintile and 2nd Quintile of Groups in Afghanistan, 2011-12 Prices (AFs/C/Month)



Sources: Joint Report of Ministry of Economy and World Bank, Economic Policy and Poverty Sector, General Directorate of Policy and ANDS Monitoring and Evaluation Directorate "Poverty Status in Afghanistan: Based on NRVA 2007/08", July 2010, Power Point.

2. Bangladesh

Appendix Table 1 Estimates of Poverty Lines in Bangladesh HIES 2010 (Takka/ capita/ month)

	Country/ Division	Settlement	Food Poverty Line	Lower Non-Food Allowance	Upper Non-Food Allowance	Lower Poverty Line	Upper Poverty Line
1	Barisal	Rural	982.0	302.0	503.0	1,284.0	1,485.0
		Urban	1,100.0	320.0	863.0	1,420.0	1,963.0
2	Chittagong	Rural	1,023.0	381.0	664.0	1,404.0	1,687.0
		Urban	1,064.0	432.0	762.0	1,496.0	1,826.0
		SMA	1,047.0	432.0	829.0	1,479.0	1,876.0
4	Dhaka	Rural	958.0	318.0	538.0	1,276.0	1,496.0
		Urban	1,018.0	296.0	775.0	1,314.0	1,793.0
		SMA	1,089.0	316.0	948.0	1,405.0	2,037.0
4	Khulna	Rural	884.0	308.0	551.0	1,192.0	1,435.0
		Urban	932.0	330.0	748.0	1,262.0	1,680.0
		SMA	970.0	397.0	669.0	1,367.0	1,639.0
5	Rajshahi	Rural	957.0	278.0	529.0	1,235.0	1,486.0
		Urban	987.0	325.0	598.0	1,312.0	1,585.0
		SMA	931.0	292.0	625.0	1,223.0	1,556.0
6	Sylhet	Rural	953.0	287.0	358.0	1,240.0	1,311.0
		Urban	992.0	294.0	566.0	1,286.0	1,558.0

Source: Bangladesh Bureau of Statistics HIES 2010.

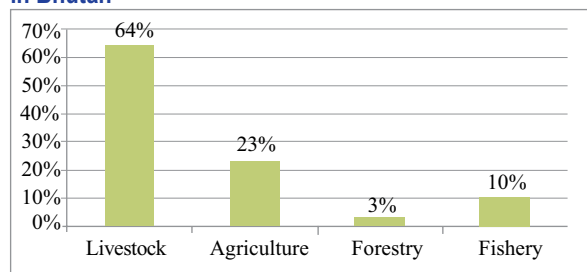
Appendix Table 2 Incidence of Poverty, Poverty Gap, and Squared Poverty Gap by Cost of Basic Needs Method/ Upper Poverty Line by Division in Bangladesh

	Country/ Division	Settlement	Poverty HCR		Change/ Year	Poverty Gap		Change/ Year	Sq. Poverty Gap		Change/ Year
			2005	2010		2005	2010		2005	2010	
	National	Pooled	40.0	31.5	-1.7	9.0	6.5	-0.5	2.9	2.0	-0.2
		Rural	43.8	35.2	-1.7	9.8	7.6	-0.4	3.1	2.2	-0.2
		Urban	28.4	21.3	-1.4	6.5	4.3	-0.4	2.1	1.3	-0.2
1	Barisal	Pooled	52.0	39.4	-2.5	15.5	9.8	-1.1	6.3	3.4	-0.6
		Rural	54.1	39.2	-3.0	16.3	9.2	-1.4	6.6	3.0	-0.7
		Urban	40.4	39.9	-0.1	10.7	12.6	0.4	4.3	5.2	0.2
2	Chittagong	Pooled	34.0	26.2	-1.6	6.3	5.1	-0.2	1.7	1.5	0.0
		Rural	36.0	31.0	-1.0	6.5	6.1	-0.1	1.7	1.8	0.0
		Urban	27.8	11.8	-3.2	5.6	2.1	-0.7	1.6	0.6	-0.2
4	Dhaka	Pooled	32.0	30.5	-0.3	6.9	6.2	-0.1	2.1	1.8	-0.1
		Rural	39.0	38.8	0.0	8.6	8.1	-0.1	2.7	2.4	-0.1
		Urban	20.2	18.0	-0.4	4.0	3.3	-0.1	1.1	0.9	0.0
4	Khulna	Pooled	45.7	32.1	-2.7	10.8	6.4	-0.9	3.5	2.0	-0.3
		Rural	46.5	31.0	-3.1	10.4	6.1	-0.9	3.2	1.9	-0.3
		Urban	43.2	35.8	-1.5	12.3	7.4	-1.0	4.6	2.3	-0.5
5	Rajshahi (Former)	Pooled	51.2	35.7	-3.1	11.9			3.8		
		Rural	52.3	36.6	-3.1	12.0			3.8		
		Urban	45.2	36.6	-1.7	11.4			3.9		
	Rajshahi (New)	Pooled		29.8			6.2			1.9	
		Rural		30.0			6.4			1.9	
		Urban		29.0			5.6			1.7	
6	Rangpur	Pooled		46.2			11.0			3.5	
		Rural		47.2			11.3			3.6	
		Urban		37.0			8.6			2.7	
7	Sylhet	Pooled	33.8	28.1	-1.1	7.2	0.6	-1.3	2.1	1.3	-0.2
		Rural	36.1	30.5	-1.1	7.6	5.0	-0.5	2.2	1.3	-0.2
		Urban	18.6	15.0	-0.7	4.5	2.7	-0.4	1.5	0.9	-0.1

Source: Based on Bangladesh Bureau of Statistics HIES 2010, Tables 6.2 and 6.3.

