

Annual Report 2013

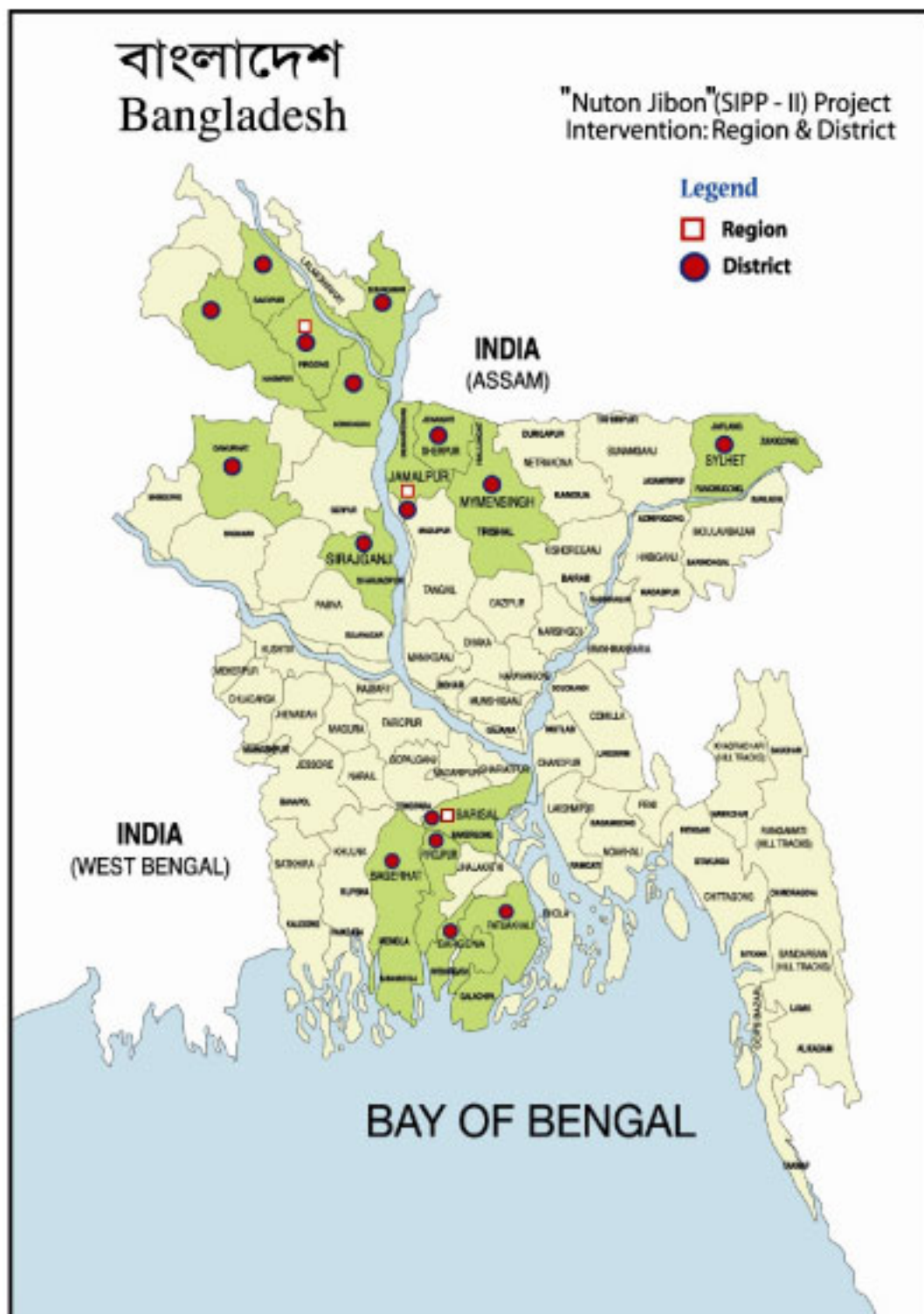
Striving for Bridging the Divide,
Inclusion and Lasting Change



Social Development Foundation (SDF)
Bank and Financial Institutions Division
People's Republic of Bangladesh



SDF's WORKING AREA



Annual Report 2013



Social Development Foundation (SDF)
Empowerment and Livelihood Improvement "Nuton Jibon" Project (SIPP-II)

Acronyms

AIP	: Annual Implementation Plan
APSF	: Annual Performance Support Fund
AMT	: Appraisal and Monitoring Team
ALRD	: Association for Land Reform and Development
AC	: Audit Committee
BGMEA	: Bangladesh Garment Manufactures and Exporters Association
BEPZA	: Bangladesh Export Processing Zone Authority
BEES	: Bangladesh Education Extension Services
CDD	: Community Driven Development
CIC	: Community Information Center
CISF	: Community Infrastructure and Social Services Fund
CTL	: Cluster Team Leader
CF	: Cluster Facilitator
CP	: Community Professional
CT	: Communication Tree
CAP	: Community Assessment Process
COM	: Community Operational Manual
CIW	: Community Infrastructure Works
CIS	: Community Infrastructure Sub-project
CNRS	: Center for Natural Resource Studies
COEL	: Center of Excellence for Leather Technology
DPM	: District Program Manager
DPO	: District Program Officer
DYD	: Directorate of Youth Development
DAM	: Directorate of Agriculture Marketing
DA	: Designated Account
ECCRR	: Environment, Climate Change and Risk Reduction
ESMP	: Environment and Social Management Plan
EAF	: Economic Activity Federation
ESDO	: Eco-Social Development Organization
FM	: Financial Management
FMS	: Financial Management System
FAO	: Food and Agricultural Organization
GB	: Governing Body
GnB	: General Body
GoB	: Government of Bangladesh
GP	: Gram Parishad
GS	: Gram Samity
GO/NGO	: Government Organization/Non-Governmental Organization
GAAP	: Governance and Accountability Action Plan
G4	: Group Four (Security Services)
HR	: Human Resource
HH	: Household
HQ	: Head Quarter
HCP	: Hardcore Poor
IC	: Information and Communication
IDA	: International Development Association
ICT	: Information and Communication Technology
IEC	: Information, Education and Communication
IGA	: Income Generating Activity
IA	: Internal Audit

IDP	: Information Disclosure Policy
IDF	: Institutional Development Fund
ICRR	: Implementation Completion and Results Report
IUFR	: Interim Un-audited Financial Report
MD	: Managing Director
MIS	: Management Information System
MEL	: Monitoring, Evaluation & Learning
MDGs	: Millennium Development Goals
MTR	: Mid Term Review
MMIPP	: Monga Mitigation Initiative Pilot Project
MCBC	: Mobile Capacity Building Cell
NJG	: Nuton Jibon Group
NJCS	: Nuton Jibon Community Society
NDPD	: National Disaster Preparedness Day
NDP	: National Development Program
NBD	: Nation Building Department
NICT	: National Information & Communication Technology
OTR	: On Time Recovery
PIP	: Participatory Identification of the Poor/Project Implementation Plan
PAD	: Project Appraisal Document
PM	: Process Monitoring
PMA	: Process Monitoring Agency
PO	: Partner Organization
PCR	: Project Completion Report
PMS	: Project Monitoring System
PPR	: Public Procurement Rules
PHRD	: Preparatory Activities for Human Resource Development
PVA	: Participatory Vulnerability Analysis
PIF	: Productive Investment Fund
PDO	: Project Development Objective
PKSF	: Palli Karma Shahayak Foundation
RPD	: Regional Program Director
SF	: Shabolomby Fund
SLF	: Shabolomby Loan Fund
SAC	: Social Audit Committee
SDF	: Social Development Foundation
SIPP	: Social Investment Program Project
SSC	: Sanchayan Sangrakkhan Committee
TOT/TOR	: Terms of Reference/Training of Trainers
TMSS	: Thengamara Mohila Sobuj Songha
VDF	: Village Development Fund
VDRRF	: Village Development and Risk Reduction Fund
VCO	: Village Credit Organization
VM	: Village Matrix
WB	: World Bank

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From the Chairperson's desk...



I am pleased to learn about the publication of Annual Report 2013. As a matter of fact, I am indeed proud and happy to be part of the SDF family that has been actively unlocking livelihood opportunities for the underprivileged people of Bangladesh following a holistic approach of development notably the Community Driven Development (CDD) approach. The journey of SDF to alleviate poverty has always been challenging to uplift the quality of life and livelihood of the targeted extreme poor. Nevertheless, the steeper growth and achievements since our inception have only been possible because of the diversified development over a decade and transition from small scale projects to large ones.

On behalf of the SDF family, I take the pride of our continued success and eagerly look forward for a promising future. As we grow, every opportunity unites us to work together, face new challenges, and improve efficiency to have a better learning curve.

My sincerest gratitude goes to the Government of Bangladesh and the World Bank for their uninterrupted support to scale up the life skills of self-sustaining livelihood of the niche segment. I indeed appreciate the Governing Body of SDF for their significant contribution to pursue the vision of SDF.

I would take the opportunity to accentuate the dedication and endeavor of members of SDF family to be the focus of spirit for the continued achievements. The stupendous success wouldn't be possible for sure without the hard work and relentless effort of all my colleagues to turn the project into a successful one. I am quite confident about SDF to become a sustainable institution and role model in the development sector and widening the reach over time.

Thank you all.

A handwritten signature in black ink, consisting of a stylized 'M' followed by a horizontal line and a small flourish.

M. I. Chowdhury
(Former Secretary, Government of Bangladesh)
Chairperson
SDF

Note from the Managing Director...



Knitting changes through development intervention, Social Development Foundation (SDF) has been beating off bitter poverty in 3,262 villages of 16 poverty prone districts of Bangladesh. The Government of Bangladesh (GoB) established this organization in 2000 as an autonomous and 'not-for-profit' organization to yield opportunity for the untapped human resources, especially the women, for scaling up their life skills all along. This document has captured the essence of SDF's holistic approach to poverty reduction through multiple programs and this year has become successful on a great scale with desired attainment.

The goal of the project was to assist in poverty reduction, while the objectives were to develop human resources and institutional capital to enable the extreme poor, especially women and youth in rural areas to access effectively and productively to financial services of the formal sector. The project also achieved its objectives of developing human resources and institutional capital, expanding access to credit for poor people, especially women, training and social intermediation to the target group, and providing institutional support.

Several social benefits were generated within the communities during the implementation of the programs, for instance, self respect has increased and discipline got better. There were phenomenal changes in livelihood practices, lifestyle and other development areas including capacity building, transformation, accountability, protection and promotion in terms of human rights. It is

assembling different visions towards poverty alleviation and steering mission for sustainable development through their empowerment, self-reliance and improvement of lifestyle.

SDF's well-managed and well-resourced initiatives are sailing ahead constantly to make commitment and endeavors tied to specific targets for reducing development disparities. In this context, Impact Assessment and Mid-Term Evaluation Studies were carried out this year. Based on the findings of these two studies, it has been found that of the three Project Development Objectives, the end of project target (June 2016) of one indicator has already been exceeded, while that of the two other indicators are appropriately on track to be achieved well before the closing date. The Mid-Term Review of the World Bank carried out during October 20-30, 2014 has also rated the project "satisfactory" (highest scoring).

Social Investment Program Project's (SIPP-II) unique achievement has prompted the Government of Bangladesh and the World Bank for the expansion of this program further. As a consequence, SIPP-III is going to be launched in June 2015 instead of June 2016 with an approximate budget of more than US \$ 200 million.

Now, it is time to go ahead with newly found initiatives in generating knowledge, capacity building, raising awareness and advocacy to serve the outreached of the project areas.

In fine, I would express my gratitude to the Government of Bangladesh for the directions,

guidance and support we have been receiving for long. We are grateful to the Hon'ble Prime Minister Sheikh Hasina who kindly graced the watershed moment of SDF's 12 years' celebration in 2013 and encouraged us by her appreciation for achieving the vision of poverty alleviation in Bangladesh. We are also thankful to the Hon'ble Finance Minister Abul Maal Abdul Muhit for his presence in the august gathering of 12 years' celebration and supporting us in moving the pro-poor development programs ahead.

We would also like to extend our gratitude to the members of the Governing Body and General Body of SDF for their enormous support to materialize the journey ahead.

I sincerely have the pleasure and pride to be involved with SDF in its long voyage. I convey my best wishes to all SDF personnel for their praiseworthy services and tremendous effort to achieve the goal. At the same time, I would like to thank them who had worked sincerely to bring documentary report into light.



AZM Sakhawat Hossain

Managing Director
SDF



Executive Summary

In view of the development paradigm shifts in the development approaches, SDF has been better equipped and continuing its effort to meet the emerging challenges. Over the years, SDF has emerged as a unique forum for the promotion of development of poverty alleviation in its working areas and has been mounting campaign for poverty alleviation counting on collective actions. Established in 2000 as a 'not-for-profit' organization by the Government of Bangladesh, this organization has been working at community level with a great commitment in stimulating underprivileged people's inner beings from the salad days.

With the changing scenario, SDF has been changing its focus, course of action and strategies from time to time. Since its initiation, it has been consistently revising its areas of concern and the priority areas. In this context, GoB, with support from IDA, has been implementing the Social Investment Program Project (SIPP-I) of SDF since 2003. Initially, the project was intended as a small-scale pilot to test Community Driven Development (CDD) approach, which was exploring new ways of delivering critical infrastructure services and social assistance to the rural poor simultaneously addressing institutional organizations and capacity building needs at the village level. This project was carried out in about 943 villages of the most poverty prone areas of Jamalpur and Gaibandha districts.

SIPP-I's thriving, prosperous and wide-reaching success for socio-economic uplift of the community people led the Government of Bangladesh and the World Bank to scale up the SIPP in Bangladesh as the Empowerment and Livelihood Improvement "Nuton Jibon" Project (SIPP -II) with US\$115.0 million fund layout for five years from July 2011 to June 2016. Project Development Objective of "Nuton Jibon" Project is to improve the livelihoods of extreme poor communities and to strengthen the community institutions in selected districts.

The "Nuton Jibon" Project (SIPP-II) is implemented in 3262 villages of 16 most vulnerable districts and

657,593 households. The project supports poor and ultra-poor through community financing for livelihood support, community infrastructure, and skills development training for youth. The project focuses on empowering the poor and strengthening community-level organizations. The project also aims on reducing the vulnerability of the poor to risks by enhancing skills to increase employment opportunities as well as support small-scale, demand-driven community investment sub-projects that are prioritized, implemented, and managed directly by the beneficiaries.

Institution Building and Social Mobilization: Ensuring planned services properly, the village institutions has been successfully continuing to maintain them in the post-intervention period. Consequently, about 83% of village institutions are functioning in a transparent, inclusive and accountable manner, which is higher than end of project target of 75%.

SDF is devotedly striving to yield opportunities for the poor and hardcore poor, illiterate, neglected, unskilled and destitute people, especially the women, for scaling up their life skills all along. Probably, this is a more important outcome than poverty reduction, which is a long-term commitment. The momentum of women empowerment demonstrates that 95% of the project beneficiaries are women and about 92% decision making positions of the above mentioned village institution committees are occupied by them. They have managed their risks better, built their assets gradually, developed their own micro-enterprises, and enhanced their earning capacity and ultimately are enjoying an improved quality of life. Therefore, they have been able to establish their right and position in the family as well as in the society and are duly respected in expressing their opinion in decision making. They have also become able to maintain bank account and have been enjoying their free and increased mobility.

In moving the pro-poor development programs ahead, "Nuton Jibon" is focused on community development activities for sustainable development in a number of ways. The number of Nuton Jibon Groups (NJGs) and target HHs mobilized into NJGs has increased from 45,126 to 45,512 and from 544,937 (83%) to 562,224 (86%) HHs respectively. In addition, a total of 54 NJG members have been elected as Ward members of Union Parishad across SDF's working areas.

Capacity Building: Focusing on human resource development, SDF is building capacities of staff and beneficiaries through training oriented comprehensive program. SDF is very much aware of developing the knowledge, attitude and practice of its community members through capacity building on the basis of need. For enhancing the competence of community, SDF has provided training and technical support for proper management of financial records as well as selecting and implementing IGAs on the basis of COM guidelines. As a consequence, the community people has become able to manage their group, select borrower, manage savings, select viable IGA, disburse loan, recover loan, move up productivity and maintain their accounts accordingly.

Community Finance: Catalyzing community people's own endeavors to a great extent, SDF bridges the gap between their aspiration and action to translate the target into reality through community financing. An amount of BDT 106.49 million (US\$ 1.33 million) savings have been accumulated during this year bringing the total to BDT 314.89 million (US\$ 3.94 million) by the regular savings of 95% total members.

Approximately, BDT 118.69 million (US\$ 1.48 million) has been distributed as internal lending among 84,250 new borrowers (NJG members) during this year bringing the total amount to BDT 334.49 million (US\$ 4.18 million) to 258,537 borrowers. An amount of BDT 2,089.31 million (US\$ 26.12 million) have been distributed during this year bringing the total numbers of loans to 427,541 and amount to BDT 4,353.48 million (US\$ 54.42 million). The outstanding portfolio against internal lending is BDT 48.27 million. On Time Recovery Rate (OTR) of internal lending stands at 95% in this year while it was 96% in last year.

An amount of BDT 606.92 million has been distributed as Shabolombi Loan among 40,868 NJG members during this year bringing the cumulative amount of BDT 4,353.92 million among 308,645 NJG members. Outstanding portfolio of Shabolombi Loan is BDT 1,553.32 million and On Time Recovery Rate (OTR) stands at 95% in this year while it was 93% in last year.

Livelihood: Making programs guided for taking target towards sustainable attainment, SDF began to execute income generating activities widely. Consequently, about 35% of the projects HHs have been able to increase their income from 40 to 50 % whilst end of project target is 50%. The project beneficiaries have almost doubled their average monthly HH income through the different IGAs such as livestock, poultry,

small trade, agriculture, and salary/wages etc - accounting for nearly 90% income of HHs.

Over the reporting period, 34,171 vulnerable HHs received one-time grant and 94% of them have started income generating activities (IGAs) to fight back poverty. Conversely, 2643 vulnerable received skills training on different IGAs mostly in beef fattening, dairy rearing, goat rearing and poultry rearing etc.

For strengthening inter-village activities, networking with different service providers and market actors has been established with community organization. In order to ensuring technical services, qualitative inputs, market information and collective marketing, an effective linkages have been established with government departments (Dept. of Livestock, Dept. of Agricultural extension, Dept. of Fisheries, Dept. of Youth Development, etc), input suppliers and buyers to improve production and to ensure higher price of the products. Two partnerships have already been developed between producer sub-committee and Milk Process Company for sourcing of inputs and collective milk market.

