



Government of Bangladesh



Achieving Impact – Crucial factors of design and implementation

Chars Livelihoods Programme, Bangladesh

Goodman, A. R. & Scott, M.



Paper presented to:

Regional Conference on Sustainable Livelihoods and Rural Development

“Two Decades of Impact and Learning”

New Delhi, 21st-23rd April 2010



**MAXWELL
STAMP | PLC**

1 Contents

2	Executive Summary	3
3	Introduction, Background & Context	4
4	What CLP Delivers	5
5	How CLP Delivers – Innovations and Lessons learnt	6
5.1	Management Arrangement.....	6
5.2	Modified Accountable Grants with NGOs	6
5.3	Computerised Accounting for Implementing NGOs	6
5.4	Identifying and Verifying Core Beneficiary Households	6
5.5	Verification of Input Delivery	7
5.6	Customer Satisfaction Surveys	7
5.7	Affidavit Surveys.....	7
5.8	Beneficiary Registration Database.....	8
5.9	Innovation, Monitoring and Learning (IML) Division	8
6.	Programme Design - Doing A Few Things Well.....	9
6.1	Asset Transfer plus Stipend	9
6.2	Homestead Gardens - Improving Food Security and Supplementing Incomes ..	10
6.3	<i>Monga</i> Infrastructure & Employment Programme (IEP) and IEP Safety Net....	11
6.3	Infrastructure - Plinths, Latrines and Clean Drinking Water	13
6.4	Social Development & Innovations in Social Protection	14
6.4.1	Erosion Grants	15
6.4.2	Temporary Monthly Food Transfer	15
6.4.3	Community Safety Net	16
6.4.4	Roofing Grant	16
6.5	Village Savings and Loans Groups.....	16
6.6	Market Development – Provision of Goods and Services	17
6.7	Livestock Services Providers.....	18
6.8	Health & Education.....	18
6.8.1	Primary Health Care and Family Planning	19
6.8.2	Learning Centres: Non-Formal Primary Education.....	19
6.9	Floods in 2007 - Effective and Timely Emergency Response.....	20
7.	Impact	21
8.	Reflections and Conclusion	22

2. Executive Summary

The majority of discussion about how to alleviate poverty centres on policy options and feedback from interpretation of impact statistics. However, on the ground, a given set of policy options is frequently poorly delivered in the first place. Achieving impact is as much about getting the implementation right as it is about fine-tuning the policy design. This paper focuses on the implementation aspects of the Chars Livelihoods Programme (CLP), a large rural livelihoods programme in Bangladesh. It seeks to (i) describe the measures taken by CLP to ensure delivery of goods and services, given its context; and (ii) highlight how the practical nature of implementation can in fact shape and inform policy considerations.

Ensuring policy decisions are effectively communicated from managers to field staff, and field reality is in turn communicated well back to managers requires that instructions are simple and clear-cut. They need to remain unambiguous across language divides and various supervisory and reporting layers, to ensure that communication processes do not end up resembling the popular childhood game of whispering a secret phrase around a group, whereby the often hilarious result is completely different from the original. It is a significant task to understand individual programme participants' experiences within the context of their lives, separating out the influence of external factors from the impact of decisions taken by project managers, in order to further adjust and simplify instructions and guidelines.

The scale of operations involved in delivering CLP has required implementation of the highest quality. The programme has introduced several innovations to improve the effectiveness of implementation and prevent the misuse of funds. One key principle applied was to simplify and simplify again. For example, it was decided to replace participatory wealth ranking with the use of simplified proxy indicators, so that identification of programme participants would incur minimal time and financial costs, and, moreover, selection could be easily checked. CLP also replaced consensual grant agreements with NGOs by clear standard accountable implementation contracts. Other management arrangements CLP applies include a "zero tolerance" policy on corruption with contractors (Government, NGOs and Private); independent verification of core participating households and of input delivery; customer satisfaction surveys; affidavit surveys and the use of rolling baselines. In addition, the programme's Innovation, Monitoring and Learning (IML) Division manages a large Participant Registration Database, crucial for measuring changes at the household level. IML has also established a user friendly website and commissioned or carried out more than 45 studies on the highlighting programme impacts. Finally, CLP's package of interventions places emphasis on the priority needs as defined by the extreme poor participants it sets out to assist.