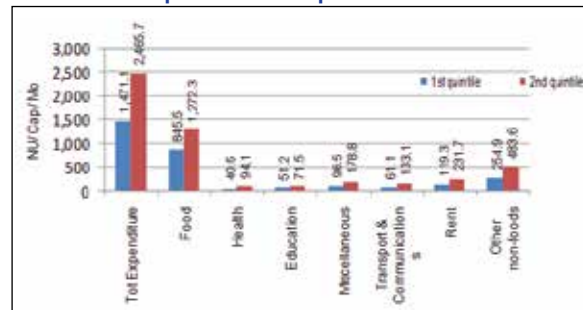
3. Bhutan

Appendix Fig. 1 Share of MIF funds disbursed by sectors in Bhutan



Source: MIF BOF impact report.

Appendix Fig 2 Household Consumption Expenditure Quintile NU/Capital/Month as per BLSS 2012



Appendix Map 1 Targeted villages under REAP phase I



Source: PPD, MoAF.

Appendix Table 1 RMPI dimensions and indicators

Dimension	Indicator
Education	Years of schooling
	Child enrollment
	Access to community primary school
Health	Child mortality
	Maternal healthcare
	Nutrition
Standard of Living	Access to BHU
	Electricity
	Safe piped water system
	Sanitation
	Roofing
	Flooring
	Cooking Fuel
	Clothing
Community Vitality	Room availability
	Availability of social support
	Gender empowerment
Financial Security	Festival attendance
	Income
	Reliability of income
Food Security	Access to rural micro-credit
	Landownership
	Livestock
	Food sufficiency
	Access to RNR extension services

Source: Evaluation designs, GNHC.

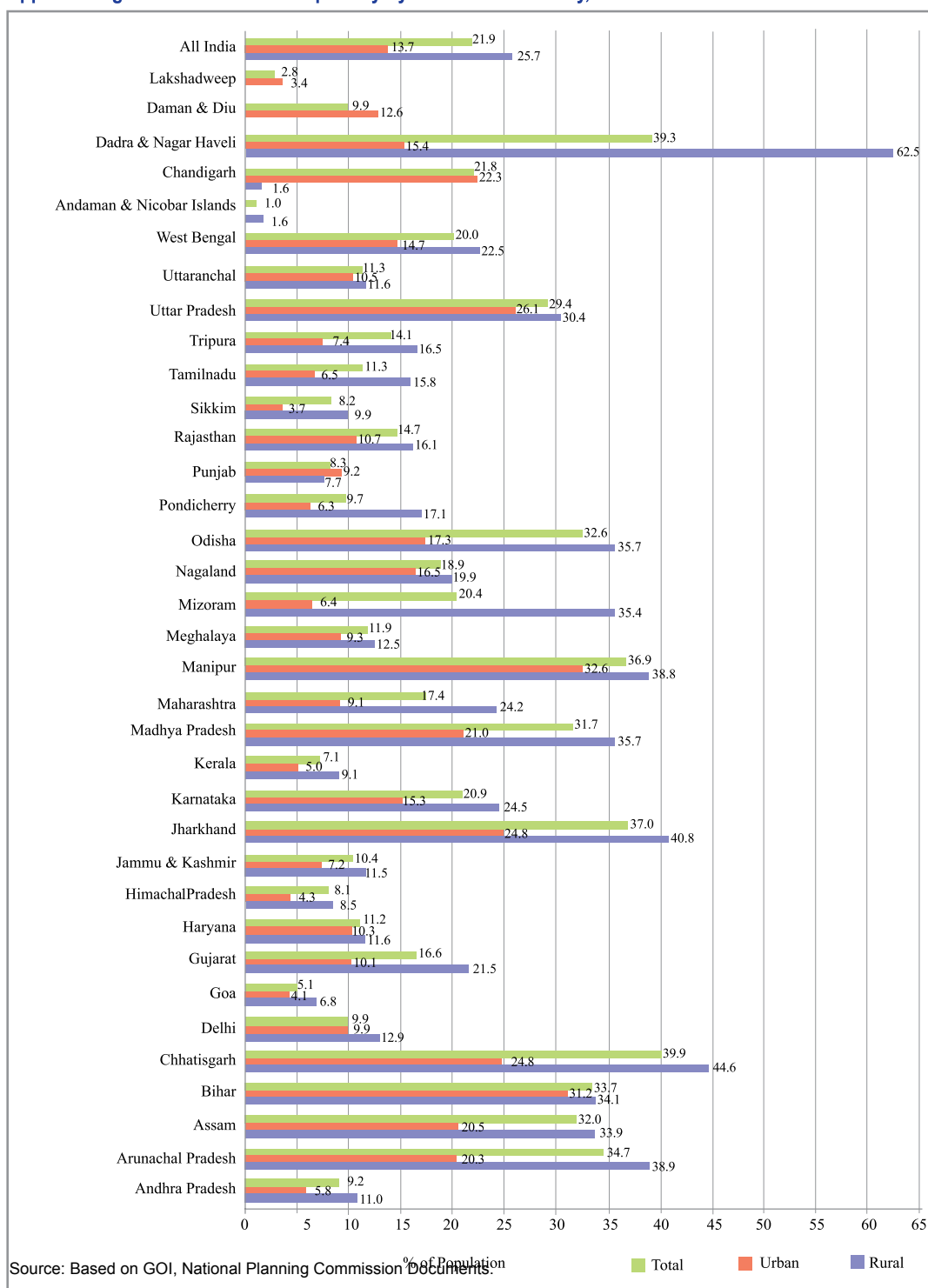
Appendix Table 2 Cumulative Progress of activities supported under MIF