Youth and Employment: "Nuton Jibon" project carried out youth development activities and doled out the inclusive services to them so as to improve their livelihood by providing essential guidance and instruction and much needed credit. Through the various training sessions and outreach efforts, a total of 33,095 (15,000 in the reporting period) youths have been employed among 52,634 youths (83%) who have been mobilized into 3,887 youth groups. This represents 59% of the youth employment of project's end-target 50,000. Furthermore, 262 target youths got the opportunity of overseas employment and 10 of them left for abroad who are contributing in economic development for their families and country by earning the foreign remittance. Moreover, 66% youths are holding positions in different committees like GS, VCO, SAC etc. which flourishes their leadership quality and guidance the community as well. A total of 1,341 (64%) youths are working as Community Professional (CP).

Community Infrastructure and Social Services Fund (CISF): Capitalizing on the unique and significant strategy in scaling up community participation, this project has invested in different community infrastructure and social services such as access to water and sanitation facilities, and access to markets, education, and health facilities. The project has completed 3,818 community infrastructure and social services sub-projects where most of the investments of infrastructure are in earth works, culverts, tube-wells, and repairing of school buildings. About 77% of HHs (876,330 including non-target HHs) in project villages is being directly benefited from these improved infrastructures which are very close to the project target of at least 80%.

Environment, Climate Change and Risk Reduction (ECCRR): SDF helps communities to become more resilient to natural disasters. In order to do this, risk areas are addressed properly and social maps indicating the risks are prepared by the Gram Samity during conducting of Participatory Vulnerability Analysis (PVA). As a part of ongoing process, volunteer teams are formed comprised of 13,989 members and training on disaster preparedness, rescue, rehabilitation and early warning system have been provided to 1,566 members during this year. A total of 1,339 Gram Samities have initiated emergency fund to manage and cope with disaster situation and 1,835 GS Offices have been well equipped with disaster risk management equipments like, life jackets, van, first aid boxes etc.

Environmental Screening (ES) and Initial Environmental Examination (IEE) Forms are being used at the field and Environmental Management Plan (EMP). Environmental Management Plans have been implemented especially during the implementation of sub-projects in 2947 villages. A total of 2061 villages have started executing risk reduction plan through analyzing the risks and vulnerability of individual village, which was developed by the active participation of community people under the leadership of Disaster Volunteer Team and Gram Samity.

Appraisal and Monitoring Teams (AMTs): As a part of the Village Development and Risk Reduction Fund (VDRRF), and Nuton Jibon Community Soceity (NJCS) Fund disbursement, Appraisal and Monitoring Teams (AMTs) appraise the applications from the villages and inter-village activities (Nuton Jibon Community Society, Community Professional Society). A total of 19,129 VDRRF proposals were received out of which 16,710 were appraised and 14,378 were recommended for fund release and the overall success rate is 86 percent.



Information, Communication and Education (IEC): SDF's overarching vision of communication is flexible enough to accommodate diverse national and regional circumstances. SDF showcased success stories and achievements to strengthen government and Development Partners' perception and mobilize resources. SDF envisions a vibrant domain through its website whereby relevant and timely information is shared amongst members. Sharing of best practices has been effective through the communication materials developed. In the pursuit of the overall goal, SDF is generating awareness through dissemination of information leading to adequate program literacy regarding entitlements and processes. It is applicable for both the beneficiaries as well as the implementers to ensure optimum results through the existing IEC materials.

Governance and Accountability Action Plan (GAAP): To mitigate the risk of conflict and governance issues, GAAP has been prepared and being practiced in 2,270 villages. Around 16,828 risks (on average 7.4 risks per village) were identified and action plan have been prepared.

Monitoring, Evaluation and Learning (MEL): This department of SDF is very active to track project inputs, outputs, processes, learning, and constraints and take remedial actions. The effective Management Information System (MIS) has been developed by Datasoft System Ltd comprising of 5 (five) modules such as a) Financial Information System (FIS); b) Project Monitoring System (PMS); c) Procurement System; d) HR and Payroll System; and e) Inventory System. Project progress has been capturing from region, district and cluster level round the year.

Nuton Jibon Community Society (Second Generation Institutions): In moving the pro-poor development programs ahead, "Nuton Jibon" focused on community development activities for sustainable development in a number of ways. To make the community organization sustainable, Nuton Jibon Community Society (NJCS) has been started in Gaibandha and Jamalpur Districts and have accessed the first installment of the Institution Development Fund. The Societies are registered under the Companies Act, as a two tier (Cluster and District levels) umbrella organization, supporting member village institutions

on the organization development, savings and credit, and establishment of a community professional pool for providing technical assistance and capacity building services. Around 589 (62%) villages have paid their membership fee and capital contribution and have become full members and 154 other villages are admitted as associate members. The project has fostered the development of 2,095 Community Professionals (CPs) after grading.

With a view to review plan, program and activities for previewing success, the project carried out two surveys in preparation of the mid-term review: (i) an Impact Assessment (by Bangladesh Institute of Development Studies) and (ii) the Mid-Term Review Study (Data Technical Consultants Ltd.). The surveys were conducted between July and September 2013 and covered a total of 1,636 randomly selected households (of which 502 belong to the control group) in six districts. Based on the findings of these two studies, of the three PDO indicators, the end of project target of one indicator has already been exceeded, while that of the two other indicators are on track to be achieved well before the closing date.

It is a matter of great satisfaction to all concerned stakeholders including the Government of Bangladesh, World Bank and SDF that SDF is moving in the right direction to fulfill its commitments to raise the quality of life of the poorer section of our people living in rural areas of Bangladesh.

A World Bank Team carried out a Mid-Term Review (MTR) mission for the Empowerment and Livelihood Improvement "Nuton Jibon" Project from October 20-31, 2013. The main objectives of the mission were to review the achievements towards the Project Development Objectives. The project is found well on track and progressing towards achieving its development objective is rated "Satisfactory".

On the whole, the year 2013 can be termed a year with difference. The Ministry of Finance and World Bank have extended their strong support and cooperation for effective implementation of mandated tasks.



CHAPTER 1

**Social Development Foundation (SDF):
Architect of a Better Society**

About SDF

Social Development Foundation (SDF), a thriving, prosperous and wide-reaching development organization, has been mounting campaign for poverty alleviation counting on collective action. It was established by the Government of Bangladesh in 2000 as an autonomous and "not-for-profit" organization and was registered under the Companies Act-1994 on July 28, 2001. SDF works to make real improvements in people's lives, opening up their choices and opportunities. This organization promotes inclusive and sustainable human development and works to reduce poverty in all its dimensions. In this context, poverty reduction is the overarching goal and at the core of SDF's work to support transformational change which leads to a phenomenal change in people's lives. SDF is uniquely positioned to help advocate for change, connect community to the knowledge and resources they need, and coordinate the efforts in fighting poverty and advancing progress towards the MDGs. Because *'our dream is to realize a society where people can live in a clear, free environment without pollution; prosper without poverty; experience peace and development without fear of conflict; and have a happy place to live their lives.'*

Vision

'Empowered Communities Overcoming Poverty'. SDF has evolved and implemented innovative approaches to address hardcore poverty in partnership with communities, NGOs, government and private sectors to emerge as a pioneering agency for social development in Bangladesh.

Mission

SDF enriches and sustains the lives and livelihoods of Bangladesh's excluded hardcore poor through an integrated program of empowerment, capacity building, finance and social investment. SDF sets out communities in charge of their own development and facilitates that development according to community demands.



Objectives

SDF has been assisting the government in achieving the Millennium Development Goals (MDGs) set out by the United Nations and thus helping to build a poverty-free Bangladesh by gradually reducing poverty in its area of operation through:

- Expanding the scope for pro-poor economic growth through expanding income and employment opportunities for the poor;
- Fostering human development for the poor;
- Providing social safety net for the poor against shocks; and
- Favorably influencing participatory governance by enhancing voice of the poor and strengthening women's role in decision making in the development paradigm.

Core Values

- Unity and equity;
- Belief and trust in community wisdom;
- Reaching all the hardcore poor as identified by the communities;



- Focusing on poor women and youths;
- Transparency and accountability at all levels of program implementation; and
- Building self-reliant and sustainable institutions of the poor at community level.

SDF Governance

The organizational and management arrangements are a vital part of making solid foundations for policy formulations and keeping an organization safe and secured. SDF has the following organizational and management structure of governance:

General Body

There is a General Body of the Foundation consisting of 18 (eighteen) Members including the Chairperson, all of whom are appointed by the Government except the Managing Director of the Foundation. The members of the Governing Body are also the members of the General Body of the Foundation.

Function

The General Body exercises the following powers and functions:

- to give overall policy guidance and direction for the efficient functioning of the Foundation;
- to approve the annual budget and supplementary budgets of the Foundation placed before it by the management of SDF but only after the said budgets have been considered and recommended by the Governing Body;
- to approve budgets relating to undertaking national level programs determined by the Governing Body of SDF other than SDF's routine programs;
- to consider the balance sheet and audited accounts for the previous year;
- to consider the annual report prepared by the Governing Body of the Foundation;
- to amend these presents, if deemed necessary, by way of addition, alteration, modification or

substitution, in consultation with the Government;

- to delegate such of its powers and functions to other authorities of the Foundation as it may consider necessary and proper.

Meetings of the General Body

General meetings of the Foundation/General Body are held at least twice every year at such time and place as, may be determined by the Governing Body of the Foundation but not more than fifteen calendar months after the holdings of the last preceding general meeting, and such meeting shall be called the annual general meeting, and all other meetings are called extraordinary general meetings.

Governing Body

There is a Governing Body of the Foundation comprising of 9 (nine) Members including the Chairperson of the Foundation, the Joint Secretary, Bank and Financial Institutions Division, Ministry of Finance, the Managing Director, Palli Karma-Sahayak Foundation (PKSF) and the Managing Director of SDF, all of whom are the ex-officio members of the Governing Body. The remaining 5 (five) Members are appointed from amongst the Members of the General Body.

Function

The Governing Body have the following powers and functions:

- The Governing Body generally pursues and carries out the objects of the Foundation as set forth in the Memorandum of Association. The Governing Body is responsible for the management and administration of the affairs of the Foundation in accordance with the Articles of Association and the Rules and Bye-Laws.
- The affairs of the Foundation are managed by the Governing Body, with the responsibility to determine the direction and scope of the activities of the Foundation. The Governing Body is responsible for approving projects and making grants, donations, loans or other financial assistance to stakeholders, partner organizations, or other entities that further the goals and objects of the Foundation. The Governing Body approves and administers the annual and supplementary budgets and financial control of the Foundation. The Governing Body exercise full management and control of the Foundation and are responsible for formulating and amending from time to time the Human Resource Policy and Manual and Service Rules of the Foundation as presented by management of the Foundation.
- The Governing Body undertake performance appraisal of any senior officer of the Foundation upon the issue being placed before the Board by the Chairperson and such appraisals is conducted within the scope of the HR Policy and Manual as approved by the Board. Upon confirming the results of the appraisals the Board accordingly incentivizes employees who have achieved target and have excellent performance records and/or alternatively the Board have the power to take necessary actions against officials for poor performance / failure to achieve set milestone under the terms and conditions of the service or job description of the employee.

Meetings of the Governing Body

- The Governing Body hold at least 6 (six) meetings every calendar year (provided that there shall be always at least one meeting in every three months) which is called by notice under the signature of the Managing Director, by order of the Chairperson.
- All meetings of the Governing Body are presided over by the Chairperson of the Foundation and in case the Chairperson is absent or he/she is not present or does not attend within one hour of the stated time of the meeting, Members present choose, in his/her place, one of themselves to be Chairperson of the meeting.

Managing Director (MD)

The Managing Director (MD) is the Chief Executive Officer of SDF and the member of both General Body and Governing Body. The MD is appointed through a competitive and transparent process. The MD acts as Member-Secretary of General Body and Governing Body.

General Body and Governing Body of SDF

General Body

NAME (Not on the basis of seniority)	Designation
Mr. M.I. Chowdhury Former Secretary, Government of the People's Republic of Bangladesh	Chairperson
Mr. Arijit Chowdhury Joint Secretary (Policy), Bank and Financial Institutions Division, Ministry of Finance	Member
Mr. Asit Kumar Mukutmoni Director General, Department of Youth Development	Member
Mr. Nurun Nabi Talukdar Director General, NGO Affairs Bureau, Prime Minister's Office	Member
Mr. Meshkat Ahmed Chowdhury Director General, Department of Social Services	Member
Mr. Md Ashraf Hossain Director General, Department of Women Affairs, Dhaka	Member
Mr. Mohammad Ali Former Secretary, Government of the People's Republic of Bangladesh	Member
Mr. Md. Matiur Rahman Former Secretary, Government of the People's Republic of Bangladesh	Member
Mr. Md Abdul Karim Managing Director, Palli Karma-Shahayak Foundation (PKSF)	Member
Dr. Mahfuzul Haque Economist	Member
Dr. Shafique uz Zaman Professor, Department of Economics, University of Dhaka	Member
Professor Dr. Md. Moazzem Hossain Khan Department of Economics, University of Rajshahi and Vice President Bangladesh Economic Association	Member
Professor Dr. Sheikh Shamsuddin Ahmed Department of Finance, Faculty of Business Studies, University of Dhaka	Member
Professor Nurul Alam Former Chairman, Secondary and Higher Secondary Education Board, Rajshahi	Member
Mr. Syed Aftear Hussain Pear Businessman & Journalist	Member
Mr. Masih Malik Chowdhury, FCA Treasurer, Bangladesh Economic Association Masih, Muhith, Haque & Co., Chartered Accountants	Member
Mr. Md. Shamsul Huda Executive Director, ALRD	Member
Mr. Debashish Nag Project Adviser, Amader Gram Climate Care Project & Former Deputy Secretary	Member
Mr. AZM Sakhawat Hossain Managing Director, Social Development Foundation	Member Secretary

Governing Body

NAME (Not on the basis of seniority)	Designation
Mr. M.I. Chowdhury Former Secretary Government of the People's Republic of Bangladesh	Chairperson
Mr. Arijit Chowdhury Joint Secretary (Policy) Bank and Financial Institutions Division Ministry of Finance	Member
Mr. Dr. Mahfuzul Haque Economist	Member
Mr. Dr. Shafique Uz Zaman Professor, Department of Economics, University of Dhaka	Member
Mr. Md Abdul Karim Managing Director Palli Karma-Shahayak Foundation (PKSF)	Member
Mr. Asit Kumar Mukutmoni Director General Department of Youth Development	Member
Mr. Syed Aftear Hussain Pear Businessman & Journalist	Member
Professor Dr. Md. Moazzem Hossain Khan Department of Economics, University of Rajshahi & Vice President, Bangladesh Economic Association	Member
Mr. AZM Sakhawat Hossain Managing Director, Social Development Foundation	Member Secretary



Frauke Jungbluth, Senior Rural Development Economist, World Bank & Task Team Leader (TTL), "Nuton Jibon" Project visiting Rangpur, RPD Rangpur and other officials of SDF are also seen



CHAPTER 2

**Empowerment and Livelihood Improvement
"Nuton Jibon"
Project: The Gateway of the Silk Road**

Social Investment Program Project

Albeit accelerating economic growth and restoring the developmental momentum remained principal policy objectives of SDF, it was also realized that poverty and related social problems deserve appropriate attention through the rehabilitation of the social infrastructure and financial support for well targeted projects. With the cherished goal of social investment, SDF is implementing Social Investment Program Project (SIPP) that mainly focuses on empowerment and livelihood improvement of hardcore poor and poor people.

SDF is committed to engaging, supporting and recognizing the value of excluded human resources, regardless of race, religion, gender, nationality, ethnicity, age, physical or mental ability and socio-economic status. The organization has been implementing numerous development activities under Social Investment Program Project (SIPP) for the reduction of poverty since 2003 under the Ministry of Finance, Government of Bangladesh and World Bank.

The Social Investment Program Project aims at poverty alleviation by addressing the demand of the poor for priority infrastructure and services, and support for productive activities. This is being achieved by helping to improve the policies, and expand and strengthen the operations of the SIPP. The objective of the project is to develop effective and efficient financing and institutional arrangements for improving access to local infrastructure and basic services through the implementation of community-driven small scale infrastructure works and social assistance programs.

SIPP was articulated as a four year duration (2003-2007) small-scale pilot and implemented in about 943 villages in two of the poorest districts of Bangladesh- Jamalpur and Gaibandha since its commencement in 2003 to test new Community Driven Development (CDD) approach for financing and institutional arrangements for improving access to local infrastructure and basic services. Through CDD approach, SDF was devoted wholeheartedly with all its efforts to contribute to pragmatic social changes by reducing social, financial and environmental vulnerabilities as a whole.

In response to demand and time, US\$ 18 million community led infrastructure development based poverty reduction program was expanded to US\$ 100 million by the mid 2011 to scale up the life skills for sustainable livelihood for poor and youth and vulnerable. This self-sustaining, well-equipped and well-coordinated project was known as SIPP-I. This project attained a significant success in its field-based interventions and could orchestrate its intended assignments perfectly through implementing diversified programs.

SIPP-I had furnished services at community level to promote income or employment generation associated with life skill development for the target beneficiaries. Observing its integrated initiatives and activities in overcoming the hardcore rural poverty, the Government of Bangladesh and the World Bank prompted to scale up the SIPP. Meanwhile, Policy and Human Resource Development (PHRD) grant was provided to carry out a series of supporting and explorative enquires for formulating the second phase of SIPP. Based on the experiences of SIPP implementation, findings of the field studies and series of consultations, the "Empowerment and Livelihood Improvement Nuton Jibon Project (SIPP -II)" started its journey with US \$115.0 million from July 2011 and supposed to be completed by June 2016.

"Nuton Jibon" Project

"Nuton Jibon" Project's design includes the demands and priorities of rural communities; sustainable livelihood development, community finance, micro-enterprise development, employment generation, and vulnerability risk reduction, including adaptations to climate change. The building blocks of this project's approach are formation and fortification of community based institutions focused on empowerment of women and youth to build accountable, inclusive and transparent village institutions. It believes that the people have the ability to analyze their situation, identify their development priorities and finding applicable solutions by themselves. Nuton Jibon has been offering a series of skill development activities to uplift communities promoting income and employment generation. Financial resources have been transferred directly as grants to the village institutions subject to satisfactory attainment of agreed milestones to ensure that resources reach their target beneficiaries and facilitates economic emancipation.