3 Introduction, Background & Context

The Chars Livelihoods Programme (CLP) assists extreme poor people living on *char* islands located on the northern part of the River Jamuna in Bangladesh. CLP is funded by the UK Department for International Development, sponsored by the Government of Bangladesh's Ministry of Local Government, Rural Development and Cooperatives and managed by an international private sector company, Maxwell Stamp plc. The programme's activities are implemented through national NGOs, known as Implementing Organisations (IMOs).

Chars are temporary sand islands formed in or along the banks of rivers. They are highly flood prone during the monsoon season (June-August) and very susceptible to erosion. The frequency and intensity of flooding is likely to be exacerbated by climate change. The islands have a limited lifespan of 10-30 years before being washed away. *Char* dwellers inhabit these extremely marginal environments out of necessity, moving from one *char* island to another in the face of river and island erosion.

Poverty on the *chars* results from this remoteness and environmental instability. Security of land tenure for their populations is weak, provision of services by the Government of Bangladesh and others is very limited and mainstream development programmes tend not to extend to the *chars*. Flood damage further burdens many already vulnerable families with debt. Access to markets and waged employment is limited, whilst agricultural work is especially scarce during unpredictable floods and the periods between planting and harvesting of rice. Families suffer *monga* or "seasonal hunger" (Oct-Dec and March-April) when many are able to eat only once a day, some spending over 90% of their income on food. During *monga*, jobless households are forced to borrow money and sell possessions for food, whilst their male members have to migrate in search of employment.

CLP is a large-scale but innovative programme. Its first phase, known as CLP1, aimed to improve the livelihoods of 900,000 island *chars* dwellers, with the core objective of lifting 55,000 households (some 250,000 people) out of extreme poverty. This was aligned to DFID Bangladesh's (DFIDB) targets, specifically the goals of lifting 6.5 million people out of extreme poverty by 2016 and eradicating *monga* by 2015.

The CLP ethos is simple: to consult with poor households and communities and use the results of this consultation process to concentrate on a few priorities that would make a real difference to the lives of the poorest, implementing activities to address these priorities efficiently and "to scale". The priorities for CLP1 were to increase the incomes of and improve food security for the poorest households, reduce vulnerability to floods, *monga* and water-borne diseases, and improve social wellbeing. CLP2 will follow a similar approach, with the additional priorities of preventive health, hygiene, and nutrition.

4. What CLP Delivers

The cornerstone of CLP1's approach was the transfer of productive assets¹ to 55,000 extreme poor households (most recipients chose cattle) through a core participant in each household, the overwhelmingly majority of whom are women. This transfer is supplemented with a monthly household stipend for 18 months. In addition, these 55,000 core participating households² were:

- Offered annual employment opportunities for up to 50 days on public works during *monga* or provided with safety nets if none of the members of the households were able to work;
- Provided with inputs and training to engage in livelihood activities such as homestead gardening; and
- Given support for the development of social capital through group formation, and an 18 month curriculum of awareness raising and capacity building, initially focusing on asset selection and management.

The 55,000 core participants and up to 45,000 additional poor households:

- Had their homes raised on plinths above flood levels;
- Received latrines and, where required, tube-wells; and
- Joined a Village Savings and Loans group.

Other activities to promote enterprise development and improve access to markets, savings and credit benefited all 900,000 residents of the island *chars*.

CLP recognises that access to health and education are crucial in the medium term, but the programme's approach is to first tackle the immediate priorities of the extreme poor (such as knowing where the next meal would come from). However, the programme explored options for improving access to health and education services in a situation where Government provision is inadequate and "piloted" a Primary Health Care and Family Planning Project and a Non-Formal Primary Education Project.