Activity	No. of projects	Units	Inputs supplied	Beneficiary		Production		Income Cumulative	Saving (Nu.)	Existing members		Stock (Nos/kg/Ltrs)	
				M	F	Cumulative	Cumulative			M	F		
1 Poultry	74	No. of eggs	18,025	250	415	3,773,763	29,491,106	1,673,721	239	388	19,534		
2 Piggery	28	Kg. of pork	660	184	143	38,969.92	5,177,437	232,867	150	102	356		
3 Honey hives production	1	kg/Bottle	Eqpt	7	4	150	36,000	17,000	7	4	15		
4 Mule chain development	2	Nos.	10	20	30	0	31,130	26,900	20	30	7		
5 Cornflake processing	13	kg.	Cornflake machines and RM	73	43	22,099	759,948	213,740	73	43	350		
6 Oil expelling	3	ltrs.	4 Volt oil expelling machines	11	31	1,526	9,970	79,000	11	31	20,000		
7 Maize processing	4	Kg.	Attachaki and motor	11	7	0	0	0	11	7	0		
8 Vegetable pdn	16	kg.	Seeds, eqpt, and poly houses	103	138	13,444	140,392	150,915	110	138	7,000		
9 Mushroom development	2	Kg.	Eqpt, materials	3	19	15	2,250	14,000	3	19	0		
10 Early chilli program	3	kg.	Eqpt and materials	38	30	4,660	393,080	19,400	10	14	46,600		
11 NWFP promotion project	1	Kg	Cost of seedling and RM	37	96	0	0	0	37	96	0		
12 Fruit Development	1	Dozens	Banana rhixomes, materials	2	2	305	6,100	0	97	97	0		
13 Amla production	3	Kg.	Eqpt and materials	59	124	1,809.5	167,738	219,642	83	180	0		
14 Fishery development	12	Kg	Materials, feed, inputs	69	46	34,685	5,535,600	177,250	69	46	11,130		
15 Zanthoxylum production	1	Kg	Materials and equipment	6	7	0	0	0	6	7	0		
164				873	1135		41,750,751	2,824,435	926	1,202	104,977		

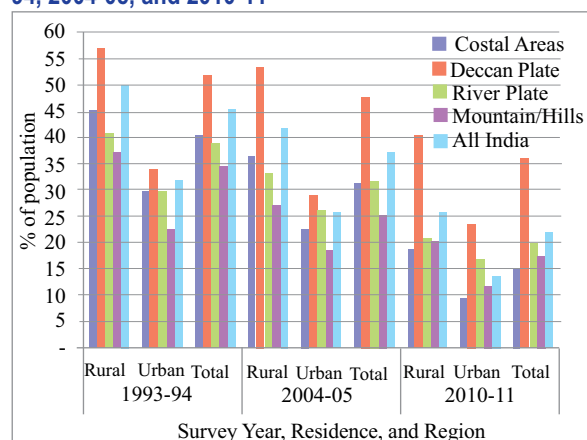
(Source: AMEPP Project completion report, 2013).

4. India

Appendix Fig.1 India - Incidence of poverty by state/union territory, and their rural/urban settlement 2010-11 (%)

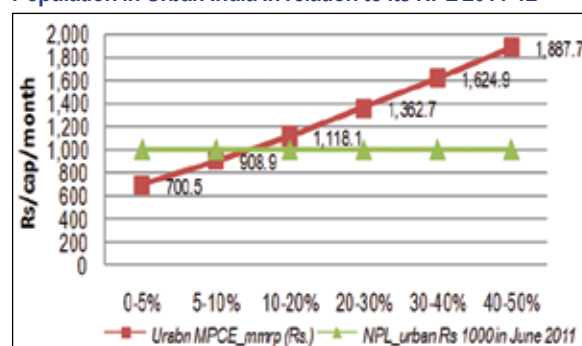


Appendix Fig.2 Poverty ratio (simple average) by ecological region and rural-urban settlement in India 1993-94, 2004-05, and 2010-11

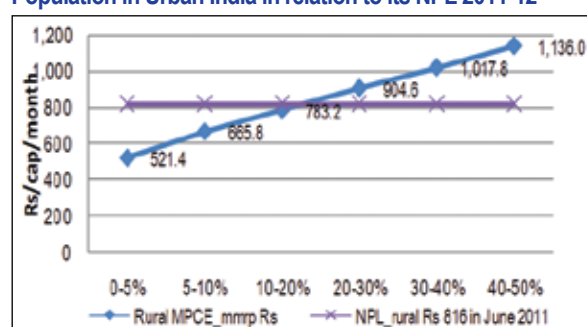


Source: Based on GOI, National Planning Commission Documents.

Appendix Fig 3 MPCE by Fractile Classes for lower 0-50% Population in Urban India in relation to its NPL 2011-12



Appendix Fig 4 MPCE by Fractile Classes for lower 0-50% Population in Urban India in relation to its NPL 2011-12



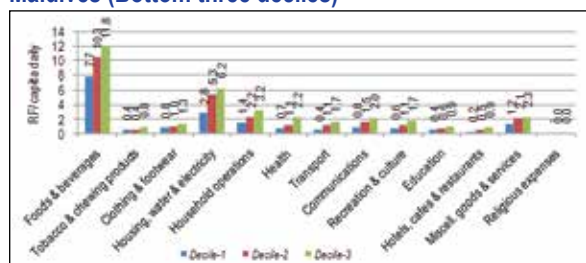
Appendix Table 1 Consumption share of various commodity groups around Poverty Line class for urban Areas at All India level in Year 2004/05

Items	Consumption at Poverty line class (IRs)	%	Items	Consumption at Poverty line class (IRs)	%
1 Cereals	96.50	16.67	13 Fuel	70.40	12.16
2 Pulses	19.20	3.32	14 Clothing	38.30	6.62
3 Milk and Milk Products	43.60	7.53	15 Footwear	6.00	1.04
4 Edible Oil	29.00	5.01	16 Education	18.50	3.20
5 Egg, Fish, and Meat	20.80	3.59	17 Medical:- institutional	4.30	0.74
6 Vegetables	36.50	6.31	18 Medical: non-institutional	20.50	3.54
7 Fresh Fruits	8.20	1.42	19 Entertainment	6.60	1.14
8 Dry Fruits	2.20	0.38	20 Personal items	18.00	3.11
9 Sugar	13.10	2.26	21 Other goods	14.00	2.42
10 Salt, and Spices	14.60	2.52	22 Other services	18.20	3.14
11 Other foods	28.40	4.91	23 Durable goods	8.60	1.49
12 Intoxicants	12.60	2.18	24 Rent and conveyance	30.68	5.30
			Total	578.78	100.00

Source: Based on Arvind Panagariya and Megha Mukim (2013) A Comprehensive Analysis of Poverty in India. Washington: The World Bank, Sustainable Development Network, Urban and Disaster Risk Management Department, December 2013.