The project has been focusing on building and strengthening second generation community institutions at cluster and district levels for community led financing and livelihoods improvement, direct productive investments and forward linkages with markets and the financial sectors.

Project Development Objective (PDO)

To improve the livelihoods of extreme poor communities and to strengthen the community institutions in selected districts.

Project Area

Including the 7 working (previous) districts and 9 new districts, "Nuton Jibon" Project is being implemented in a total of 16 districts covering six divisions-Dhaka, Rangpur, Rajshahi, Khulna, Barisal, and Sylhet that included 51 Upazilas, 266 Unions and 3,262 villages (1,815 new villages with 1,447 existing villages).

The project villages have been selected on the basis of available poverty data showing significant disparities in different areas of Bangladesh.



Table-1 : SDF's Working Areas

R_SI	Region	D_SI	District	# of Cluster	# of Upazila	# of Union	# of Village
1	Rangpur	1	Kurigram	6	3	19	190
		2	Rangpur	7	4	16	220
		3	Nilphamari	6	2	13	190
		4	Dinajpur	5	4	14	160
		5	Gaibandha	13	5	43	480
		6	Naogaon	6	3	14	180
Total				43	21	119	1,420
2	Jamalapur	1	Sirajganj	8	4	14	230
		2	Jamalpur	16	7	48	543
		3	Sherpur	4	2	9	120
		4	Mymensing	6	3	21	180
		5	Sylhet	2	2	13	60
	Total			36	18	105	1,133
3	Barisal	1	Barisal	6	3	6	90
		2	Potuakhali	7	2	7	100
		3	Borguna	14	3	11	251
		4	Bagerhat	9	2	9	132
		5	Pirojpur	9	2	9	136
	Total			45	12	42	709
G. Total		16		124	51	266	3,262

Beneficiaries

The "Nuton Jibon" Project (SIPP-II) covers about 650,000 households of poor and hardcore poor benefiting about 6.0 million populations, directly and indirectly.

Funding Arrangements

The village development and risk reduction fund consists of a budget envelop for directly financing the village institutions. The total resource allocation per village calculated based on Taka 15,000 per household. The total budget eligibility for a village is calculated on the basis of the number of permanently living households in the village as identified and listed during the social mapping of participatory identification of poor (PIP) process. The village community can utilize the budget envelop for community institutional development, livelihood assistance, skills development training and resources for income generating activities and community-level infrastructure. Specific allocations across these priorities are being determined by community assessment of their own needs and priorities, as approved by the Gram Parishad.

Types of Funding Support



Implementation Arrangements

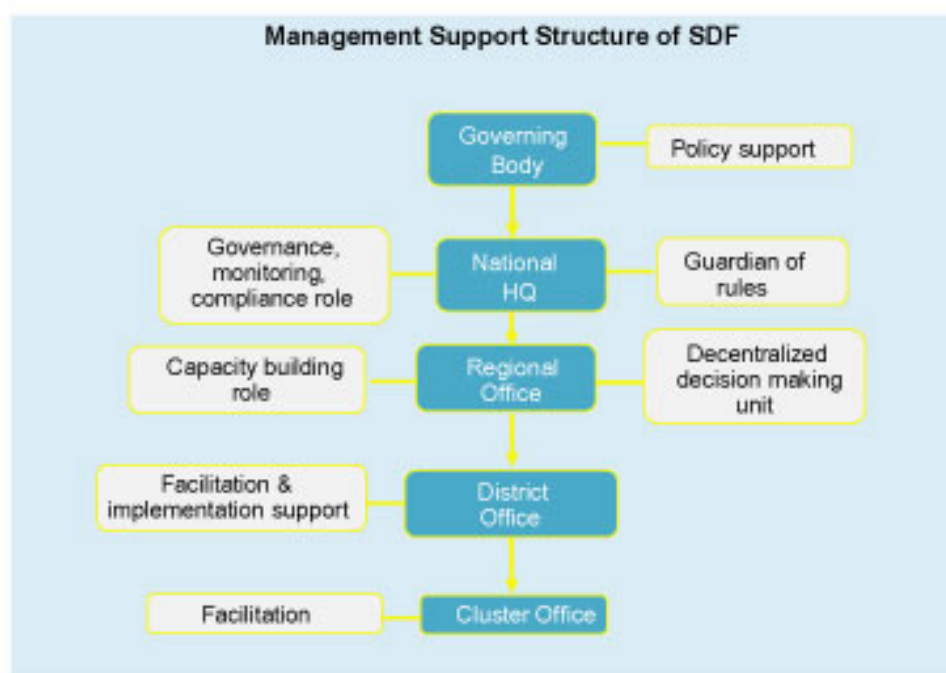
The overall institutional model of "Nuton Jibon" Project has been designed to develop and strengthen pro-poor Community Based Organizations at the village level and to empower them to implement activities for improving their livelihoods. The key features of the project's institutional model are:

- Community is the focal point,
- Institutions at all levels are enjoying independence and autonomy to ensure compliance with the project rules, and
- Communities are allowed to participate in a way that ensures their ownership and total independence in taking decisions and managing resources.

For effectiveness of implementation, SIPP-II is being implemented in 3 regions (Jamalpur, Rangpur and Barisal) following a decentralized mode with associated set up of districts and clusters. For the convenience of implementation, project villages planned are included in phases and for the convenience management of field implementation, it has been classified under 9 batches.

Functions performed at various levels are shown below:

Figure-1: Implementation Arrangement



Project Components

"Nuton Jibon" Project has been working to bring its target groups under the same umbrella and form homogeneous groups to facilitate social pragmatic changes through social and economic emancipation. Accordingly, the project components have been designed after taking into account the priorities of the village and the lessons learned in the earlier SIPP-I project and three additional financings.

The project is composed of following Components:

Component A (Community and Livelihood Development at the Village Level): The objective of this component is to mobilize and empower village communities, build and strengthen pro-poor institutions, and fund village development and livelihood-related investments.

Component B (Institutional Development and Livelihoods Promotion at Inter-village Level): The objective of this component is to promote the development and strengthening of inter-village level organizations, enterprise and business development for higher value livelihood activities.



Institution building and Social Mobilization

Component C

(Capacity Development and Partnership Building from Cluster to National Levels): The objective of this component is to strengthen the capacity of SDF and partner organizations, from the cluster to the national level, and build synergies and partnerships to scale up delivery of SIPP's community-driven development approach across much of Bangladesh.

Component D (Project Management, Monitoring and Coordination): This component supports:

- (i) Overall office establishment, project coordination and management at national, regional and district levels, including implementation of HR policy and manual as well as practices at all levels; and
- (ii) Monitoring, learning, communication and evaluation.

Thematic Activities

SDF has been orchestrating different programs for socio-economic upliftment of the greater majority of the outreach community letting them gain the firmer footing on to the road to self reliance. It has been ensuring its development services through demand driven approaches for making them take the lead in development process. "Nuton Jibon" project consists of a collaborative network of development programs and it inclusively promotes individuals living at the margins of the societies.

"Nuton Jibon" program that has been tailored to specific development needs is being fine-tuned for producing optimum social benefits. Shouldering the philosophy to fight back poverty collectively, the project is advancing ahead to motivate and organize the target beneficiaries towards broad-based participation. Over the years, this program has been able to bring about positive changes in the lives and livelihoods of the target people and has created an encouraging impact on their families, society and economy.

This project is administered by several thematic areas which are as follows:

Institution Building

Institution building is the first building block in bringing about participatory development. Keeping pace with time and existing problem, SDF has been ensuring its development services for making the community people take the lead in development process through institution building. These institutions mediate the access of the poor, especially the women and youth to assets, financial and other services, technologies and markets. SDF motivates all the community members that they are provided with the opportunity to utilize a range of skills and abilities, which improve ownerships and increases potentials among them that has empowered the poor to become agents of change.



"Nuton Jibon Jibikayan Groups (NJGs)" is the most basic institution at the community level for savings and internal lending. Gram Parishad (GP) is the overarching village-wide membership body at the village level, composed of all targeted households in the village. Gram Samity, is responsible for implementing Village Development and Risk Reduction Fund (VDDRF) activities in the village. Social Audit Committee (SAC) acts as an independent oversight committee as watchdog to all village institutions. Village Credit Organization (VCO) is largely responsible for lending and recovering Shabolombi Loan Fund (SLF) from "Nuton Jibon" Groups through a revolving process. Shanchay Shangrakhan Committee (SSC) is organized by a cluster of three to seven NJGs and their duty is to oversee savings and internal lending of NJG.

Training on Accounts and Bookkeeping Management, Mymensingh

Features:

50% of women have to be present at Gram Parishad (GP) meeting who are also the decision makers;

Nuton Jibon Jibikayan Group (NJG) is comprised of 10-15 members of whom women's participation is mandatory; and

Gram Samity (GS) is composed of 9 members of whom at least two of the office bearers would be women;

Achievements

- Development of second line leadership in all the 3,262 villages for reformation of different committees as well as carry out responsibility to ensure transparency and accountability at the village level;
- Reformation of village institutions is a continuous activity at the village level which happens after a 2-year cycle for each of the committee. A total of 1,823 villages have reformed to village level different institutions and remaining will be done as per the COM guideline;
- 94% of decision making positions for village institutions at the village level are occupied by women;
- A total of 3,561 CPs have been identified and trained; and
- A total of 1,679 CPs have provided services to 2,119 different villages.

Capacity Building Cell (CBC)

There is no alternative of scaling up skills in dealing with challenges for implementing programs more efficiently. The mainstream capacity building approaches of SDF is to ensure demand driven quality facilitation, coaching and mentoring efforts to the community organizations through developing human skills of its Core Resource Team and the frontline key staffs. In order to achieve that the Capacity Building Cell (CBC) has initiated four major thematic and development areas i.e. Institutional Capacity Building;

Finance and Accounts; Livelihood Development; Youth and Employment; Infrastructures Development and ECCRR related development issues to capacitate them through organizing training, workshop and orientation from cluster to national level.

Achievements

- Facilitated capacity building training of 2,697 participants against a total target of 2,917 SDF cluster, district, regional and national level staffs on major four thematic areas;
- Organized and conducted 20 different types of demand driven thematic trainings for the staffs;
- Facilitated workshops and mini orientation on major four thematic areas on 15 different courses where 1,764 participants against a target of 1,867 participated, shared, and exchanged views and opinion from district, region and national level;
- A total of 3,15,865 community members/leaders have also been trained on different COM booklets and technical issues by the project staffs and Community Professionals in all three regions.

The CBC has successfully achieved its planned outputs against the target set for 2013. Meanwhile, an inclusive Training Needs Assessment (TNA) for the SDF staffs including community organizations have been conducted for immediate and long term strategic skill development.

Figure-2 : Participants attended in training showing target and achievement in 2013

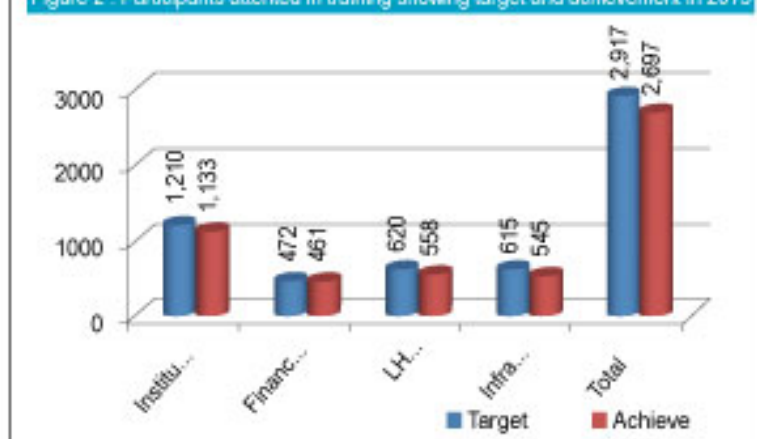
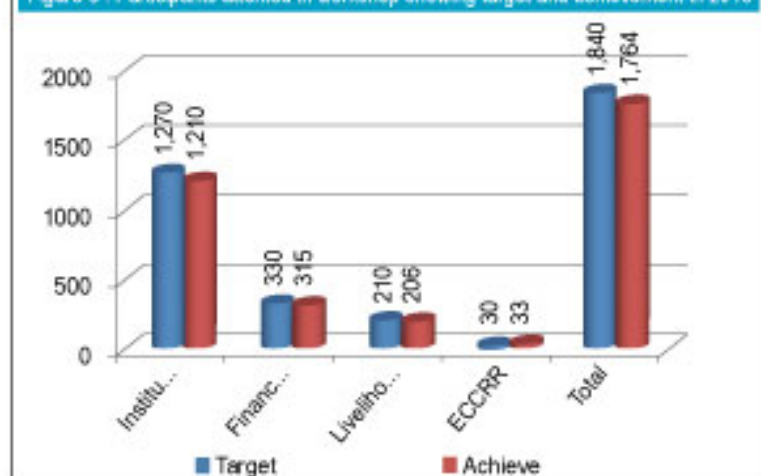


Figure-3 : Participants attended in workshop showing target and achievement in 2013





Community Finance

SDF introduced a financial initiative named Community Finance where community people specially the poor and hardcore poor operate the entire initiative, i.e. making plan, deposit savings of the beneficiaries, manage funds, disburse loans among the beneficiaries for embarking on income generating activities along with realization, determining the number of installments and duration of loans and maintain accounts keeping. In this process, all kinds of management related decisions are made by the community people.

Achievements

- A total of BDT 106.49 million (US\$ 1.33 million) savings have been accumulated during this year bringing the total to BDT 314.89 million (US\$ 3.94 million);
- Under community finance activities 95% of total members are depositing savings;
- A total of 153,547 loans and an amount of BDT 2,089.31 million (US\$ 26.12 million) have been disbursed during this year bringing the total number of loans to 427,541 and amount to BDT 4,353.48 million (US\$ 54.42 million);
- On Time Recovery Rate (OTR) of internal lending and Shabolombi Loan (SF) stands at 96% and 93% respectively;
- In all the village institutions, community people are maintaining their books of accounts independently and transparently;
- An amount of BDT 118.69 million has been disbursed among 84,250 new NJG members during this period as internal lending. The cumulative amount disbursed as internal lending is BDT 334.48 million among 258,537 NJG members. The outstanding portfolio against internal lending is BDT 48.27 million;
- A total of 40,868 NJG members received BDT 606.92 million as Shabolombi Loan during this period. The cumulative amount disbursed among 308,645 NJG members is BDT 4,353.48 million;
- An action plan has been developed for villages having less than 95% OTR. The Regional and district teams are paying special attention in this regard resulting in raising OTR of 1503 villages to 95%.

Case Story

Rahima: Finding the Rainbow

Tragedy befalls the young girl even before she could sail off to life's journey. Her parents died when she was only 5 years old. She was brought up by her brother and could continue her study up to class 5.

She was married off to a hawker at her teenage. His earning was too poor to run the daily expenses of the four members' family. She was at her wit's end when she realized that the wheels of her family was about to stop. To increase their income, Rahima started a small tea stall at the road side. But for the draught of the money, she could not do well in that business.

The scenario started changing when she came to learn about "Nuton Jibon" Project of SDF in 2011. She got herself involved in the project and started weekly saving at the rate of BDT 10. She borrowed BDT 10,000 in 2012 and invested the money in her small business. Happiness started beaming on her face as they could come out of their precarious condition. They could have square meal and became able to repay the loan. With a desire to expand the business, she again borrowed BDT 20,000 from VCO and invested a good amount in her business. She gave the rest of the money to her husband for seasonal trade. Her husband rented a power tiller and started cultivating land and harvesting corn. Their business was magnifying day by day. All of their endeavors have been supporting them significantly and the change of their condition and position is worth noticeable. Her average monthly income is BDT 9/10,000 and she could save BDT 1,50,000 from her and her husband's business.

Rahima's poverty has been overcome and her family is living in dignity and security. Now she stands proudly, to have achieved the position in the society. She dreams of expanding her business, give proper education to her children and has a vision of prosperous life.



Livelihood Development

"Nuton Jibon"s livelihood development program, well equipped with exclusive efforts and has been designed through the lens of pragmatic social and sustainable development with the objective to create self and wage-based employment. This component has been knitting changes into prosperity towards self-sustained development. It has been bringing about the changes in the lives of the neglected and unskilled people, especially women in the community through their empowerment, self-reliance and improvement of living standard by financing productive investments. These investments will include funding for necessary for livelihood activities, equipment, technical assistance, linkages and partnerships and adding value to on-going activities that increase beneficiaries incomes.

Achievements

A remarkable progress has been achieved in livelihood sector during this year. A significant number of producers have established mini farms as a part of their scaling up IGAs. Linkages and partnership has been developed with community institutions and different service providing agencies. Income of poor and hardcore poor has increased and more than 30% members crossed the poverty line. The major achievements are given below:

- Thematic training on livelihood development has been provided to 473 staffs (DPOs, CTLs and CFs) for their capacity building in the reporting period bringing the total to 521;

- Skill trainings on IGAs mainly livestock sector have been provided to 48,019 NJG members during this year and cumulative achievement stands at 93,331;
- A total of 33 success stories have been prepared and shared with the community during this reporting period;
- A total of 125 batches' exposure visits with 2,046 NJG members have been arranged in SDF and outside SDF working areas for learning best practices;
- About 5,666 most vulnerable have received one-time cash grant and recovered their initial shocks by operating small scale IGAs and the cumulative achievement stands at 34,658;
- A total of 150 members have started innovative IGAs like crab cultivation, net bag making, Basok medicine plant cultivation, rabbit and coal rearing, breeding buck and ox rearing;
- A total of 1,579 producer groups (Economic activity group) with 25,264 producers have been formed on different IGAs and the capacity of producers in terms of productivity and product marketing has been increased;
- A total of 10,375 mini farms have been established at community level on different livestock trade and the farmers are moving up their productivity to be an entrepreneur;
- A total of 222 Para-vets and 427 fodder farmers have been developed during this period; these Para-vets are providing technical services to the producers and fodder helps as balance rationing of the cattle;
- Around 60% members are implementing livestock activities. For strengthening this sub-sector, a total of 56,503, 88,616 and 8,260 animals have been treated with de-worming, vaccination and artificial insemination (AI) respectively for improving quality of livestock IGAs;
- Several implementation guidelines like-producer organization, enterprise development and vermi compost have been prepared and circulated to all concerned;
- Opportunity analysis of 8 potential products (beef fattening, dairy, watermelon, goat rearing, poultry rearing, vegetable, chili and banana cultivation) have been conducted;
- Partnership has been established between Gaibandha Nuton Jibon Community Society (NJCS) and Grameen Danon Foods Ltd where 140 HHs have been benefited. Another partnership has been made between Melandoho NJCS, Jamalpur and Milk Vita where 132 HHs are receiving technical service, inputs and selling milk collectively;
- Linkage has been developed with Department of Youth Development (DYD). A total of 134 NJG/Youth members have received "Livestock management and Treatment" training (duration 1-2 month) at free of cost from DYD. Each of them received a certificate from DYD after completion of the training and working as a Para-vet in the community;
- A good linkage has been developed with Zil Bangla Sugar Mill in Jamalpur. As a result, 216 sugarcane producers have accessed fertilizer and market support from the Sugar Mill;
- Networking has been established with Livestock Department (LD), Department of Agriculture Extension (DAE), Department of Fisheries (DF) and other local service providers at union, upazila and district level. A total of 26,689 NJG members have been benefited by taking inputs and technical services from them.