5. Maldives

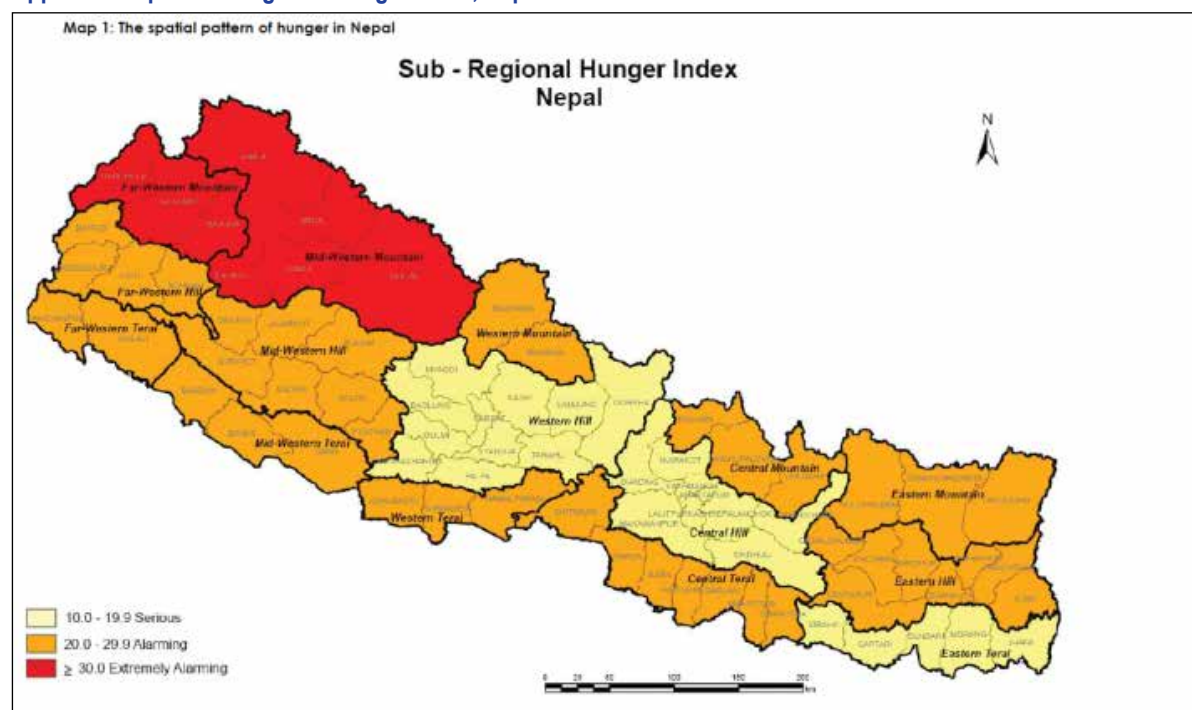
Appendix Fig 1 Per capita monthly expenditures by COICOP groups and population deciles, 2009-2010 in Maldives (Bottom three deciles)



Source: Based on Maldives HIES 2009/10 Findings, page 188, Table E-10.

6. Nepal

Appendix Map 1 Sub-Regional Hunger Index, Nepal



Source: Nepal Food Security Monitoring System, WFP Nepal, 2009, p. 13.

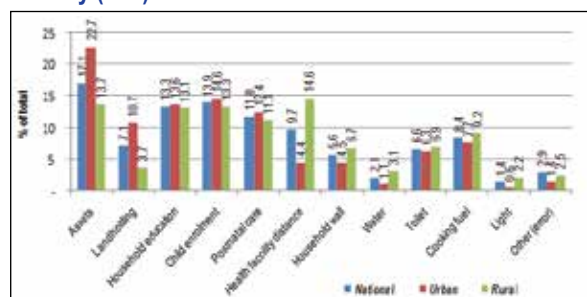
Appendix Table 1 District-level small area estimates for caloric intake and underweight

Far Western Mountains			Mid-Western Hills		
Darchula	49.0	50.5	Dailekh	48.9	54.6
Bajhang	48.6	53.1	Jajarkot	46.6	56.7
Bajura	49.6	54.0	Rukum	50.2	54.7
Mid-Western Mountains			Surkhet	43.1	44.7
Humla	59.3	53.7	Salyan	43.7	48.8
Mugu	64.8	54.7	Rolpa	49.5	51.0
Jumla	53.3	49.5	Pyuthan	36.7	49.7
Kalikot	50.5	55.1	Western Hills		
Dolpa	58.6	47.7	Myagdi	38.1	43.9
Western Mountains			Kaski	28.8	32.4
Mustang	51.1	28.6	Lamjung	39.4	38.9
Manang	55.2	24.0	Gorkha	40.1	40.3
Far Western Hills			Baglung	35.6	47.1
Bataidi	47.3	53.5	Parbat	35.7	41.7
Dadeldhura	44.4	47.2	Gulmi	31.1	46.0
Doti	44.9	53.5	Syangja	32.1	39.0
Achham	42.3	54.0	Tanahu	36.2	37.3
			Arghakhanchi	35.7	45.3
			Palpa	38.3	41.0

Source: Small Area Estimation of Poverty, Caloric Intake and Malnutrition in Nepal, CBS, WFP and World Bank, 2006. Threshold value for insufficient calorie intake used for the small area estimation is equivalent to 2144 kcal/person/day.

7. Pakistan

Appendix Fig 1 Relative Distribution of Main Drivers of Poverty (MPI) in Pakistan 2012



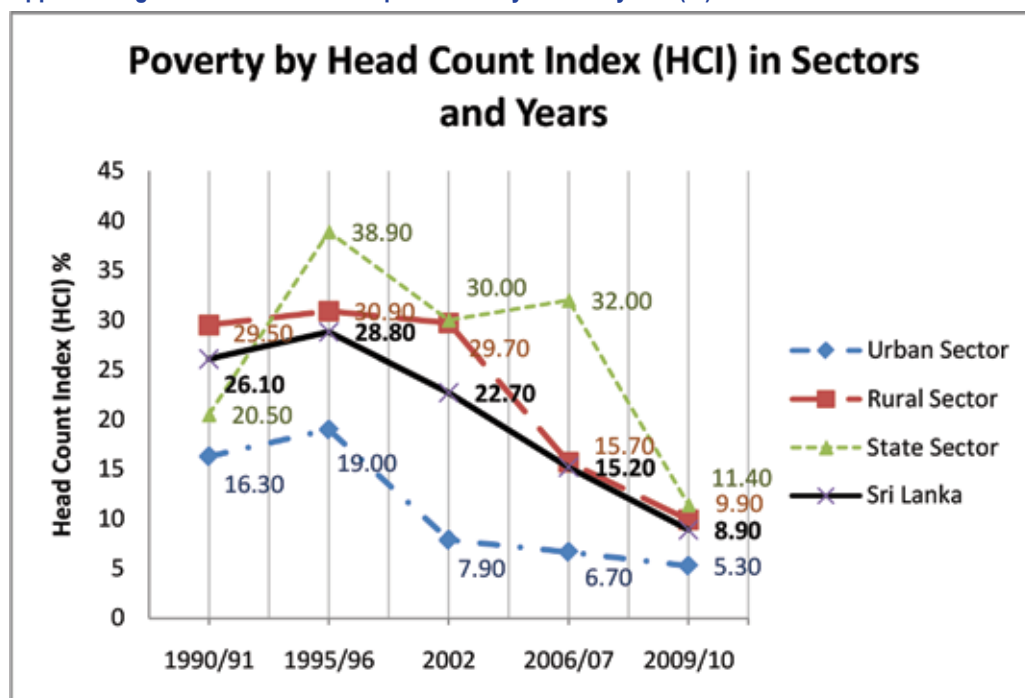
Appendix Table 1 Pakistan - Population under various Poverty Bands (% of population)

Band	2000-01	2004-05	2005-06
Extremely poor	1.1	1.0	0.5
Ultra-poor	10.8	6.5	5.4
Poor	22.5	16.4	16.4
Vulnerable	22.5	20.5	20.5
Quasi non-poor	30.1	35.0	36.3
Non-poor	13.0	20.5	20.9

Source: Pakistan Economic Survey 2007-08

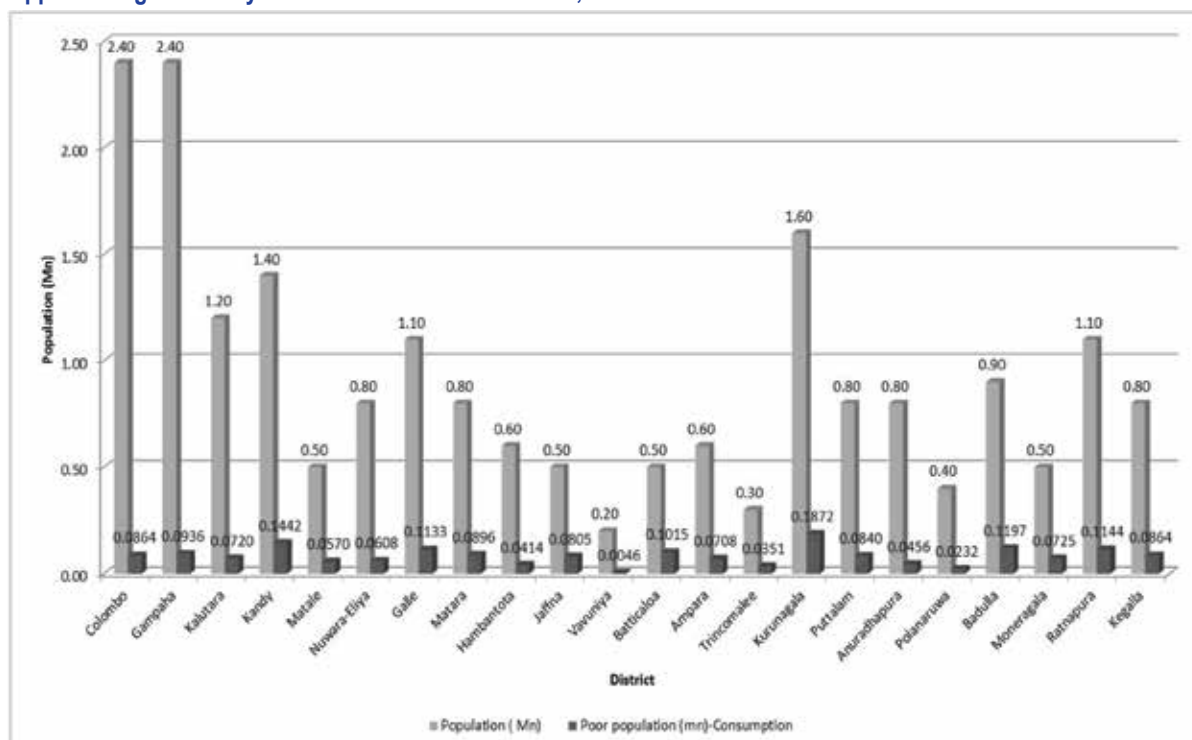
8. Sri Lanka

Appendix Fig. 1 Sri Lanka - Consumption Poverty Status by HCI (%)



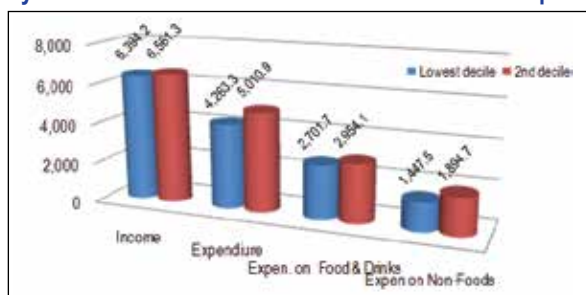
Source: Department of Census and Statistics.

Appendix Fig. 2 Poverty status in districts of Sri Lanka, 2011



Source: Department of Census and Statistics.