Case Story

Anjana Rani: From the Middle of Nowhere

Anjana Rani could barely keep the wolf from their door step as her farmer husband could not manage the daily expenses of the family. Her children had to leave school for the need of money. Stranded in the middle of nowhere, most of the days they passed starving.

At those grave days, while she dipped down into poverty, she suddenly heard an announcement of "Nuton Jibon" Project at their village. Their enthusiastic words for the change in livelihood inspired her to meet the Cluster Facilitator (CF). Hearing her story of pain and suffering, the CF (kathaltoli Cluster, Patharghata, Bagerhat) advised her to get involved in the Nuton Jibon Group. She joined there in the nick of time and started coming out of the vicious cycle of poverty. She borrowed BDT 10,000 in 2012 and invested the money for vegetable production in her 50 decimal of leased land and started producing brinjal, tomato, potato, cauliflower, green chili, coriander etc. The training and awareness program of the project helped raise her awareness and knowledge level. The facilitation and technical support provided by SDF contributed to her tremendous success and she started gaining reputation as a best vegetable cultivator.



She repaid the loan and again borrowed BDT 20,000. This time Anjana has got bumper production of vegetable in her land which made her earn a lot. Now she owns a milking cow and 20 poultry animals. She is also cultivating fish in her small pond from which she gets the protein for her family. She prepares fertilizer from the waste of the poultry. She is now planning to prepare vermi compost which will reduce the expenses of the fertilizer that she is using in her land. She earns around BDT 1 lakh per year by selling the vegetables.

She is now financially secured and dreams for a bright future with her family and children.

Youth and Employment

Realizing the endless potential of the youth, who are strong, self-confident, creative and productive guiding force, SDF took range of initiatives to facilitate skills training, counseling, social development, job placement and income generating opportunities for them. This organization has been ensuring favorable environment towards productive and practical education, training and self-employment for the youth and bringing out all dormant potentialities including their leadership quality aiming at national progress. In this regard, the project has adopted a novel market-linked approach to build capacity of unemployed/under employed youths and establish meaningful employment as well as IGAs. This helped them to enhance the family income through creating additional income sources and reducing unemployment through technical skill.

Achievements

- A youth database has been developed and available in the website for a match making role between the potential employers and unemployed youths in the project areas. This has created opportunities for employers to recruit skilled and unskilled labor force as they require;
- To transfer appropriate knowledge and meaningful skill, SDF is linking unemployed youths with various potential training providers/ partners;
- SDF is creating self and wage employment opportunities through establishing linkage with potential organizations/ employers. To bridge potential employers and unemployed youths, SDF arranges job fair;



- A total of 63,795 youths are identified as unemployed/under employed during the project implementation. A total of 52,634 youths (83%) have been mobilized into 3,887 youth groups;
- A total of 33,095 youths have been employed that corresponds to 66% of the end of the project target. During the reporting period, a total of 14,000 youths have been provided with skills development training and a total of 15,000 youths have been employed through wage and self employment initiatives;
- Networks have been developed with Department of Youth Development (DYD), Bangladesh Export Processing Zones Authorities including a good number of employers/investors, Center of Excellence for Leather Skill Bangladesh Limited (COEL), Society for Community - health Rehabilitation Education and Awareness (CERA) etc. at the national level. Apart from this, some organizations at the regional level have also been mobilized. These initiatives have created quality skills training and meaningful job placement opportunities for youths;
- A 3-day ToT on counseling skill has been provided to all DPOs and Regional Specialists, Youth and Employment. The training was conducted by CERA, an expert organization on counseling skills;
- Through active facilitation from national to cluster teams, 262 youths from "Nuton Jibon" Project have been selected for overseas employment in Malaysia. Among them, 10 have already gone to Malaysia and others are accomplishing formalities related to overseas employment.

Case Story

Nurun Nahar: After Clouds, Come Fair Weather

"We could hardly keep the wolf from the door. My father faced trouble to meet the daily expenditure of the family as after meat comes mustard", said Nurun Nahar, a young girl of Jagadispur village of Naogaon district.

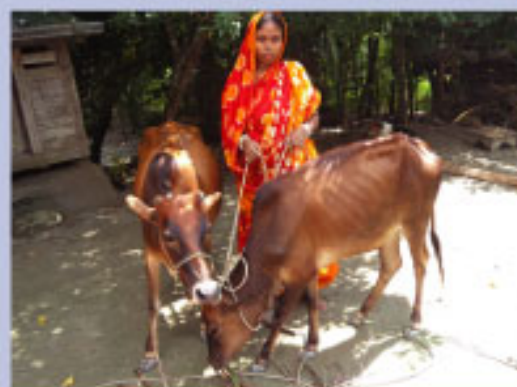
Her father was a day laborer and was unable to run errands of the family with the small income and had to stop sending his daughters to school for the draught of money. He was also worried for Nurun Nahar as she was a physically challenged girl since her birth.

Seeing the throbbing of her father, she decided to share the burden but was in a fix about what to do. At that time, she came to learn about SDF's project and got herself involved as a member of Nuton Jibon Youth Group. Through Nuton Jibon's motivational activities and life-skills training, she learned about self-esteem, confidence and skills which enabled her to set the wheel of her life in motion.

To increase the income of her family, she borrowed BDT 4,000 and received a one month training on making shopping bags from Joypurhat Paper House. She started making shopping bags and selling them at Joypur town. To a twist of fate, things started changing dramatically. Her income enhanced gradually and she could come out of their stark days by her business. Now her monthly return is BDT 5,000/6,000 and she is enjoying a better living. Apart from her economic reliance, she has been able to bear all the family expenditure including the education of her two sisters.

She owes to SDF for bringing them back from the point of no return.





Community Infrastructure and Social Service Fund (CISF)

Placing one of the highest priority on community driven activities, SDF facilitates the communities for awareness building of selecting and implementing necessary infrastructures those can contribute to socio-economic development through mitigating the effects of natural and climate-related disasters. Cluster teams assisted communities to analyze and prepare infrastructure related social maps that identify damaged areas and their corresponding required infrastructures. Accordingly, communities identified and prioritized their needs and implemented different infrastructures under CISF with technical support of SDF.

The most significant uniqueness of the project is, the project could demonstrate the benefits of community in planning, surveying and implementing CISF sub-projects through technical facilitation of SDF staffs and transferring funds directly to the communities.



Achievements

- A total of 309 km earthen road, 367 culverts, 419 tube wells, 399 GS office building construction and 32 other sub-projects have been completed during the reporting period;
- To complete the mentioned implementation activities, 11,10,374 labor days have been generated which contributed to the direct employment for the poor and hardcore poor;
- Around 367,938 HHs benefited from the completed sub-projects.

Table : 2 Progress of CISF Sub-project during the period, 2013 is given below:

Sl No	Type of Sub-projects (SP)	# of SP Completed during the reporting period	# of SP handed over to the community during the reporting period	# of SP carried over from 2013 to 2014 (On going SP)
1	Construction of Gramsamity Office building	399	261	665
2	Construction of Community Infrastructure Works e.g. Earthen road, Culvert, Tube well, Market development, School development, latrine etc)	1,646	975	445

Environment Climate Change and Risk Reduction (ECCRR)

Recognizing the links between disaster risk reduction and climate change adaptation, SIPP-II project has been addressing the vulnerability of the target communities through their capacity building and integrating climate and disaster risk management into their livelihoods and well being planning and development through a bottom up approach.

Achievements

- Gram Samities are properly addressing risk areas during conducting Participatory Vulnerability Analysis (PVA) and a total of 265 villages completed PVA during this period and the cumulative achievement for the same is 2,371;
- SDF has taken necessary initiatives for enabling the community members to accomplish their activities more efficiently and effectively related to disaster management and early warning system. As part of ongoing process, a total of 8,893 disaster volunteers received training during the year on disaster preparedness, rescue, rehabilitation, first aid and the cumulative achievement for the same is 10,567;
- A number of 1,339 Gram Samities have initiated emergency fund to manage and cope with disaster situation and a total of 390 new villages have initiated emergency fund this year;
- A total of 1,835 GS offices also are well equipped with disaster risk management equipment like, Life Jackets, Van, First Aid Boxes etc. And a total of 968 villages purchased this equipment during this reporting period;
- Environmental Screening (ES) and Initial Environmental Examination (IEE) Forms are being used at the field and Environmental Management Plan (EMP) during implementation of infrastructure sub-projects. Environmental Management Plans are being implemented in 2,947 villages out of which 1,593 villages have accomplished;
- A total of 2,061 villages have implemented risk reduction plan, developed by the active participation of community people through analysis of risks and vulnerability of individual villages under the leadership of Disaster Volunteer Team and Gram Samity.



Children were participating at an art competition on World Environment Day, June 05, 2013

Appraisal and Monitoring Team (AMT)

SDF's Appraisal and Monitoring Team (AMT) has been fueling the engine of development counting on collective actions. It is the framework for quality assurance who independently reviews community submissions for release of fund installment, verify them following the project's guidelines and rules. This team is responsible for independently appraising the Village Development and Risk Reduction Fund (VDRRF) applications from the villages and inter-village activities (Nuton Jibon Community Society, Community Professional Society), appraising quality and certifying milestones for fund release for both intra and inter-village proposals and checking compliance and verifying readiness for fund release.

Achievements

Appraisal Progress:

The column chart given below to the left shows that a total of 19,129 fund proposals were received out of which 16,710 were appraised and 14,378 were recommended for fund release; and the line chart findings show the overall success rate of appraisal during 2013.

A total of 5,700 proposals recommended for fund release out of 6,577 in Rangpur Region and its success rate is 87 percent. A total of 4,363 proposals recommended out of 5,134 in Jamalpur Region and its success rate is 94 percent. A number of 4,315 proposals recommended out of 4,999 in Barisal Region and its success rate is 86 percent. The overall success rate is 86 percent which is materializing SDF's journey ahead.

Figure-4 : Appraisal Progress of the year 2013

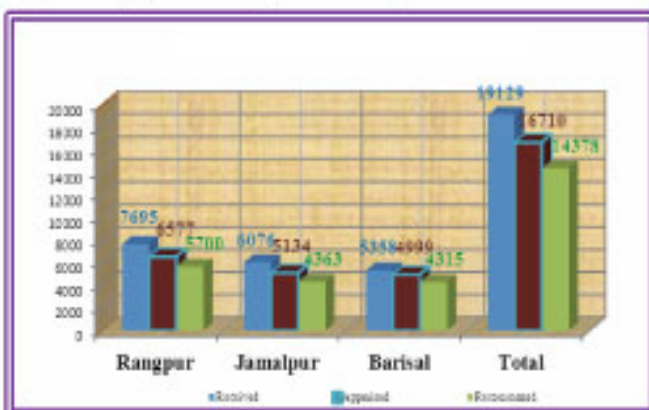
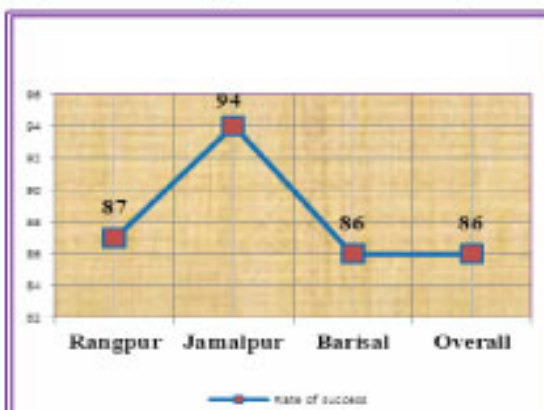


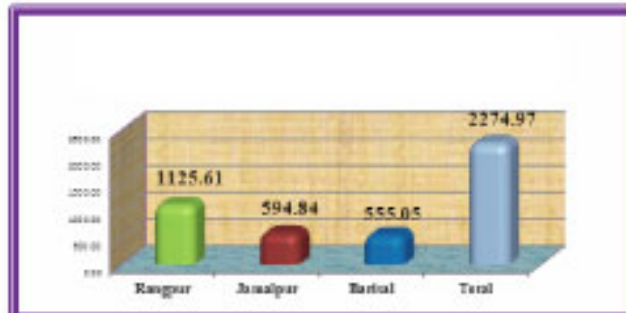
Figure-5 : Rate of Appraisal Success of the year 2013



Amount of fund recommended for release

The column chart to the right reveals that a total of BDT 2,274.97 million was recommended by RAMTs and sanctioned by SDF's HQ for releasing from the respective Regional Offices during the year 2013. Out of the amount, BDT 1,125.61 million was recommended by RAMT Rangpur Region, BDT 594.84 million by RAMT Jamalpur and BDT 555.05 million by RAMT Barisal Region.

Figure-6 : Amount of fund recommended for release in 2013 (BDT in million)



Information, Education and Communication

If development can be seen as a fabric woven out of the activities of millions of people, communication represents the essential thread that binds them together. SDF's overarching vision of communication is flexible enough to accommodate diverse national and regional circumstances. The objectives of the communication component are:

- To reach and ensure the participation of the poorest of the poor in the project;
- To build capacities of the stakeholders in order to facilitate information exchange;
- To enable all the stakeholders to take right decisions based on the reflections from the communities;
- To develop a sustainable effective communication system between the stakeholders and to transform local institutions as participatory learning organizations.



Achievements

In the pursuit of the overall goal, SDF is generating awareness through dissemination of information leading to adequate program literacy regarding entitlements and processes. It is applicable for both the beneficiaries as well as the implementers to ensure optimum results through the existing IEC materials. In order to expedite further Information, Education and Communications initiative, SDF management has decided to engage a consultant to work with the IEC team. Good practices have been documented and are also in the process of collecting on a continuous basis. Need assessment for developing IEC materials has been conducted through three workshops in three regions.

- Showcased success stories and achievements to strengthen government and donor perception and mobilize resources;
- Envisioned a vibrant domain through its website whereby relevant and timely information is shared amongst members;
- Sharing of best practices has been effective through the communication materials developed;
- Published diary for the year 2014;
- Have been publishing quarterly newsletters at regular intervals;
- Have printed digital posters with the winning paintings on environment and distributed to the regions, districts and clusters.



Governance and Accountability

SDF has been implementing several tools across all levels including villages to ensure proper implementation of programs and maintain good pace in the procedural obligations. The decentralized governance mechanism in the project makes it identical to shift ownership to its primary stakeholders, who are the poor and hardcore poor community of project areas. In the "Nuton Jibon" Project, several Social Accountability tools are being implemented as per Community Operation Manuals (COMs). The project has set up a governance and fraudulence risk mitigation framework by facilitating preparation of Governance and Accountability Action Plan (GAAP) in the project villages.

Key focus area: Gravity of good governance and social accountability is of paramount importance to achieve the project objectives and to bring sustainable development to the target people. In order to ensure efficient management and coordination, the following areas were focused during the period;

- Ensuring accountability and transparency of the GS, VCO and other committees by implementing CAP, demonstrating useful information on upgraded display board;
- Effective conflict-management and problem solving by introducing effective utilization of Communication Tree;
- Reducing Governance and fraudulence related risk of the project by preparing GAAP at both project and village level;
- Set up organizational framework for disclosure of information.

Community Assessment Process (CAP) is an effective community based monitoring tool, which is hybrid of the techniques of Citizens Report Card, Community Monitoring and Social Audit. In this process, Gram Parisad members give the committee members quick feedback regarding the quality of services they are supposed to provide. CAP helps ensuring accountability of the community leaders.

Governance and Accountability Action Plan (GAAP) explicitly specifies a set of specific measures to ensure good governance and accountability. GAAP helps improving the effectiveness of the project activities, increase transparency and managing risks related to fraud and corruption. SDF incorporates GAAP at all levels of its offices as well as at the community level.

By preparing GAAP, the beneficiaries have become aware of the risks prevail in the process and collectively explore their options to find out the best available solutions upfront to the perceived threats. Thus, the project remains safe and on track towards its objectives. GAAP is prepared and being practiced in 2627 villages.

Social Audit Committee (SAC) is comprised of 5-7 GP members at village level who are notably honest, diligent and aware of various rules and regulations. SACs are carrying out significant responsibilities to keep the procedural functionaries on track and acting as social watchdogs for safeguarding the social capitals paved by SDF. SAC provides the GP with significant feedback through checking of various books of accounts, selection process of beneficiaries etc. which prohibits the cart of



Community people were practicing CAP

the project from veering off. Prevailing as third eye of the community, it protects the rights of the beneficiaries.

Communication Tree (CT) has been set up and practiced in all the project villages. CT is an effective tool depicting dedicated channels of communication with all layers of management personnel from village to organizational highest levels. It helps community members to resolve internal conflicts, disputes and discontents over various issues.

Display Board is one of the major ways of ensuring transparency in the village institutions. Display boards are available and updated at GS offices containing pertinent information that helps the community members to know about the latest status of their village institution at a glance.

Internal Audit (IA) team is a separate wing of SDF comprising of dedicated staff members to prevent financial leakages and policy compliances at organizational level as well as at village institutions level. Since SDF possesses zero tolerance against any sort of financial or other irregularities, IA team provides the SDF management with various findings and actions are taken accordingly.

Ensuring transparency: Following the policy of zero-tolerance about corruption, SDF management has already taken 3 pronged steps for preventing and combating financial corruption and misappropriation of funds at community level. Pre-emptive measures are taken by guardians through signing of security bond in case of fund embezzlement. Preventive measures are taken by ensuring effective implementation of the project accountability tools, raising awareness of community members etc. Curative measures are taken after any irregularities take place in the community. Arbitration, peer pressure, cancellation of membership and legal actions are the measures taken as curative actions. To avert corruption at village institutions level, a Policy Guideline is being implemented at field.