Appendix Fig 3 Income and Consumption Expenditure by Decile 1 and Decile 2 in Sri Lanka 2012/13 Rs/Cap/Mo



Source: Table 6.9 for Income & Expenditure on Food & Non-foods; Table 6.7 for expenditure; and Table 6.4 for HH size.

Appendix Table 1 Summary of poverty lines at 2002 national prices

Poverty line	Rs/month	%
1. Food poverty line	973	68.4
2. Lower poverty line	1,267	89.0
3. Upper poverty line	1,579	111.0
4. Official poverty line (average of 2 and 3)	1,423	100.0

Appendix Table 2 Poverty Head Count Ratio in Sri Lanka by Province and District 1990-91 to 2009-10

Provinces	Districts	1990-91	1995-96	2002	2006-07	2009-10	
1 Western	Colombo	16	12	6	5.4	3.6	1
	Gampaha	15	14	11	8.7	3.9	2
	Kalutara	32	29	20	13	6.0	3
2 Central	Kandy	36	37	25	17	10.3	4
	Matale	29	42	30	18.9	11.4	5
	Nuwara Eliya	20	32	23	33.8	7.6	6
3 Southern	Galle	30	32	26	13.7	10.3	7
	Matara	29	35	27	14.7	11.2	8
	Hambantota	32	31	32	12.7	6.9	9
4 Northern	Jaffna					16.1	10
	Vavuniya					2.3	11
	Batticaloa				10.7	20.3	12
	Ampara				10.9	11.8	13
	Trinkomalee					11.7	14
5 North-Western	Kurunegala	27	26	25	15.4	11.7	15
	Puttalam	22	31	31	13.1	10.5	16
6 North Central	Anuradhapura	24	27	20	14.9	5.7	17
	Polonnaruwa	24	20	24	12.7	5.8	18
7 Uva	Badulla	31	41	37	23.7	13.3	19
	Monaragala	34	56	37	33.2	14.5	20
8 Sabaragamuwa	Ratnapura	31	46	34	26.6	10.4	21
	Kegalle	31	36	32	21	10.8	22

Source: Based on Sri Lanka HIES Reports.

Appendix Table 3 National level findings of the Household Income and Expenditure Survey (HIES) by Survey Period, Sri Lanka

Variable	Unit	HIES Survey period							
		1980/81	1985/86	1990/91	1995/96	2002	2005	2006/07	2009/10
Mean household income per month	Rs	881	2,012	3,549	6,476	12,803	20,048	26,286	36,451
Median household income per month	Rs	642	1,322	2,547	3,793	8,482	13,617	16,735	23,746
Mean per capita income per month	Rs	180	395	724	1,439	3,056	4,896	6,463	9,104
Income receivers mean income per month	Rs	469	941	1,819	3,367	6,959	10,563	14,457	20,427
No. of income receivers per household	Nos	1.6	2.0	2.0	1.8	1.8	1.9	1.8	1.8
Household size	Nos	4.9	5.1	4.9	4.5	4.2	4.1	4.1	4.0
Monetary income per month per household	Rs	749	1,334	2,963	5,264	10,386	17,089	22,616	31,209
Non-Monetary income per month per household	Rs	132	678	586	1,212	2,419	2,959	3,670	5,242
Gini coefficient of household income		0.43	0.46	0.43	0.46	0.47	0.47	0.49	0.49
Gini coefficient of household expenditure		-	-	-	0.36	0.41	0.40	0.41	0.37
Gini coefficient of income receivers income		0.43	-	0.52	0.52	0.53	0.55	0.55	0.55
Mean household expenditure per month	Rs	1,232	2,079	3,905	6,525	13,147	19,151	22,952	31,331
Expenditure on food and drink	Rs	801	1,198	2,377	3,552	5,848	7,593	8,641	13,267
Expenditure on non-food items (excluding liquor, narcotic drugs and tobacco)	Rs	377	802	1,384	2,753	6,993	11,079	14,311	17,399
Expenditure on liquor, narcotic drugs and tobacco	Rs	54	79	144	219	306	479	492	655
Food Ratio (as a percentage)	%	65.0	57.6	64.6	54.4	44.5	39.6	37.6	42.3
Poverty Head Count Ratio	%	-	-	26.1	28.8	22.7	-	15.2	8.9

Source: Household income and Expenditure Survey Series, Department of Census and Statistics.

Appendix Table 4 Sri Lanka - Poverty Indicators by Sector, Province, and District