Integrity Committee: SDF has formed integrity committees at its district, region and national offices with an aim to ensure honesty, integrity and above proper implementation of programs by the staff members in a regular manner. The committees are constituted with competent staff members.

Grievance Redressal Mechanism: SDF possesses firm determination to create and maintain a congenial atmosphere at all levels of its operations, and to have a properly governed, gender sensitive, fully impartial and staff friendly management system. SDF is also committed to ensure equal opportunity for its staff members and its beneficiaries at large. Despite all efforts of SDF, it is not unlikely to experience cases of discontentment either among its staff or beneficiaries. In order to redress such grievances, SDF has constituted Grievance Redressal Committee at its National, Regional and District offices.

Information Disclosure Policy (IDP) is an arrangement of SDF to disclose its information to the citizens. SDF has set up information disclosure unit at all its district and regional offices along with the national office. District Program Managers (DPMs) and Regional Program Directors (RPDs) are the Information Providing Officers for district and regional offices respectively while the Managing Director (MD) is responsible for providing information at national office.

Monitoring, Evaluation and Learning

MEL is an integral part of SDF's internal control mechanism and is used as a management tool to track inputs, outputs, processes and constraints or problems. This unit provides support to SDF's development programs, supporting various departments. In order to ensure transparency, the unit conducts periodic analysis, enabling the management to determine whether the key activities are being carried out as planned, and whether they are having the expected outcomes.

MEL System analyzes the strength, weakness, bottleneck and outcomes of the overall processes of the project activities. The field level monitoring and learning elicits emerging operational issues and bottlenecks at the villages in participation of the community people and resolve the problems.

The village level project implementation progress is captured through MIS where Village Matrix (VM) is the key information source of the village. SDF-MIS is producing key outputs like Project Beneficiaries Information, Key Milestones Monitoring Matrix, Village Matrix, Component-wise Progress Reports etc.

Monitoring activities of Nuton Jibon Project (SIPP-II) is being carried out at three levels:

SDF Level

- Regular Progress Monitoring as per planned activities;
- Regular field visit by SDF staff;
- Monthly and Quarterly Monitoring and Learning Workshop at District/Region/National level;
- Updating and tracking field progress/data through SDF-MIS;
- Update Monthly Village Matrix Information;
- Monitoring Key Milestones;
- Updating Result Framework of Nuton Jibon Project and
- Publication of monthly/quarterly/annual progress report .

Community Level : In order to ensure transparency and accountability of village activities and monitor the performance of village institutions, community people with the assistance of SDF staff are organizing Participatory Monitoring Workshop at the village level. Leaders of different committees and all NJG members participate in the workshop. Progress of village activities has been discussed and made the NJG members aware about the status of village development fund. Problems or issues identified by the Social Audit Committee (SAC) is also shared and decisions are taken in a participatory way to resolve the problems.

World Bank Level : As per PAD, the IDA Mission Team members visit project in every six-month. The methods of the field monitoring are: i) Review Project Progress and Agreed Action Matrix ; ii) Interaction/share with the target group/community; iii) Review the Process Monitoring Agency Report and discuss with the consultant; iv) Review Baseline/Impact Evaluation Report; and v) Quarterly Progress Report/Field visit report.

SDF review the status of the World Bank mission's agreed action on a regular basis and submit achievement report to the World Bank as per given time frame. The World Bank team carried out two technical supervision mission of the Empowerment and Livelihood Improvement "Nuton Jibon" Project (SIPP-II) during the period of March 18-28, 2013 and October 20-31, 2013 respectively. Overall progress towards achieving the Project Development Objectives (PDO) is rated as "Satisfactory/ Improving."

Outputs:

- Monthly Process Diary-Illustrates detailed monthly process observations with recommendation;
- Quarterly Process Monitoring Report- Highlighting the key observations in a summarized form including Case Studies and Lessons Learnt;
- Annual Report- Summarized annual achievements and observations;
- Review the follow-up status against the management decisions of key issues and presented in the meeting

Process Monitoring (PM)

Process Monitoring is a crucial component of project management, which helps improving the efficiency and effectiveness of project interventions. It helps in steering and tracking the implementation process to ensure the proper achievement of outputs, outcomes, and impacts of the program. It provides feedback and learning for concurrent corrections and decision-making at various levels. In order to develop expertise in Process Monitoring and to popularize the use of this effective interactive monitoring approach, SDF procured two Process Monitoring Agencies (PMA) for intensive and interactive monitoring-one for Barisal Region and another for Rangpur and Jamalpur Regions. The Process Monitoring Agency (PMA) will provide independent and "Third Eye" observations on the quality of the implementation process. SDF has been taking concerted efforts to address the quality issues identified by them at field and SDF management level. It is noted that SDF has taken steps to capture the PMA field findings in its MIS for taking prompt remedial measure.

Importance of Quarterly Monitoring Meetings

Quarterly Monitoring and Learning Workshop is an effective tool to review the project progress, sharing experience, learning, project processes, strength, and constraints/problems and take remedial actions. This internal forum is being held regularly at Village, Cluster, District, Region and National level to address and resolve implementation bottlenecks, improve quality of processes, and disseminates good practices. The participants from Region, District, Cluster, PMA and community attended the forums. Field visits are undertaken before holding workshop and findings are shared in the workshop. The Process Monitoring Agency (PMA) shares the key findings emerged from the field during each quarter. Key findings are shared with the communities thus they could easily understand about their problems, lapses and areas need to be strengthened. This workshop helps the communities to carry the workshop message to make their institution fully functional. If the issues that are not resolved at the community level, are being dealt with by the project management and get resolved.



Managing Director along with G&A Director and RPD Barisal at MEL workshop, Barisal

The key issues which are not resolved at the field level is documented in the report and brought to the attention of management and shared in the monitoring and learning workshop. An action plan for solving the identified issues is prepared and disseminated among the all relevant project staffs for taking mitigation measures. Follow up status of the action plan is reviewed in the next monitoring workshop.

Community participation of the monitoring workshop ensures to interact among the community people attending from other villages and highlight the progress of the village activities, problems, drawbacks etc. They get the opportunity to gather experience and generate learning which is replicated to other region or area.

In order to ensure transparency and accountability and monitor performance of village institutions, Participatory Monitoring Workshop are held on a regular basis where progression of villages are reviewed. Problems or issues identified by the Social Audit Committee (SAC) at community level is also shared and decisions are taken in a participatory way to resolve problems.

Impact Assessment : The Impact Assessments of Nuton Jibon Project (SIPP-II) is carried out at different levels:

- Mid Term Impact Assessment by external agency;
- Final Project Impact Evaluation by External agency;
- Internal Impact Assessment by SDF;
- Project Completion Report (PCR) by SDF; and
- Implementation Completion and Results Report (ICRR)- by the World bank.

As per PAD, SDF completed Mid Term Impact Assessment of Nuton Jibon Project during July-September 2013. The objective of the Impact Assessment was to assess project performance independently against its development objectives, in terms of poverty alleviation, livelihood improvement, and inclusiveness (coverage of HHs by at least one loan) under Shabolombi Fund. It also assessed the impact of the loan investment activity, performance, effectiveness, and sustainability of community institutions, cost-effectiveness of community investment sub-projects. The assessment included socio-economic, institutional and environmental impacts of the project. Finally, the study included a beneficiary assessment carried out on a sample basis.

Based on the Impact Assessment findings, the Mid-Term Review (MTR) team of World Bank opined that "the project is on track to achieve the project development objectives and progression towards achieving the PDO is rated satisfactory". Based on the mid-line independent impact evaluation findings, out of the 3 PDO level indicators, one indicator targets for end of project has been exceeded while the target for the two other indicators are about to be achieved by the end of June 2015.

Institutional Monitoring

Institutional Monitoring System has been introduced at Village level under which all village level performance and functions are being reviewed on a monthly/quarterly basis. Quarterly Monitoring meeting at Regional level and monthly monitoring meeting at district and cluster level has also been introduced since inception of SIPP-II and being conducted as per schedule.

Achievements

- Regional level : 12 workshops;
- District level : 102 workshops;
- Cluster level : 756 workshops; and
- Community level: 2128 workshops.

In addition, 3 quarterly meetings held at national level where Managing Director, Directors, RPDs, Managers, Specialists attended, and reviewed field progress intensively. The issues emerged in such meetings were promptly handled by the respective management.

Management Information System of SDF

The SDF-MIS has 5 (five) modules which are : a) Financial Information System (FIS); b) Project Monitoring System (PMS); c) Procurement System; d) HR & Payroll System; and e) Inventory System. As of December '13, all modules are being used at user levels. The objective of the SDF-MIS is to preserve and retrieve pertinent information (field progress) and track project progress in order to facilitate proper management and supervision. The database is maintained at SDF's Dhaka office.

These modules are being used at all levels after providing handholding training.

- **The Project Monitoring System (PMS):** The inputs and outputs have been fully operationalized/rolled out in all 124 cluster offices during this period. Meanwhile, DEOs and adequate logistics are available at all places. The cluster level offices have updated village level basic backlog information e.g. PIP profile, institutional information, youth database, CP information, village fund information etc at Cluster and District offices and any other places.
- **"User Training on PMS (Project Monitoring System)":** All Regional Specialists, DPOs (District Program Officers), DPMs (District Program Managers), IT Assistants, DEOs (Data Entry Operators) have received handholding training and updated data entry accordingly.
- To ensure data integrity and consistency, SDF also provided coaching on "Data Collection and Validation" to DPOs, CTLs and CFs.
- **Financial Information System (FIS):** The revised FIS is fully operationalized at Region and National level of SDF on the basis of new Chart of Accounts (CoAs). Cost Center wise Financial Information System (FIS) module with 21 reports have been developed on the basis of SDF's requirement and regional level financial data are being updated from regional offices since June 2012. SDF imparted Training to all Financial staffs at HQ and Regions.
- **Procurement System:** During the reporting period, the system has been rolled out at HQ level and data is being updated on a regular basis. Operational training on Data Management at HQ level has been completed.
- **HR & Payroll System:** The module has been rolled out at respective user levels and functioning at SDF HQ level.
- **Inventory System:** Rolled out along with providing training to users at HQ level and data entry is going on.

Development of Village Performance Monitoring System

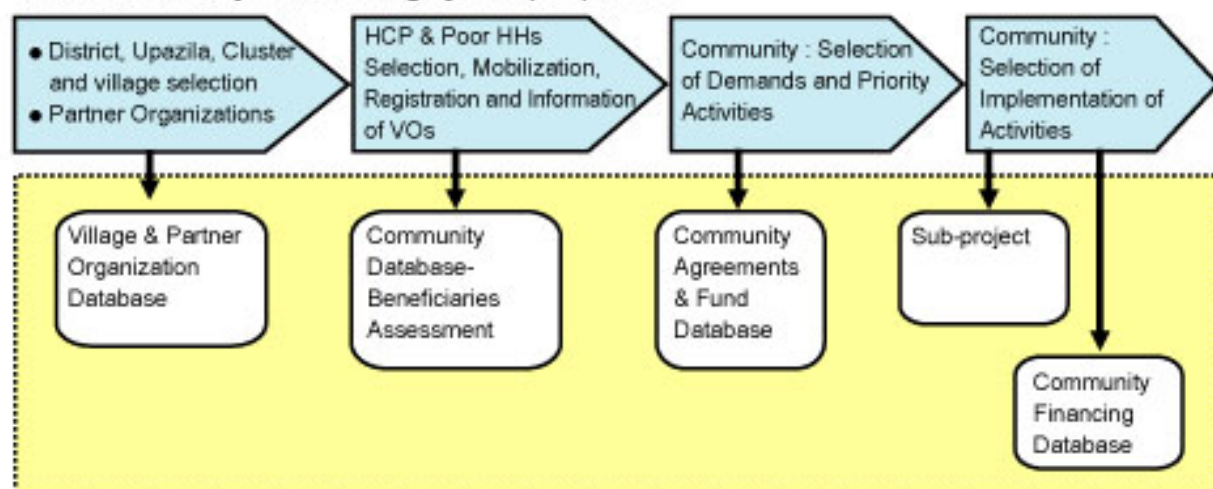
The Village Performance Monitoring System has been developed upon reviewing all project requirements. This is a comprehensive Village Performance Tracking System capturing most of the activities at village of the Nuton Jibon project. To reduce data inputs volume and elongated form, ultimately SDF segregated all information in two separate strategies which are:

- **Monthly Village Progress** - can be used as required to update on monthly basis. In such cases SDF keep those variables/ indicators in the main form (Monthly Village Progress Form);
- **Periodic Village Progress**-not required to be collected on a monthly basis but could be collected as per the need. Separate 6 Data Collection Forms are used to capture information that are generated time of time.

The outputs of these forms are

- "Village Matrix" which shows complete progress of individual village performance;
- Key Milestone Matrix that shows the status of the set key milestones;
- Participatory Identification of Poor (PIP) Information;
- Thematic and or Issue based output: outputs of 10 thematic areas have been developed and each has several output tables. More outputs are developed based on the users' requirement.

"Nuton Jibon" Project Monitoring System (MIS) of SDF



Supporting Innovations

SDF has advocated for broad-based economic growth, built upon an explicit focus on the initiative and capacity of outreached people. Through its experience, the organization has acquired a wealth of knowledge of the process that contributes to the generation and perpetuation of poverty. It has also gained valuable insights about what works or does not work to foster the conditions in which the rural poor can enhance their productivity, output and incomes. In this area of high potential impact, SDF is willing to leverage its national position for poverty reduction for inviting and testing innovations.

The activities undertaken in these areas are

- Marketplace Development;
- Rural Piped Water Pilot Program; and
- Community Information Center (CIC).

Marketplace Development

As one way of promoting innovative and replicable interventions in key areas relating to Nuton Jibon's approach and objectives, SDF initiated a marketplace to identify potential innovative ideas and approaches that could be supported to advance employment generation. Bangla-German Sampreeti (BGS) started implementation of this pilot on 16th November 2013 at Gaibandha district.



Objective of the piloting

To provide doorstep skill development training to the unemployed youths of poor and hardcore poor families of the SIPP villages under Gaibandha district based on their aspiration, qualifications and requirements, and ensure sustainable employment generation of the trained youths.

Results of the piloting

- Established Youth Information Center at District level;
- A total of 804 unemployed youths have been trained on trades like-garments operator, mechanical fitter, electrical house wiring, plumbing etc. and ensured sustainable employment;
- Conduct workshop at the end of the piloting to share the model at the national level.

Achievements

Table-3 : Technical training and employment: Batch 1

Sl. No	Name of Trade	Target	Trained	Employed	Comments
01	Passing out in Electrical House Wiring and Motor Rewinding	44	35	-	Passed out and placement started
02	Passing out in Mechanical Fitter and Industrial Maintenance Trade	44	13	02	Passed out and placement started
03	Passing out in Garments Machine operator trade	92	93	20	Placement started
04	Passing out in Plumbing trade	88	33	10	Placement started

N.B. a total of 32 trained youths are already employed.

Youth Information Center (YIC)

A total of 84 interested job seekers have visited the YIC and they have been provided Information on job scopes, current vacancies, and technical training scopes in various organizations, arrangement of placing CV in BGS and other organizations. Employments of two persons were ensured through YIC.



Rural Piped Water Pilot Program

Rural Piped Water Pilot Program launched in 2003 in 5 upazilas of 5 districts that lack adequate access of water. The mode of implementation process was "Public Private Partnership" under a co-financing arrangement on the basis of 50% of project cost (40% of project cost as normal grant + 10% of project cost as incentive grant) plus BDT 200,000 (in case of extending drilling) as SDF grant, 10% as community contribution and remaining 40% from sponsor.

Table-4 : Current Status of the Water Pilot Schemes as of December 2013

Item of Works	Target/Plan (under contract)	Achievement	Remarks
Distribution Pipe Line	540 meters	540	Completed
House Connection	1,051 nos. (total target of 4 schemes)	400 nos.	Achieved 38% of total target
Suction Pump	5 nos.	1	Mother Society completed
Platform of House connection	1,657 (total target of 4 schemes)	-	Sponsors are not interested at all to invest in this item. (as per agreement 50% investment is from sponsors and the remaining 50% is from SDF).
Pressure Filter	2 nos.	1	Mother Society has started Pressure Filter work.

It appeared that (Table-4), a total of 540 meters distribution pipe line have been installed under Mother Society and 400 house connections under all the 4 sponsors have been completed after 2nd signing of second agreement. So far, the Mother Society has completed 80% house connection and installation of suction Pump and started working for setting-up of higher capacity Treatment Plant. It is to be mentioned that 70% of works have been achieved as of Dec.'13.

Community Information Center (CIC)

SDF launched another 7-CICs in 3-Regions and the cumulative number stood at 9 (3 in each Regions). Meanwhile, Grameen Phone and SDF already completed CIC Operator Training in all new CICs. The 9-CICs have been providing services to the communities at low cost. Type of services provided:

- Computer Training e.g. MS Office;
- Voice call-Mobile to mobile;
- Internet service :
 - o Browsing /searching information;
 - o Official documents, exam results, online admission etc.;
 - o Overseas voice call e.g. Skype
- Digital photo with printout;
- Agricultural soil and cropping information
- Market information etc.

Moreover, 39,450 people visited CICs and received services. A number of 58 youths received Computer Training on MS Office and continuing service with private shop. E-Krishee is one of the most popular sites for the farmers where agriculture related information are available. The committee members are expecting online health service which will be available at public domain very soon.

Achievements

Table-5 : Status of community Information Center (CIC)

Sl. No.	Results/ Outcomes	Region	Annual Target	Cum. ach. as of June'11 (SIPP-I)	Cum. Ach. as of Sept.'13	Progress from Oct. - Dec.'13	Cum. Ach. as of Dec.'13
1	No. of villages where at least 70% of the villages (GS, SAC and VCO) are rated A or B grades (Phase-I & 2)	Rangur	480	0	242	0	242
		Jamalpur	463	0	217	0	217
		Barisal	0	0	0	0	0
2	Piloting of more 8 CICs in Nuton Jibon project		8	2	9	0	9



CHAPTER 3

Highlights :
Taking Key Targets Forward

Although development challenges persist, SDF continues its drive toward ending extreme poverty of its targeted community and pursuing shared prosperity in an environmentally, socially, and economically sustainable manner. SDF's interventions aim to achieve large scale, positive changes through economic and social programs that enable men and women to realize their potentials. SDF considers the poor communities and other institutions as valued development partners in finding sustainable solutions to encounter development challenges. Consequently, throughout the year, outstanding results mirrored in all the sectors SDF worked for.

Key outcomes of the project

The project has mobilized 562,224(86%) targeted HHs (HCP- 313,936, Poor - 234,425 plus 13,863 vulnerable HHs who received one-time grant and also 3,262 (100%) village Institutions have been formed. Until December'13 3,221 (99%) villages have



accessed for VDRRF against a total of 3,262 villages. More than 92% decision making positions are occupied by women in 100% villages and they are discharging their responsibilities as per COM. A total of 343,302 (53%) hardcore poor and poor including vulnerable have accessed project fund and are demonstrating an upward trend. It's worth noting that, a total of 238,464 HCP and vulnerable have accessed resources under the project e.g. one-time grant/seed fund, skill development loan (youth), Youth Employment Loan, Shabolombi Fund and started IGAs.

Transparent and inclusive community organizations

- A total of 5,49,786 (94%) marginalized women beneficiaries under "Nuton Jibon" project (SIPP-II) villages have been benefited directly from the project support;
- Around 601,022 beneficiaries have been mobilized into NutonJibon Groups (NJGs);
- Around 88% of the villages effectively conducted Gram Parishad (GP) meetings as per COM guidelines. Sometimes attendance at GP meetings is often affected due to migration for employment or other social engagement of NJG members. Efforts are being put to address this situation;
- About 87% of GSs have been maintaining display board demonstrating and updating their financial

and other information on a regular basis. This help ensuring transparency of fund management and also indicates that GSs are respectful to accountability;

- The project has fostered the development of 2095 Community Professionals (CPs);
- A total of 343,302 NJG members have accessed the Shabolombi Fund and One-time grant and started



income generating activities. Shabolombi Loan was disbursed among 105,170 NJG members during the reporting period bringing the total to 308,645 (47%);

- Second Generation Institution (inter-village) has been initiated in 589 (62%) villages with full members and 154 villages have been enlisted as associate members. Collection of membership fees accumulated during this reporting period is BDT. 0.53 million in Batch-I villages bringing the total to BDT. 5.43 million;

- A total of 3,262 villages formed GSs, VCOs and SACs where more than 92% decision making positions are occupied by women. The percentage of Hardcore Poor and Poor HHs in NJGs is 57% and 43% respectively;

- A total of 3,221 (99%) villages have accessed for VDRRF and Shabolombi Loan has been distributed among 40,866 borrowers during this year and started IGAs. A total of BDT 3,08,645 revolving loan has been distributed among 427,541 borrowers as of Dec '13.

- A total of 2,095 CPs have been enrolled and finally registered during this reporting period;

- GAAP has been prepared and practiced in 1,910 villages during this year and bringing a total number of 2,375 villages.

- A total of 2,718 (53%) village institutions supported by the project are functioning in a transparent, inclusive and accountable manner, as per project guidelines;

- Around 652,224 projects HHs are directly benefitting from the project out of which 90% are women;

- An increase in HHs income by at least 50% against base year for 50% of targeted HHs;

- At least 76% (866,250) of targeted HHs are benign benefited from improved access to community infrastructure or social services sub-projects.

Sustainable management of assets created under the project

- The project has completed construction of 3,483 community infrastructure and social services sub-projects and 582 GS office buildings;
 - To date 2,552 (63%) completed sub-projects (CIWs) are being operated and maintained by the community. A total of 866,250 (76%) HHs have been directly benefited from the completed infrastructure sub-projects;
 - The project has also generated employment of 1.81 million labor days since the inception of the SIPP-II. Almost 4.81 million people within the project villages as well as the neighborhood villages have also benefited directly from such infrastructures;
 - A total of 2,552 GSs have mobilized funds to cover the costs of maintaining infrastructure assets built earlier by the villagers under project support;
 - A total of 4,065 community infrastructures including GS Office building were built by the community under "Nuton Jibon" Project (SIPP-II) and another 1,112 sub-projects are ongoing and planned to be completed very soon;
 - Until now, the major accomplishments are around 2,634 KM earthen road, 4,221 Culverts, 5,441 Hand Tube-wells for safe water, 78 schools development mainly in consolidation phase areas. Around 981,500 (86%) households have benefitted from the infrastructure sub-projects;
 - A total of 431 GS Office building construction has been completed during the reporting period and cumulative progress stands at 2,015 and another 667 GS Office construction works are ongoing.
- The earthen roads have enhanced mobility and connectivity of the villagers to reach educational institutes, health service center, hats-bazars, different offices and other destinations. The frequency of people movement has been increased.
 - Improved transportation facilities in terms of constructing/repairing of roads and culverts resulted in making the schools more attractive to the students.
 - Establishment of Hand Tube-wells has enhanced the access to safe drinking water.
 - New houses and businesses centers-shops, Tea-Stalls etc. have been established along the road side.
 - Interactions among people enhanced resulting in resolution of conflicts and increasing social welfare.

Fund Disbursement/Financial Progress

- A total of BDT 121.30 million one-time grant has been distributed among 34,657 most vulnerables out of whom 32,318(94%) vulnerables started IGAs;
- It is estimated that about 36% target HHs increased their income by 62% from base income BDT 1,326 per person/month, after receiving internal lending, Shabolombi Loan Fund (SLF) and Seed Money;
- The NJG members have deposited a total of BDT 314.89 million (US \$3.94 million) as of Dec.'13 and to the tune of BDT 334.48 million (US\$ 4.18 million) internal lending has been disbursed among the NJG members;
- A total of BDT 4,353.48 million (USD 54.42 million) has been disbursed among a total of 427,541 borrowers as of 2013.

The OTR performance of Shabolombi Loan Fund (SLF) and Internal Lending during this period in 3-regions are:

- 60% of SF recipient villages are maintaining >95% OTR;
- 62% of Skill development loan recipient villages are ensuring >95% OTR;
- The OTR of internal lending is >95% in 68% villages.

Table 6: Fund Disbursement status (Cost Center-wise) from inception to Dec.'13

(Figures in Million BDT)

Sl.	Result areas	Project target 1/ up to June 30 '16	Budget 2/ FY 2013-14	Status FY 2012- 13	Cum. Progress Up to Sep. '13	Ach. (Oct- Dec. '13)	Cum. Progress Up to Dec. '13	
1.0	Component - A : Community and Livelihood Development at Village Level							
1.1	A1. Development and Strengthening of Community Organization	525.17	665.61	406.00	704.65	112.95	817.60	134.18 (26.62)
1.2	A2. Village Development and Risk Reduction Fund	4,900.00	1,510.27	1,897.16	4,175.08	60.35	4,236.43	85.23 (90.29)
	Sub - total	5,425.17	2,175.88	2,303.16	4,880.73	173.30	5,054.03	93.16
2.0	Component - B : Institution Development and Livelihood Promotion							
2.1	B1. Development and Strengthening of inter village organization	1,085.00	52.00	4.69	11.19	1.88	13.07	1.03 (5.46)
2.2	B2. Business Promotion Livelihood and Market Linkages	125.96	17.04	1.74	2.14		2.14	1.70 (3.03)
2.3	B3. Creating Conditions for Employment Generation	154.26	14.13	2.14	2.54	0.81	3.35	1.65 (2.81)
	Sub - total	1,365.22	83.17	8.57	15.87	2.69	18.56	1.36
3.0	Component - C : Capacity Development and Partnership Building							
3.1	C1. Capacity Building of SDF	223.67	135.26	80.50	159.95	17.23	177.19	71.52 (43.03)
3.2	C2. Supporting Innovation	203.00	5.80	1.37	2.69		2.69	1.33 (1.76)
	Sub - total	426.67	141.06	81.87	162.65	17.23	179.88	42.16
4.0	Component - D : Project Management, Monitoring and Coordination							
4.1	D1. Coordination and Management	657.94	530.04	160.44	340.43	49.15	389.58	51.74 (19.15)
4.2	D2. Monitoring, Learning, Evaluation and Communication	175.00	54.82	23.56	47.41	6.76	54.17	23.69 (23.69)
	Sub - total	832.94	584.86	184.00	387.84	55.91	443.75	53.28
	Grand Total (in million BDT)	8,050.00	2,984.97	2,577.90	5,447.09	249.13	5,696.22	67.67 (51.52)
	Grand Total (in million US\$)	115.00	37.31	32.22	68.09	3.11	71.20	59.21 (53.85)

N.B. Currency conversion rate: 1.00 USD = 80.00 BDT (Proj. target at initial stage was considered at 1.00 USD = 70.00 BDT)

1/ Project target represents fund allocation under each component. Based on the implementation trend, a revised cost table incorporating an increased amount of BDT 2,065.47 is in the process of approval by the VIB.

2/ Budget utilization during July to September 2013 is 35.38% equivalent to BDT 1,055.06 million in 3 months and rest 53.62% shall be utilized in next 9 months.

3/ Cum. Progress (%) in parenthesis is based on project's revised target.



COM Revision Workshop, Barisal

Partnership development

- A total of 132 producers group of Gaibandha district are selling milk collectively to Grameen Danon foods;
- A total of 117 producers of Jamalpur district are selling milk collectively to Milk Vita and also are getting training, vaccination, de-worming and AI services from then;
- A total of 265 producers have access to Zil Bangla Sugar Mill in Jamalpur for selling sugarcane;
- A total of 521 producers in Rangpur region are selling milk collectively to BRAC, PRAN and RD dairy milk;
- A total of 8,631 NJG members have benefited as of Dec.'13 receiving inputs and technical services.

Other Efforts and Achievements

- SDF celebrated 12 years of its foundation;
- FAPAD conducted audit and no financial irregularities were found;
- Quarterly Monitoring and Learning Workshops are going on regularly;
- Two female leaders from Garm Samity got the opportunity to visit Pakisama, a national farmer's organization of Philippines;
- World Bank Mission was fielded ;
- Mid-Term Review was carried out by the World Bank on October 20-31;
- Impact Assessment of "Nuton Jibon" project conducted by Bangladesh Institute of Development Studies (BIDS) in July-Sept. '13;
- Mid-Term Review Study was conducted by Data Technical Consultants Ltd (DTCL) in July-Sept.'13.
- Celebrated different days like World Environment Day, National Youth Day, Disaster Preparedness Day etc. to stimulate the awareness among the community people and all;





Chapter 4

**Leading the Way Up:
Impact Assessment,
Mid-Term Review
Study and Mid-Term
Review by the World
Bank**

SDF has been moving forward to attain its desired goals and development initiatives and continuing to accelerate employment and income generation through its multifarious program interventions. SDF believes that sustainable development of the outreached can only be ensured if the development activities are shared and owned by the communities. SDF's effort in the previous years has made significant improvements in portfolio quality and financial sustainability that has been reflected in the Impact Assessment, Mid-Term Review Study and the Mid-Term Review conducted by the World Bank.

Impact Assessment

These series of notes summarize findings undertaken by Bangladesh Institute of Development Studies (BIDS) from July-September, 2013. As part of a larger longitudinal study that resurveyed 1,636 households (1,134 program households and 502 control households) were interviewed across six districts of Nuton Jibon project: Barguna, Bagerhat, Gaibandha, Kurigram, Jamalpur and Mymensingh. The project focused on assessing the long-term impacts of a number of anti-poverty interventions specifically, community finance, community infrastructure and social service fund (CISF), livelihood development and employment generation on a range of monetary and nonmonetary measures of well-being. This note focuses on the long-term effects of the development interventions in the context of the life trajectories of people in the SDF's working area, using findings from the beneficiaries' life-history interviews and an accompanying set of focus group discussions conducted.



Livelihood activities

The aim of the study was to complement the quantitative analysis of the long-term impact of development interventions with qualitative analysis, drawing from participants' perspectives and exploring the causal mechanisms observed to have contributed to improvement or decline in people's life circumstances.

About 35 percent of the households have been able to increase their incomes by 40 - 50 percent which is very close to the project target i.e. 50 percent at the end of the project as mentioned in the Project Development Objectives (PDOs). About 83 percent of village institutions are functioning in a transparent, inclusive and accountable manner against the project target of 75 percent at the end of the project that means the PDOs are fulfilled. Major sources of income of the households are livestock and poultry, agriculture, and salary/wages, which account for about 90 percent. Incomes from businesses and livestock and poultry are significantly higher in project areas than control areas, and this higher

income is attributed to project interventions.

It has been observed that about 56 percent of vulnerable households from SIPP-I and 40 percent from SIPP-II have graduated to hardcore poor and have been able to start savings and started small scale IGAs. It is also revealed from the BIDS 'Impact Assessment Study' that the annual income of the hardcore poor has increased ranging from 12.7 to 15.3% as against the baseline survey from 0.0 to 9.9% and this higher income is attributed due to project interventions.

Almost 100 percent of target households saved money against about 64 percent for control households, of which about 90 percent of the households in the project areas saved in the "Nuton Jibon" project. It is observed that the amount saved last year (about BDT. 730 on average per household) is higher in project areas than in control areas.

Case Story

Sumon: A Good Beginning is Half the Battle

Whipped by the poverty, Sumon's family was looking for the silver lining behind the clouds. Sumon's father, a share cropper of Ambaria village of Bagerhat, managed the domestic expenses of his family with great difficulty. As a consequence of poverty, he could not continue his studies after class 9.

Sumon was frustrated as he continued to face entrenched barriers and insecurities in his attempts to come out of the trauma. He joined Nuton Jibon Youth Group as the project started their activities in that village in March, 2011. He was mobilized as a youth group member as well as Gram Samity secretary and started savings and attended meetings on a regular basis. He also participated in other activities of the group. He borrowed BDT 6,000 as skills development loan for mobile servicing and received training from DOT Net and Setara Abbas Vocational school. After completing training, he established a mobile servicing shop at Kalikabari bazaar and his investment was not in vain. Meanwhile, he passed SSC exam and was admitted into college.

SDF's holistic approach has turned over a new leaf in his life. The business turnover was good enough to repay the loan and he took two consecutive loans of BDT 40,000 for expanding his business periphery. Gradually, his shop became well known to all and he could earn faith in his job.

Happiness started beaming on his face as he could come out of the stark days. At present, his monthly average income is BDT 10,000. His zeal and courage along with SDF's contribution has taken him to step forward in the ladder of success.

"I am indebted to SDF for turning the wheels of my life", says Sumon.



Sumon at his shop

The borrowers take loan and invest, their income increases, and they become capable in handling larger loan and investment in larger project. This is an indication of some kind of graduation from smaller-loan-handling capacity to larger-loan-handling capacity.

Most of the infrastructural works are earth works, building culverts, setting up tube wells and repairing school building. Perception and works done are found to be highly correlated with Participatory Vulnerability Analysis (PVA). This is an important progress towards infrastructure related PDO. More than 50 percent HHs are now taking advantages of infrastructure built by the project as against the project target 80 percent at the end of the project. Therefore, it can be concluded that the project is in the right

direction in achieving its development objectives.

Members of the NJG are found to be more empowered than the non-participants, especially women. The results suggest that 94% of women have role in decision making upon joining NJGs against only 48 percent at baseline. Women are not only taking loans, they are also the decision makers even on issues related to investment such as livestock and poultry.

Results also indicate that women of NJG are more connected to markets than the non participants primarily because of their greater involvement in market. Econometric analysis also corroborates these findings. A large number of women participants reported that currently their husbands and relatives value their opinions, suggestions, decisions and comments more than before. Results also indicate that women of NJG are more connected to markets than the non-participants primarily because of their greater involvement in the marketing facilities. They have now some 'say' in family matters such as buying and selling properties, schooling decision of children, medical treatment, etc.

More than 50 percent households are now taking advantages of infrastructure built by the project, (80 percent by the end of the project). About 60 percent of the respondents now use sanitary latrine, while only about 28% of the poor and hardcore poor had used sanitary latrine in 2010 (according to the Baseline 2010).

Almost 100 percent of the respondents in the project area took medical treatment for diseases against 92 percent in control areas. While project members consult a doctor about 7 days after the disease onset, it takes 15 days for control area respondents to see a doctor. This indicates that project members are more concerned about health and safety and they are more capable of taking formal treatment than those of control groups.

Mid-Term Review Study

The main objective of the Mid-Term Review (MTR) conducted by Data Technical Consultants Ltd (DTCL) was to assess the extent to which the concept, approach and delivery of the "Nuton Jibon" Project (SIPP-II) and its components are still relevant to the key stakeholders in respect to effectiveness and efficiency of service delivery. The methodology adopted in the MTR includes review of the secondary project documents as well as solicitation of the perceptions of the project stakeholders, namely the Gram Parishad members (demand side) and the SDF program managers from all levels (supply side) through Focus Group Discussions (FGD) and Key Informant Interview (KII) respectively. A set of structured questionnaire was also administered among the randomly selected beneficiaries.

It is a matter of great satisfaction to all concerned stakeholders including the Government of Bangladesh, World Bank, SDF and the GoB that SDF is moving in the right direction to fulfill its commitments to raise the quality of life of the poorer section of our people living in rural areas of Bangladesh.

Under the project, the rural poor and hardcore poor including the youth have been mobilized into Gram Parishad (GP) and the members are pre-dominantly women representing more than 95% of the total members. Various functional committees have also been formed under the GPs in the project villages. Facilitated by SDF, these committees are functioning following the COM guidelines. The GP members were found to be very much enthusiastic over the fact that the project has enabled them to plan, design and implement their own developmental activities collectively. Appreciating the financial modalities, the members took pride for being able to be the sole owner and arbiters of the fund use.

The members of the village institutions essentially being the females, the livelihood improvement has led to women's empowerment in many respects. These erstwhile left-out women have been mobilized and trained by the SDF and were given the responsibility to run the village institutions. They have now acquired the ability to plan and implement the sub-projects, credit operation, maintain books of accounts, registers, conduct meetings and a host of other developmental activities. Their social mobility and leadership quality has also increased through such involvements. They are now more respected and valued by their family and community members. The project has been able to ensure empowerment of women not only in economic, but also in social term.

One of the objectives of the project has been to provide the youth from the poor and hardcore poor segment of community people, particularly the unemployed youth, with livelihood improvement means and opportunities. Towards this end, SIPP-II has mobilized as many as 50,302 youths into

3,881 youth NJGs and so far 28,561 youths have been provided with skills development training of whom 24,699 (86%) youths have been employed or self employed, which is about 50% of the project target. A total of 9,138 youths have been employed through wage employment initiatives by different employers like G4-S, Apex Footwear Ltd., various industries of EPZs etc. Youths have earned on an average BDT 7,000 per month from wage employment and contributed to the family income. Both the wage and self employment have eased the unemployment situation in the project catchment areas. However, only 10,504 (5% of the target) youth members received loan from Sabolombi Fund till June 2013. But only 3,571 youths started IGAs and the reason being inadequate amount of loan not matched with training.