Sector / Province / District	Poverty Head Count Index (Percentage) by HIESurvey Period					Poor Household Percentage		Poverty Gap Index %	
	1990/91	1995/96	2002	2006/07	2009/10	2006/07	2009/10	2006/07	2009/10
Sri Lanka	26.1	28.8	22.7	15.2	8.9	12.6	7.0	3.1	1.7
Sector									
Urban	16.3	14.0	7.9	6.7	5.3	5.0	3.8	1.3	1.2
Rural	29.5	30.9	24.7	15.7	9.4	13.1	7.5	3.2	1.8
Estate	20.5	38.4	30.0	32.0	11.4	25.8	8.9	6.2	2.1
Province									
Western	19.1	16.3	10.8	8.2	4.2	6.5	3.0	1.5	0.8
Central	30.7	36.2	25.1	22.3	9.7	18.2	8.2	4.6	1.8
Southern	30.2	32.6	27.8	13.8	9.8	11.0	7.5	2.6	1.8
Northern	n.a.	n.a.	n.a.	n.a.	12.8	n.a.	10.0	n.a.	2.1
Eastern	n.a.	n.a.	n.a.	10.8	14.8	9.0	12.4	2.1	3.2
North-Western	25.8	27.7	27.3	14.6	11.3	12.2	8.2	2.9	2.4
North Central	24.5	24.7	21.5	14.2	5.7	11.8	4.6	2.8	1.0
Uva	31.9	46.7	37.2	27.0	13.7	23.8	12.0	6.2	2.4
Sabaragamuwa	31.0	41.7	33.6	24.2	10.6	20.2	8.7	4.9	2.1
District									
Colombo	16.2	12.0	6.4	5.4	3.6	3.9	2.5	1.0	0.7
Gampaha	14.7	14.1	10.7	8.7	3.9	7.2	3.0	1.4	0.7
Kalutara	32.3	29.5	20.0	13.0	6.0	10.3	4.1	2.7	1.3
Kandy	35.9	36.7	24.9	17.0	10.3	13.9	8.3	3.8	2.2
Matale	28.7	41.9	29.6	18.9	11.4	15.7	9.3	3.7	2.0
Nuwara Eliya	20.1	32.1	22.6	33.8	7.6	27.5	7.1	6.8	1.0
Galle	29.7	31.6	25.8	13.7	10.3	10.7	7.9	2.9	2.1
Matara	29.2	35.0	27.5	14.7	11.2	11.7	8.3	2.4	1.7
Hambantota	32.4	31.0	32.2	12.7	6.9	10.5	5.4	2.5	1.3
Jaffna	n.a.	n.a.	n.a.	n.a.	16.1	n.a.	12.4	n.a.	2.6
Mannar	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Vavuniya	n.a.	n.a.	n.a.	n.a.	2.3	n.a.	2.0	n.a.	0.3
Mullaitivu	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Kilinochchi	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Batticaloa	n.a.	n.a.	n.a.	10.7	20.3	9.5	17.0	1.5	5.1
Ampara	n.a.	n.a.	n.a.	10.9	11.8	8.7	10.0	2.4	2.3
Trincomalee	n.a.	n.a.	n.a.	n.a.	11.7	n.a.	9.0	n.a.	1.8
Kurunegala	27.2	26.2	25.4	15.4	11.7	12.9	8.6	3.1	2.6
Puttalam	22.3	31.1	31.3	13.1	10.5	10.6	7.5	2.3	2.0
Anuradhapura	24.4	27.0	20.4	14.9	5.7	12.7	4.6	2.8	1.0
Polonnaruwa	24.9	20.1	23.7	12.7	5.8	10.0	4.5	2.8	1.0
Badulla	31.0	41.0	37.3	23.7	13.3	21.0	10.9	5.3	2.2
Monaragala	33.7	56.2	37.2	33.2	14.5	29.2	13.9	7.8	2.8
Ratnapura	33.7	46.4	34.4	26.6	10.4	21.5	8.5	5.3	2.4
Kegalle	31.2	36.3	32.5	21.1	10.8	18.4	9.0	4.3	1.7

Source: Department of Census and Statistics.

Appendix Table 5 Sri Lanka - Daily average dietary energy consumption per person by poverty status, sector, province, and district 2006/07 and 2009/10

Sector / Province / District	2006 / 07 (a)			2009 / 10 (b)		
	Poor Households	Non-Poor Households	All Households	Poor Households	Non-Poor Households	All Households
Sri Lanka	1,696	2,194	2,118	1,472	2,155	2,094
Sector						
Urban	1,316	1,949	1,906	1,139	1,922	1,881
Rural	1,686	2,222	2,138	1,497	2,180	2,116
Estate	1,984	2,626	2,420	1,596	2,477	2,377
Province						
Western	1,471	2,022	1,977	1,209	1,968	1,936
Central	1,808	2,325	2,210	1,531	2,274	2,202
Southern	1,669	2,228	2,151	1,469	2,173	2,104
Northern	n.a.	n.a.	n.a.	1,511	2,306	2,204
Eastern	1,686	2,242	2,182	1,536	2,155	2,063
North-Western	1,574	2,254	2,154	1,398	2,194	2,104
North Central	1,746	2,300	2,221	1,483	2,248	2,204
Uva	1,886	2,406	2,266	1,721	2,398	2,305
Sabaragamuwa	1,734	2,267	2,138	1,509	2,252	2,173
District						
Colombo	1,301	1,955	1,920	1,054	1,888	1,858
Gampaha	1,503	2,031	1,985	1,271	1,990	1,961
Kalutara	1,573	2,150	2,075	1,316	2,090	2,043
Kandy	1,675	2,231	2,137	1,455	2,161	2,088
Matale	1,710	2,245	2,144	1,620	2,257	2,184
Nuwara Eliya	1,962	2,598	2,383	1,634	2,484	2,419
Galle	1,533	2,163	2,077	1,370	2,098	2,024
Matara	1,710	2,211	2,137	1,567	2,188	2,118
Hambantota	1,877	2,372	2,309	1,516	2,287	2,234
Jaffna	n.a.	n.a.	n.a.	1,488	2,290	2,161
Mannar	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Vavuniya	n.a.	n.a.	n.a.	2,022	2,348	2,340
Mullaitivu	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Kilinochchi	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Batticaloa	1,709	2,157	2,109	1,408	2,012	1,890
Ampara	1,673	2,290	2,223	1,691	2,215	2,154
Trincomalee	n.a.	n.a.	n.a.	1,605	2,250	2,174
Kurunegala	1,584	2,267	2,162	1,387	2,234	2,135
Puttalam	1,549	2,229	2,140	1,421	2,118	2,045
Anuradhapura	1,719	2,293	2,207	1,499	2,198	2,158
Polonnaruwa	1,809	2,313	2,249	1,454	2,347	2,295
Badulla	1,850	2,362	2,240	1,660	2,339	2,249
Monaragala	1,934	2,500	2,313	1,821	2,505	2,406
Ratnapura	1,791	2,399	2,238	1,527	2,314	2,232
Kegalle	1,639	2,103	2,006	1,485	2,168	2,094

(a) Excluding Northern province and Trincomalee district in Eastern province.

(b) Excluding Mannar, Kilinochchi, and Mullaitivu.

Source: Household Income and Expenditure Survey 2006/07, 2009/10, Department of Census and Statistics.