Under the project, a provision for one-time grants to vulnerable poor has been kept so as to enable them to take up income generating activities appropriate to them. As of June 2013, a total of 33,373 (80% of the target) most vulnerable beneficiaries were provided one-time grant and of them a total of 30,999 (87% of the target) took up IGAs with the grant money. Some recipients of the grant money used the amount to meet up their immediate needs, while many of them initiated small scale IGAs to complement their family income. While appreciating the usefulness of grant money for the disadvantaged people, the GS members were of the opinion that the target beneficiaries could benefit more from their IGAs had they been provided with a larger amount of such grants.

Up to December 2013, a total of BDT 5,447.09 million has been disbursed for SIPP-II project consisting of BDT 4,880.73 million for Community and Livelihood Development at Village Level; BDT 15.87 million for Institution Development and Livelihood Promotion; BDT 162.65 million for Capacity Development of SDF staffs and Partnership building and finally, BDT 387.84 million for Project Management, Monitoring and Coordination component. As such, the total investment for each of the 3,262 project villages stands at BDT 1.67 million and for 583,407 NJG members the amount is BDT 9,336 per member. At the same time, the average cost for each of the 1,756 SDF staffs is BDT 313K.

Mid-Term Review by the World Bank

A World Bank Team carried out a Mid-Term Review (MTR) mission for the Empowerment and Livelihood



Improvement "Nuton Jibon" Project from October 20-31, 2013. The main objectives of the MTR were to review the extent to which project activities, together with their implementation steps, have remained relevant and are on track to achieve the Project's Development Objectives. The team reviewed the overall implementation status and findings from the recently completed mid-term impact survey; discussed key challenges and lessons learnt; and provided guidance on corrective measures for speeding-up implementation and disbursement wherever required.

The project carried out two surveys in preparation of the mid-term review: (i) an impact assessment survey and (ii) a qualitative survey-the mid-term evaluation report - focusing on village-level institutions and SDF staff through focus group discussions and key informant interviews. The studies assessed the main change as compared to baseline including for women and hardcore poor, income, empowerment, access to improved community infrastructure and social services, household expenditures, village institutional development, Socio-economic improvement of vulnerable groups and savings.

Both the studies revealed that, under the stewardship of SDF's well-equipped programs, the project is on track and progress towards achieving its development objectives. Consequently, the people have been enough confident to manage their risks better, built their assets gradually and enhanced their income earning capacity and enjoying an improved quality of life. As per the target set in individual program plan, "Nuton Jibon's" achievement reached up to the mark.

The life histories show that the most frequently cited sources of improvement in people's lives were small business activities, livestock, poultry, small trading, vegetable vending and tailoring. For many of these activities, community finance appeared to be important in helping people raise capital to start businesses, access land, buy livestock, and cover cultivation costs.

The project also achieved its objective of developing human resources and institutional capital, expanding access to credit by poor people, especially women, training and social intermediation to the target group, and providing institutional support. The project expanded micro-finance services including financial and social intermediation to over 6.0 million disadvantaged people, thus achieving its target set at appraisal.

The mission revealed that notable progress has been achieved since the inception of the project and has rated the project "Satisfactory".



Income generating activities of the youths



Income generating activities of a vulnerable woman



CHAPTER 5

**Special Events:
Dreams Unfolding**

SDF passed a very special and challenging year that ended with an optimistic note as it started to gain a strong footing to tackle the challenges more efficiently on the back of continuous support of the Government of Bangladesh and the World Bank. This is fueling the growth of SDF and ultimately help the government in its vision towards achieving Millennium Development Goal (MDG). SDF passed the year 2013 with notable success on different fronts which have elevated it to new heights. One of the most special events was the celebration of 12 years of its birth which was graced by the Hon'ble Prime Minister of the People's Republic of Bangladesh and the Finance Minister.

Twelve Years of SDF

Social Development Foundation (SDF) celebrated its 12th founding anniversary on 12th March, 2013 at Osmani Memorial Auditorium. It was an occasion to highlight, celebrate and reflect on the development initiatives of SDF which have been spread across Bangladesh and particularly to 3,262 villages of 51 Upazilas in 16 districts in Bangladesh. It has been a remarkable road paved with memorable experiences for all the stakeholders. To highlight its achievement and draw attention of Government, World Bank, donor agencies and others, the program was highly effective in terms of capitalizing on timely and demand-driven approach and empowering disadvantaged people and accelerating societal and economic emancipation for them.



Hon'ble Prime Minister Sheikh Hasina delivering her speech on Twelve Years' Celebration of SDF

This watershed moment was graced by the Honorable Prime Minister of the People's Republic of Bangladesh, Sheikh Hasina as Chief Guest. Finance Minister Abul Maal Abdul Muhit, MP attended the function as special guest with Chairman of the Foundation Professor Dr. Ashraf Uddin Chowdhury in the chair. Secretary of the Bank and Financial Institutions Division Dr. M. Aslam Alam and Managing Director, Social Development Foundation spoke among others on the occasion.

Honorable Ministers, Advisors to the Prime Minister, the State Ministers, the Secretaries, the diplomats, representatives of the International Development Agencies including World Bank Country Director, Heads of Government Departments, and 600 personnel of SDF from Head Office and field offices along with 60 SDF beneficiaries attended the ceremony despite adverse political situation on the celebration day.

In this 12th anniversary of a landmark event, the Honorable Prime Minister Sheikh Hasina said that over the past years her government has been implementing a myriad of poverty alleviation measures and SDF was established to implement government's development initiatives. *"This organization has been assembling a range of objectives and efforts for the economic emancipation and social development of the poor and disadvantaged people through "social investment",* she added. The Prime Minister was highly impressed with SDF for achieving astounding success in women empowerment in village institutions where 95% of the beneficiaries of SDF are women and 94% leadership positions are occupied by them. She emphasized on the involvement of the women community, who constitute half of the total population, in the main stream economic activities to tap full potential of the population.

"Social Development Foundation will be furnishing services for the socio-economic development of the poor and hardcore poor with the aim to build "Sonar Bangla" of Bongobondhu, the father of the nation. Our government will support SDF with whole hearted effort to rev up its success in women empowerment and to expand its working areas in every district", she further added.

The Special Guest of the ceremony, Honorable Finance Minister Mr. Abul Maal Abdul Muhit, MP said that SDF has set an example of bridging women with the mainstream development through Community Driven Development (CDD) model. *"Furthermore, SDF has created opportunity for the youths, hard-to-reach and vulnerable,"* he stated. He expressed his satisfaction as SDF could extend its service to about 6 million people. He hoped that SDF would expand its activities to other districts to reach out to the hardcore poor and the poor of those areas.

Dr. M Aslam Alam, Secretary, Bank and Financial Institutions Division, in his welcome address appreciated SDF for implementing a unique Community Driven Development (CDD) model of poverty alleviation. *"SDF's development initiatives have accelerated in social investment, women empowerment and poverty alleviation. The community people contributed their utmost effort to transform the programmatic targets into reality,"* he uttered. He also expressed his hope that SDF would contribute greatly to achieving 'Vision 2021' of the government.

Managing Director of SDF said, *"To fulfill the dream of the Father of the Nation for poverty and oppression free Bangladesh, SDF is working in 3,262 villages in the 51 Upazillas and 16 districts of northern and southern regions of the country."* Drawing kind attention of the Honorable Prime Minister, he argued that if the project would extend, after 2016, to 20 new districts every 5 years, its holistic approach would enable the poor to improve their well-being, exercise their rights, claim their entitlements, and play a more active role in the society by 2030 through empowerment.

The chairman of the session and the SDF Chairman said that this function was aimed at highlighting the success of SDF programs in order to recognize the most successful beneficiaries, project the efforts of 580 thousand beneficiaries and encourage the actors of change. He requested the Honorable Prime Minister to kindly allocate 10 katha of lands for SDF so that this organization have their own complex and be able to establish a national resource centre for the beneficiaries.

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Hon'ble Finance Minister Abul Maal Abdul Muhit, MP speaking as special guest on the occasion



Secretary, Bank & Financial Institutions Division,
Dr. M. Aslam Alam in his welcome
address at the august gathering

Shobha Shetty's Visit

A high official of World Bank, South Asia Region, Shobha Shetty, Regional Manager, Rural Development and Livelihood, visited SDF on July 9 to have important discussion with Managing Director and the concerned officials of SDF about restructuring of SDF and its additional financing. Mr. Ousmane Seck, Task Team Leader and Sugata Talukder, Program Analyst, World Bank Bangladesh, accompanied Shobha Shetty, during her visit to SDF.

During her discussion with SDF officials, she emphasized on the need for exploring alternative financial windows as it has already proved to be one of the flagship programs. She expressed great satisfaction about the ongoing program currently being implemented by SDF with active financial support of World Bank. This program has made impressive progress on empowering women which is bringing changes in the life-style of the rural poor and hardcore poor who were not covered by any sort of developmental activities so long.

Ms. Shobha Shetty applauded SDF for its splendid job done over the years that helped enriching and

sustaining the lives and livelihoods of hard-to-reach people. She had a lively interaction with the community women and heard the stories of their successes and transformations. The catalyst in each case was SDF, but their hard work and initiative was the prime mover of lasting change. By the generous support and facilitation of SDF, they have managed their risks better, built their assets gradually, developed their own micro-enterprises, and enhanced their earning capacity and ultimately enjoying an improved quality of life. Therefore, they have been able to establish their right and position in the family as well as in the society and have got importance in expressing their decision making opinion. They have also become able to maintain bank account and have been enjoying their free and increased mobility. She also lauded the leadership qualities of the community and Gram Samity leaders and expressed the hope that they will improve further once they understand the basic needs of their lives.

Shobha Shetty also met the ADB representatives to discuss about the possibility of ADB financing to SDF for the expansion and sustainability of SDF programs. She also called on the high officials of ERD and had discussion with them about the restructuring of SDF. Mr. Ousmane Seck accompanied her to all the meetings. He also had contributed a lot to make her visit a fruitful and successful one.

SDF officials felt that Shobha Shetty's visit was a successful one which will impact positively on our current program as well as its expansion in future with financial support from development partners like World Bank and ADB.



Shobha Shetty, Sector Manager, World Bank (South Asia Region) interacting with the community women

World Bank Consulting Expert's Visit

SDF has been working comprehensively to transform the vicious cycle of poverty into the virtuous circle of prosperity. To materialize SDF's journey ahead, World Bank Consulting Expert Roger Sullivan, visited SDF on September, 21, 2013 to discuss about the Institutional Sustainability with the SDF officials.

He was impressed to see that SDF was earnestly aware of mobilizing prosperities extensively to expand the scope of development all the time through its integrated initiatives and activities. He also thanked SDF for its development approach of community empowerment and diverse development endeavors that SDF has taken one after another for serving the most destitute, deprived people over the years.

He and his team members also met the Chairman of SDF and had discussion with him about the programs now being carried out in different districts of rural Bangladesh. They also discussed about the sustainability of SDF in the future years to come.

The team also met the Secretary of Bank and Financial Institutions Division (BFID), Ministry of Finance Dr. M. Aslam Alam and other officials of ERD under the Ministry of Finance (MoF).

The team went back fully satisfied.



Chapter-6

Financial Management and Procurement



Financial Management System

Computerized Accounting System

SDF, with the support and inspiration from the World Bank finance team has developed a modern, transparent and accountable financial management system based on the Bangladesh Accounting Standards and international best practices. Ahead of many other similar organizations in the country, it has developed a fully computerized accounting system that has been extended in the last one year to regional level and in the process of expansion to the district levels of SDF. With this accounting system the recording of transaction in the regional, district and cluster level will be automatically reflected instantly in the financial statements generated by the system.

Finance Team

SDF has employed financial management teams with qualified manpower in 3 regional, 16 district and 124 cluster offices. All the members of the finance teams have been trained in the modern accounting system. With these trained manpower, it has been possible to decentralize accounting system upto regional and district level. Under the close supervision of Managing Director, the finance team at the headquarters led by the Director (Finance & Procurement) gives policy guidelines, monitors fund flow and maintains transparency in the accounting system.

Fund Flow

SDF has developed a very dynamic fund flow system under which Managing Director sanctions fund to the regional offices who in turn directly transfer the fund to the bank accounts of village level institutions (Gram Samity). The practice of this fund flow system has been developed and was made operational since 2011. Transferring funds through banking channel has helped to keep the fund flow efficient, flawless and transparent.

Disbursement

In 2013, SDF disbursed BDT 2,725 million (eqv. to US\$ 34 million) against the target of BDT 3,038 million (eqv. to US\$ 38 million) thus achieving 90% of target (Table-7: Componentwise Fund Disbursement). The project's cumulative disbursement in first 30 months upto Dec'13 has been BDT 5,706 million (eqv. to US\$ 71 million) (97%) against the total target of BDT 5,888 million (eqv. to US\$ 74 million). The cumulative achievement upto Dec'13 is 71% of the total project allocation of BDT 8,050 million (eqv. to US\$ 115.00 million). This had been possible due to efficient fund management and prompt decision making, computerized accounting system, deployment of financial manpower in the field offices, better training, decentralization of accounting system, quality of supervision at headquarter and regional levels.

**Table-7: Componentwise Fund Disbursement Progress
(2013 and Cumulative)**

(Figures in Million BDT)

Sl.	Result Areas	Disbursement in 2013		Componentwise Disbursement up to Dec.2013		
		Annual Target of 2013	Annual Achievement of 2013	% Achieved during 2013	Cumulative Target	Cumulative Achievement % Achieved
A	Community and Livelihood Development at Village Level					
A.1	Development and Strengthening Community Organizations	613	384	63	1,129	827
A.2	Financing of Village Development and Risk Reduction Plans	1,835	2,045	111	3,408	4,236
	Sub Total:(A)	2,448	2,429	99	4,537	5,063
B	Institutional Development and Services at Inter-Village and National Levels					
B.1	Development and Strengthening of Inter village Organizations	33	9	27	52	13
B.2	Business Promotion and Livelihoods and Market Linkages	9	0	-	14	2
B.3	Creating Conditions for Employment Generation	21	2	9	25	3
	Sub Total:(B)	63	11	17	91	18
C	Capacity Development and Partnership Building from Cluster to National Levels					
C.1	Capacity Building of SDF Staff-National, Regional & District	155	75	48	233	177
C.2	Supporting Innovations	6	1	17	34	3
	Sub Total:(C)	161	76	47	267	180
D	Project Management and Coordination					
D.1	Overall coordination, management and implementation	317	169	53	907	391
D.2	Monitoring, Learning, communication and evaluation	49	40	82	86	54
	Sub Total:D	366	209	57	993	445
	Total (In Million BDT)	3,038	2,725	90	5,888	5,706
	Total (In Million US\$)	38	34	90	74	71

[Conversion rate 1 USD = BDT 80 (average)]

Monitoring and Accountability

The accounting report is forwarded from the cluster, district and regional offices every month to the headquarter. The headquarters financial team compiles a quarterly financial report and sends it to the World Bank. The General Body of SDF deployed a nationally reputed audit firm to audit the financial activities of SDF during 2012, that reported very clean picture of SDF's financial performance and appreciated the phenomenal improvement of its adherence to accounting standards during the last year. Foreign Aided Project Directorate (FAPAD) of Government of Bangladesh has also conducted an audit of the financial year 2011-12, initial feedback of which is appreciative and waiting for final approval of the directorate. SDF has got an independent cell of four highly experienced audit officers. Working under Director (Governance and Accountability) and close supervision of MD, the audit team has been conducting audits of regional, district and cluster offices. They also check the account at the village level institutions.

Community Accounting System

Unique in Bangladesh, SDF has empowered the village level institutions (Gram Samity) in about 3,262 villages under "Nutun Jibon" Project to keep accounting records of their financial activities during project implementation, procurement, savings collection and lending activities. A Community Operations Manual (Financial Management) has been developed and distributed to the village institutions in the last quarter of 2012 to provide them detailed guidelines for keeping accounting records.

Procurement

Social Development Foundation (SDF) is responsible for overall procurement management of 'The Empowerment and Livelihood Improvement "Nutun Jibon" Project. SDF is also responsible for oversight of the community level procurement. The procurement is carried out in accordance with the World Bank's Guidelines (Revised in May 2010), Public Procurement Act 2006 and Public Procurement Rules 2008 of the Government of Bangladesh. Community procurement is carried out in accordance with the Procurement Booklet of the Community Operational Manual (COM), developed and updated through practical needs and agreed with IDA.

"The Nutun Jibon project" has completed almost three years of implementation of the five years period and is scheduled to be closed by June, 2015. During this year, the Procurement Plan updated based on revised Cost Table and approved by World Bank.

Most of the SDF's procurement packages involve services in order to support the project are almost completed. Major Service contracts as per conditions of PAD as well as mission recommendations were executed during this year.

The procurement budget for "Nutun Jibon" Project from January 2011 to June 2016 was approved for BDT 62.0 million (US \$8.0 million). The procurement department has completed signing of contract worth BDT 306.7 million as of December 2013, which is 49.0% of the budget.

The procurement department is working on signing another 21 contracts for goods and services amounting BDT 230 million, which is expected to be signed by December 2014. This will bring the achievement of procurement target to 86.50%. The remaining 13.50% of the procurement will be completed by June 2015.

The status of executed total contract vs. disbursement and progress during the year 2013 are summarized in the following tables:

Table -8: Executed Contracts vs. Disbursement status (Cumulative)

Category	Disbursement Status (June, 2010 to December, 2013)				
	Contract Amount	Disbursed Amount		Contracts ongoing	
		In taka	In %	In taka	In %
Goods	8,75,01,774	4,50,21,325	51	4,24,80,449	49
Service	21,28,45,560	11,55,34,186	54	9,73,11,374	46
Works	63,65,877	7,52,240	11	Contracts closed	
Total :	30,67,13,211	16,13,07,751			

[Source : Disbursement statement (up to Dec., 2013) of Finance department, SDF]

Table - 9 : Statement of Contract Execution (January-December, 2013)

(Amount in BDT)

Type	Description of Contracts	Number of Contracts	Contract Amount
Goods	Computers & accessories	2	2,55,21,175
	Electrical goods (Fan)	1	19,29,400
	Office Furnishing (Barisal regional office)	1	2,32,766
	Office Furnishing (Rangpur regional office)	1	1,27,555
	Printing of SDF Diary	1	4,17,375
	<i>Sub-total:</i>		2,82,28,271
Service	Capacity Building Agency	1	42,40,305
	Impact Assessment of Nuton Jibon Project	1	33,52,250
	Mid Term Review (MTR) of Nuton Jibon Project	1	37,30,472
	Review committee for selection of Implementing agency of Market Place Development Program	4	13,79,104
	Implementing Agency for Market Place Development Program	1	63,66,042
	Technical Audit of the Community Sub-projects	1	4,79,167
	Audit of Nuton Jibon Community Societies	1	14,05,555
	<i>Sub-total:</i>		2,09,52,895
	Grand total :	16	4,91,81,166



Auditors'

Report



AHMED ZAKER & Co.

CHARTERED ACCOUNTANTS



A MEMBER FIRM OF KINGSTON SOREL INTERNATIONAL, DEVONSHIRE HOUSE, 60, GOSWELL ROAD, LONDON EC1M 7AD

AUDITORS' REPORT

We have audited the accompanying financial statements of **Empowerment and Livelihood Improvement "Nuton Jibon" Project, IDA credit no. 4757-BD Implemented by Social Development Foundation (SDF)** as at June 30, 2013 and which comprises of the Statement of Financial Position, Statement of Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows for the year then ended and a summary of significant accounting policy and other explanatory notes.

Management's Responsibility for the Financial Statements

SDF Management is responsible for the preparation and fair presentation of these financial statements in accordance with Bangladesh Financial Reporting Standards (BFRS). This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Bangladesh Standards on Auditing (BSA), those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, based on our audit, the financial statements prepared in accordance with Bangladesh Accounting Standards (BAS), give a true and fair view of the project's affairs as of June 30, 2013 and of the results of its operations and comply with the applicable Rules and Regulations.

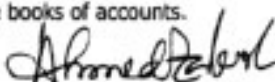
Report on other legal and regulatory requirements

We also report that:

- a) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit and made due verification thereof;
- b) in our opinion proper book of accounts as required by law have been kept by the organization so far as it appeared from our examination of those books;
- c) the Statement of Financial Position, Statement of Comprehensive Income, Statement of Changes in equity and Statement of Cash Flows dealt with by the report are in agreement with the books of accounts.

Place: Dhaka

Date: December 07, 2013


Ahmed Zaker & Co.
Chartered Accountants

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TEL : 880-2-8391440-3, Fax : 880-2-8391011, E-mail : azcbangladesh@gmail.com web : www.ahmed-zaker.com
BRANCH OFFICE : ● 304, Sk. Mujib Road, Agrabad C/A, Chittagong. Tel : 880-31-712258, 728332

Empowerment and Livelihood Improvement "Nuton Jibon" Project
IDA Credit No. 4757-BD
Implemented by: Social Development Foundation(SDF)
Statement of Financial Position
As on 30 June, 2013

Particulars	Notes	Amount in Taka	Amount in Taka
		30-June-2013	30-June-2012
A. Non Current Assets			
Property, Plant & Equipment	5.00	15,784,616	18,256,847
B. Current Assets		180,279,223	12,649,496
Advance, Deposits & Prepayments	6.00	3,952,587	4,729,150
Cash in Hand & Bank Balance	7.00	176,326,636	7,920,346
C. Current Liabilities		3,443,015	3,443,015
Advance Received from GOB	8.00	3,443,015	3,443,015
D. Net Current Assets (B-C)		176,836,208	9,206,481
E. Total Assets (A+D)		192,620,824	27,463,328
F. Capital Fund & Equity:			
Fund Account	9.00	192,620,824	27,463,328
Total Fund		192,620,824	27,463,328

The annexed notes form an integral part of these statement of financial position.


Approved by the board on December 07,2013 and signed on its behalf by:


Chairman
 Social Development Foundation (SDF)


Managing Director
 Social Development Foundation (SDF)

Signed as per our report of same date

Place: Dhaka
 December 7, 2013


Ahmed Zaker & Co.
 Chartered Accountants

Empowerment and Livelihood Improvement "Nuton Jibon" Project
IDA Credit No.4757-BD
Implemented by: Social Development Foundation(SDF)
Statement of Comprehensive Income
For the year ended June 30, 2013

Particulars	Notes	Amount in Taka	Amount in Taka
		30-June-2013	30-June-2012
A. Income:			
Grants	10.00	2,745,335,490	1,792,098,845
Non operating income	11.00	180,794	97,857
Total Income:		2,745,516,284	1,792,196,702
B. Expenditure:			
Community and Livelihood Development at Village Level	12.00	2,304,261,378	1,534,431,826
Development and Strengthening Community Organizations	12.01	406,069,206	181,360,241
Financing of Village Development and Risk Reduction Plans	12.02	1,898,192,172	1,353,071,585
Institutional Development and Services at Inter Village and National Levels	13.00	8,004,317	3,863,377
Development and Strengthening of Inter village Organizations	13.01	4,992,913	3,506,288
Business Promotion and Livelihoods and Market Linkages	13.02	2,124,177	112,388
Creating Conditions for Employment Generation	13.03	977,227	244,601
Capacity Development and Partnership Building from Cluster to National Levels	14.00	81,567,504	78,069,646
Capacity Building of SDF Staff-National, Regional & District	14.01	80,194,304	78,069,646
Supporting Innovations	14.02	1,373,200	-
Project Management and Coordination	15.00	186,435,589	148,368,625
Overall coordination, management and implementation	15.01	162,863,423	132,238,800
Monitoring, learning, communication and evaluation	15.02	23,572,166	16,129,825
Total Expenditure		2,580,358,788	1,764,733,374
Excess of Income Over Expenditure (A-B)		165,157,496	27,463,328
Total		2,745,516,284	1,792,196,702

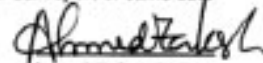
The annexed notes form an integral part of these statement of comprehensive income.

Approved by the board on December 07, 2013 and signed on its behalf by:


 Chairman
 Social Development Foundation(SDF)


 Managing Director
 Social Development Foundation(SDF)

Signed as per our report of same date


 Ahmed Zaker & Co.
 Chartered Accountants

Place: Dhaka
 December 7, 2013

Empowerment and Livelihood Improvement "Nuton Jibon" Project
IDA Credit No.4757-BD
Implemented by: Social Development Foundation(SDF)
Statement of Receipts and Payments
For the year ended June 30, 2013

Particulars	Notes	Amount in Taka 30-June-2013	Amount in Taka 30-June-2012
Receipts:			
Opening Balance		8,696,909	-
Cash in hand	7.01	698	-
Cash at Bank	7.02	7,919,648	-
Advance received		776,563	-
Grant Received During the year		2,745,335,490	1,792,098,845
IDA	10.00	2,745,335,490	1,792,098,845
Other Receipts		180,794	3,540,872
Advance received from GOB		-	3,443,015
Non operating income	11.00	180,794	97,857
Total Receipts		2,754,213,194	1,795,639,717
Payments:			
Community and Livelihood Development at Village Level		2,304,261,378	1,534,431,826
Development and Strengthening Community Organizations	12.01	406,060,206	181,360,241
Financing of Village Development and Risk Reduction Plans	12.02	1,898,192,172	1,353,071,585
Institutional Development and Services at Inter-Village and National Levels		8,094,317	3,863,277
Development and Strengthening of Inter village Organizations	13.01	4,992,913	3,506,288
Business Promotion and Livelihoods and Market Linkages	13.02	2,124,177	112,388
Creating Conditions for Employment Generation	13.03	977,227	244,601
Capacity Development and Partnership Building from Cluster to National Levels		81,567,504	78,069,646
Capacity Building of SDF Staff-National, Regional & District	14.01	80,194,304	78,069,646
Supporting Innovations	14.02	1,373,200	-
Project Management and Coordination		183,963,359	166,625,472
Overall coordination, management and implementation	15.01	160,391,193	150,495,647
Monitoring, learning, communication and evaluation	15.02	23,572,166	16,129,825
Advances		-	4,729,150
Total Payments		2,577,886,558	1,787,719,371
Closing Balance		176,326,636	7,920,346
Cash in Hand	7.01	20,000	698
Cash at Bank	7.02	176,306,636	7,919,648
Total		2,754,213,194	1,795,639,717





AHMED ZAKER & Co.
CHARTERED ACCOUNTANTS



Empowerment and Livelihood Improvement "Nuton Jibon" Project

IDA Credit No.4757-BD

Implemented by: Social Development Foundation(SDF)

Statement of Changes in equity

For the year ended June 30, 2013

Particulars	Amount in Taka	Amount in Taka
	30-June-2013	30-June-2012
Opening Balance as on 01.07.2012	27,463,328	-
Add: Excess of Income Over Expenditure During the year	165,157,496	27,463,328
Closing Balance as on 30.06.2013	<u>192,620,824</u>	<u>27,463,328</u>



Empowerment and Livelihood Improvement "Nuton Jibon" Project

IDA Credit No.4757-BD

Impemented by: Social Development Foundation(SDF)

Statement of Cash Flows

For the year ended June 30, 2013

Particulars	Amount in Taka 30-June-2013	Amount in Taka 30-June-2012
A. Cash Flow from Operatig Activities:		
Excess of Income Over Expenditure	165,157,496	27,463,328
Adjusted to reconcile net income to net cash by operating activities		
Depreciation on Fixed Assets	3,234,919	4,010,936
Increase/(Decrease) in Advance, Deposits and Pre-Payments	776,563	(4,729,150)
Increase/(Decrease) in Advance received from GOB	-	3,443,015
Net Cash Used in Operating Activities	169,168,978	30,188,130
B. Cash Flow Investing Activities:		
Acquisition of Fixed Assets	(762,689)	(22,267,783)
Net Cash Used in Investing Activities	(762,689)	(22,267,783)
C. Cash Flow from Financing Activities:		
Fund Account	-	-
Net Cash used in Financing Activities	-	-
Net increase/(Decrease) in Cash & Bank balance (A+B+C)	168,406,289	7,920,347
Cash and Bank balance at beginning of the year	7,920,347	-
Cash and Bank balance at end of the year	176,326,636	7,920,347





Chapter: 7

Human Resources Management and Administration



HR Policy and Manual

SDF adopted a HR Policy and Manual on 14th May 2010 that guides all matters of Human Resource Management and Development at SDF including recruitment, benefits, appraisal, discipline and separation. It has been made operational at all levels from the national to cluster level offices and all staffs have been made aware of its provisions.

Recruitment

About 95 staffs were recruited in 2013 raising the total to about 2000 including those recruited in 2011. Two HR consultancy firms that were selected through competitive bidding conducted the recruitment of all staff using modern selection methods. By the end of December 2013, a total of 1,729 staffs were working at different levels of SDF.





Performance Appraisal and Rewards

SDF employee(s) were evaluated following by a standard Performance appraisal system on an annual basis against agreed milestones and job related competencies. By December 2013, about 1,760 staff who completed one year of employment with SDF have been evaluated. The staffs were given fulltime contracts and awarded increments in salary/pay rise based on good performance. The staff who performed poorly, have been notified to improve with milestones supported by handholding coaching by supervisors in order to qualify for a longer term contract. Training needs are also assessed in the appraisal process that is used by the Capacity Building cell of SDF.

Employee Welfare and Benefits

SDF envisions providing employee benefits on a competitive basis to attract and retain the most competent development professionals with skills necessary for the program. 'SDF Provident Fund Rules, 2012' and 'SDF Gratuity Rules, 2012' have been approved by the Governing Body on July 2012 which is now being implemented in SDF.

Grievance Redressal System

In conformity with SDF's commitment to create a congenial atmosphere at all levels of its operations and to have a properly governed, gender sensitive, fully impartial, and staff-friendly management system, a committee is constituted at the national level to redress grievances of its staffs and its primary stakeholders. Similar committees have been formed at the regional and district level. A guideline has been prepared and sent to the regions for implementation as well as feedback for reviewing and updating.

Employee Discipline

Discipline is an utmost priority in SDF Human Resource Management policy. The rules of HR Policy and Manual are strictly enforced among the staff at all levels. Among other tenets integrity gets the highest priority. Any indiscipline is dealt with punishment commensurate with level of offence. The highest punishment of termination is also imposed on offenders while some are given time to get corrected for minor offences. In 2013, about 67 persons were brought under disciplinary proceedings, of them 30 have been terminated.



Delegation

SDF follows a policy of optimum delegation of power to the regional and district level to maximize work efficiency and responsiveness of organizational procedures. Delegation of Administrative & Financial Powers was promulgated on 7th September 2012 to formalize the delegation. Community Operational Manual (COM) Booklets were distributed to the SDF staffs and the community to effectively use the authority following appropriate organizational procedures.

Asset Management

SDF takes care and ensures maximum utilization of its assets. Recently a detailed list of all assets including vehicles, computer, electronic equipment and furniture has been prepared. A formal Vehicle use policy has been circulated to prevent misuse of it.

Chapter: 8

Leading Program Towards Sustainability





"Nuton Jibon" Community Society: The Second Generations Institutions

Being a development organization, SDF's mandate is always to support the extreme poor with appropriate assistance to link them with local level institutions and facilitate them to benefit from government policy so that they can achieve sustainable development. No amount of national or international assistance will radically improve the rural situation unless such transformation based on the aspirations, assets and activities of rural people and poor people are not in place. SDF's contribution to uplift the poor and hardcore poor has long been based on its recognition that the economic empowerment of rural people will happen if project designs and activities are built upon some sustainable systems such as production systems, livelihood strategies and resources are allocated accordingly. And by enabling poor producers to develop their full potential, they could become the driving force of sustainable development. Thinking over this pivotal point very seriously, SDF provides the community people the appropriate tools they need to build up their capacities.

It is increasingly recognized that a broader set of reforms is needed to sustain high-quality growth to form institution to attain a higher degree of self-reliance in managing their own affairs and achieve a higher and sustainable standard of living. This set of reforms, referred to collectively as "Nuton Jibon Community Society (NJCS)" or the "Second Generation Institutions," is well equipped with the objectives like maximizing the benefits, better bargaining power, and accelerating societal and economic emancipation for the members of village level institutions.

The institutional framework mediates the access of the poor to assets, financial and other services, technologies and markets, and it determines the extent to which poor groups benefit from the production generated by these assets and services. All the Gram Parishad will become members of the NJCS. SDF will develop network and collaboration with other organizations to accomplish the activities of second generation institutions. In fact, for a sustainable institutional mobilization it needs a set of activities and key principles to be performed.

Overall vision of Nuton Jibon Community Society

Institutionally and financially sustaining Gram Parishads - number of GPs in A and B grades, number of collaborative programs with Union Parishads and Upazilla Parishads implemented by cluster and district federations;

- Financially sustainable VCOs linking up with financial services to access bulk funding, insurance services;
- Promote Producer Organizations of producer groups of dairy, fisheries, marginal farmers linked with technical service providers, markets;
- Community to community technical support services and capacity building;

Key functions of our Nuton Jibon Community Society (NJCS)

Major functions of SDF's "Nuton Jibon Community Society" will be strengthening village institutions and performance for achieving better results. However, followings are the key functions:

- Strengthening institutional capacities at village level.
- Improving/enhancing community financing activities like developing loan tracking mechanism, welfare fund, developing diversified savings and loan products by VCO.
- Ensuring CP services for technical support and guidance for village institutions.
- Promoting livelihoods development activities through developing producer groups.



- Negotiation with various employers for meaningful employment for youths.
- Converging activities with different government and non-government development line agencies.

Achievements

- The "Nuton Jibon Community Societies (NJCS)" at cluster and district levels of Jamalpur and Gaibandha districts have been formed, trained and started functioning;
- All the societies both at cluster and district level have established their own offices;
- Two district societies- Jamalpur Nuton Jibon Community Society and Gaibandha Nuton Jibon Community Society have been registered under company act 1860;
- NJCS of Jamalpur and Gaibandha districts have received an amount of BDT 4.8 millions as Institutional Development Fund (IDF) from SDF and started implementation of planned activities for their sustainability;
- A total of 593 (69%) villages mobilized as full members and 150 (18%) villages enrolled as associate members of the NJCSs in Jamalpur and Gaibandha districts;
- An amount of BDT 6.1 millions have been deposited by full and associate member villages as membership fees and share capital which is kept in the bank account of NJDCS;
- A total of 1,117 Producer Groups have been formed on different IGAs like- beef fattening, dairy cows, poultry etc. and are being supported by the NJCS through providing technical assistance, bulk input collection;
- Partnerships have been developed with Grameen Danon Foods Ltd., Novartis Bangladesh Ltd., Renata Ltd., Jamalpur Sugar Mill etc. for technical support, and marketing;
- Linkages have been developed with livestock, Department of Youth Development, Fisheries Department for technical assistance;
- A total of 2,095 Community Professionals (CP) have provided services to 1,407 villages on different aspect of COM booklets.

The Way Forward

SDF has designed and implemented projects and programs in a wide range of natural, socio-economic and cultural environments in remote regions and with poorest and most marginalized sectors. Through its experience, SDF has acquired a wealth of knowledge of the processes that contribute to the generation and perpetuation of poverty. It has also gained valuable insights about what works and what does not to foster the conditions in which the rural poor can enhance their productivity, output and disposable incomes.

Based on shared goals and mutual accountability, the project has prepared a phasing out projection and shared with World Bank during October 2013 on the basis of current achievement trends and estimation as well. The Village Development and Risk Reduction Fund (VDRRF) needs to stratify on how village development activities being promoted and will be sustained after end of June 30, 2015.

The organization values efficiency and excellence in all of its work, constantly challenging themselves to perform better, meet and exceed program targets, and improve and intensify the impact of their interventions. SDF is proficient in conceptualizing, testing, and perfecting ideas to scale up rapidly in an efficient, cost-effective manner and without compromising quality. As a consequence, the Government of Bangladesh and the World Bank have taken a range of initiatives for scaling up SIPP-II to SIPP-III in 2015 based on the experience of SIPP-I and SIPP-II.

SDF's achievement in the livelihood development have made it more resolute, committed and even optimistic. Embodied with a vision of inclusiveness, SDF will be accelerating its development venture which eventually would be rolling out in a growing number of villages in all districts by the year 2030. Ensuring planned services properly, SDF hopes that 2014 will mark yet another milestone of its innovations dedicated to a comprehensive and long-lasting solution for poverty eradication and empowerment of marginalized people.





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