Appendix 3 List of Participants

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India	Dr. Soumitra Chaudhury Member, Planning Commission of India Mr. M.V. Rao Director General National Institute of Rural Development Mrs. B. Vijaya Bharathi
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Notes

Chapter 1

1. ISCAPA (2003) refers to “Our Future Our Responsibility: Road Map Towards a Poverty Free South Asia”. ISCAPA (2007) refers to “A Compendium of Best Practices Towards Attainment of the SAARC Development Goals (SDGs): Learning from Good and Innovative Practices”. SAARC Secretariat refers to RPP Profile 2003; RPPe 2004: Changing Face of Poverty in South Asia; RPP 2005: Poverty Reduction in South Asia through Productive Employment; RPP 2007-08: Infrastructure Development and Poverty Reduction in South Asia; and RPP 2009-10: Food Security Challenges for the Poor and Social Inclusion.
2. SAARC Secretariat (2003) SAARC RPP 2003 has listed 36 best practices in poverty alleviation and provides details for 14 projects. The table above includes these 14 best practices only. (2) SAARC Secretariat (2013) SAARC RPP 2009-10 included, besides the above list, some exemplary programs from countries such as India: Aam Admi Bima Yojana, Rashtriya Swasthya Bima Yojana, The Unorganized Workers’ Social Security Act 2008, Right of Children to Free and Compulsory Education Act 2009, National Program of Mid-Day Meals in Schools, Rajiv Awas Yojana, Pradhan Mantri Swasthya Suraksha Yojana, Integrated Child Development Services Scheme, Rajiv Gandhi Scheme for Empowerment of Adolescent Girls; Pakistan: Benazir Income Support Program, Pakistan Bait-ul-Mal, Employees’ Old Age Benefits Institution; and Sri Lanka: National Poverty Alleviation Program (Samrudhi).
3. For text of SAARC Plan of Action on Poverty Alleviation and SAARC Development Goals, refer to the SAARC website.

Chapter 2

1. Durable items include: refrigerator, stove/ gas balloon, sewing machine, iron, radio/tape recorder, TV, VCR/DVD player, satellite phone, electric fan, bicycle, motorcycle, car, tractor/thresher, mobile phones, carpets (khalin), gilim, blankets, and kitchen utensils.

Chapter 3

1. Poverty lines were estimated using the cost of basic needs (CBN) method, whereby any household with per capita expenditure below a given poverty line is considered as poor. With the CBN method, poverty lines represent the level of per capita expenditure at which the members of a household can be expected to meet their basic needs (comprising food and non-food consumption where the upper poverty line includes the cost of 2122 kcal food intake and for lower poverty line 1805 kcal food intake).
2. People with ability to recognize and write some words, to count objects and numbers at a very basic level are semi-literate.
3. The Bangladesh reports on practices in poverty alleviation are mostly at aggregative/ sectoral/ programme level as in the following sections.
4. Low rate of participation from the ultra-poor people is growing, the major reason being very weak a little confidence to repay loan.
5. MRA has been established by the Government under the “Microcredit Regulatory Authority Act 2006”: to promote and foster sustainable development of microfinance sector by creating an enabling environment for the NGO-MFIs in Bangladesh. MRA is the central body to monitor and supervise microfinance operations of NGO-MFIs. License from the Authority to operate microfinance operation in Bangladesh as an NGO.
6. Union Parishad is the smallest rural administrative and local government unit in Bangladesh. A Union Council consists of a Chairman and twelve members including three members exclusively reserved for women. Union Parishads are formed under the Local Government (Union Parishads) Act, 2009. Articles 59 and 60 of the Constitution of Bangladesh for set the main foundation the role and structure of Local Government,

which is further supplemented by articles 9 and 11 with additional attributes of the system.

7. Nino, C. Dell, International Food Policy Research Institute and Food Management and Research Support Project of Ministry of Food, Government of the People’s Republic of Bangladesh. July 2000. ‘Efficiency of targeted food programs: An Investigation of the VGD and RD programs’, Dhaka, Bangladesh.
8. M. Guhathakurta, and F. Hasan, 2005, ‘Poverty, development and human rights: “making human progress in Bangladesh”, Working paper for International Council on Human Rights Policy, in The international council on human rights policy Review Meeting, Poverty: The Relevance of Human Rights to Poverty Reduction, Phuket, Thailand.
9. N.A. Khanam, (2011), ‘Partnership For Development: Alternative Approaches to Poverty Alleviation in Bangladesh’, University of Canberra, Australia.

Chapter 4

1. Ministry of Agriculture and Forests (MoAF) .
2. NSB Statistical Year Book, 2011.
3. Ministry of Agriculture and Forests (MoAF) .
4. NSB Statistical Year Book, 2011.
5. Multidimensional phenomenon described as deprivation of basics of life where deprivation includes not just insufficient consumption (and income) but also lack of opportunities and assets, inadequate education, poor health and nutrition, lack of sanitation, insecurity, and powerlessness (PAR, 2007).
6. Block.
7. Chetri and Samirendra, 2005.
8. Initially called the Bhutan Development Finance Corporation (BDFC).
9. Non-Government Organizations (Tarayana foundation, RENEW, NWAB) and government through certain donor supported rural development projects also contribute to the provision of microfinance.
10. Coordinated by the GNH Commission.
11. His Majesty’s Secretariat office.
12. Local non-profit organization working to uplift and enhance the lives of vulnerable communities in Bhutan.
13. Highly concessional loan project from IFAD as a follow up on the AMEPP.
14. Costs figure in local currency converted to USD (1USD=Nu40).
15. Costs figures in local currency converted to USD (1USD=Nu. 48).

Chapter 6

1. Maldives:Poverty Assessment, September 2007, Asian Development Bank (ADB).
2. Maldives: Poverty Assessment, September 2007, Asian Development Bank (ADB).
3. Millennium Development Goals (MDG), Maldives Country Report 2010, Department of National Planning.
4. Ministry of Employment and Social Security; available at www.employment.gov.mv/Resources/Statistics/2009/5%20years/Table4.pdf.
5. Maldives: Poverty Assessment, September 2007, Asian Development Bank (ADB).

Chapter 7

1. Nepals’s draft report included the CDP in the list of best practices, retained here because of its addition to the knowledge about poverty alternative.

* * *



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