¹ The amount transferred has varied by cohort, but for the last two cohorts it was Tk. 15,000 and Tk. 17,000 respectively.

² With the transition to CLP2, the term 'participant' has replaced that of 'beneficiary'.

5. How CLP Delivers – Innovations and Lessons learnt

5.1 Management Arrangement

The management team has been based from the start in the Rural Development Academy, Bogra, some four hours outside the Bangladesh capital, Dhaka. This has enabled the team to maintain close and effective communications with programme participants and field staff, observe the situation frequently at first hand, and investigate and respond directly to any implementation issues arising. CLP1 was delivered through contracts with approximately 20 NGOs, (the number varied over time), with local government funds to Upazilla and Union councils managed by Government.

5.2 Modified Accountable Grants with NGOs

The London-based management company proved adept at transferring large amounts of money to the CLP team in Bogra. The challenge was to transfer these funds to extreme poor households on the *chars*. The management team worked with NGO contractors through a modified accountable grant mechanism, under which the CLP “*specifies the services and inputs to be offered, the size, scale and standard of the deliverables and agrees fixed prices with [NGOs]*”.³ Crucially, the management team has (and uses) the option of cancelling or not renewing accountable grants. This arrangement contrasts with the consensual “partnership” model favoured by donors and international NGOs when working with national NGOs in Bangladesh. The clarity of the relationship between the CLP management team and NGOs was crucial in ensuring that the programme was delivered quickly and to scale.

5.3 Computerised Accounting for Implementing NGOs

Another key to the success of CLP has been the decision to invest in the hardware and training necessary to introduce computerised accounting at the level of NGOs. This has made it possible to automate financial reporting and enhance the internal audit trail. This investment has proven to be cost-effective and, together with proactive supervision, has radically reduced fraud at the level of financial documentation. What good accounting cannot control, however, is what happens to cash once it has been disbursed to participants at field level. As much of the CLP disbursement must necessarily be in cash, keeping clean books of account is important but only the first step in corruption suppression.

5.4 Identifying and Verifying Core Participant Households

In recent years, the concept of participatory wealth ranking by the community has dominated thinking about identifying poor households in poverty reduction programmes. However, CLP controversially decided not to adopt wealth ranking because of the costs

³ Hodson, R. (2009), *Reflections on the CLP Approach to Reducing Extreme Poverty: The Story Continues* (mimeo.)

(in terms of both time and skilled resources) and risks of elite capture. The programme chose instead to use a set of objective criteria - namely “*assetlessness, landlessness, joblessness*”⁴ - supported by several other criteria. They were seen to be clearly understood and easy to use, and verifiable both by NGO field staff who needed to apply them and the managers responsible for checking they were applied correctly. The criteria gained acceptance by communities, leading to a relatively quick and cost-effective selection process. All households meeting the criteria in a village (an average of 30%, stretching up to more than 50% in some villages) were selected as core participants.

NGO staff visited all households, held group consultations and submitted lists of households who, in their judgment, met the selection criteria. In an important innovation, the CLP management team then carried out a verification process, by which teams of international and senior national staff randomly revisited 5% of households, re-interviewing proposed participants to reconfirm their eligibility.

5.5 Verification of Input Delivery

Each core participant household receives more than £300 worth of direct support, when taking into account productive assets, plinths, latrines and tube-wells. Given the value of these inputs and the significant risk of leakage, CLP introduced another innovation by recruiting an independent verification contractor, selected and managed by the Director of the Innovation, Monitoring and Learning (IML) Division. The contractor verifies the presence of a 10% sample of inputs and assures that the quality of the infrastructure provided meets pre-established targets.

5.6 Customer Satisfaction Surveys

CLP has contracted independent companies to administer anonymous household surveys asking participants about their level of satisfaction with different aspects of the programme, whilst assuring them anonymity. The surveys have produced useful information, particularly on levels of leakage and on any misunderstandings about community entitlements.

5.7 Affidavit Surveys

In 2007, after reported concerns over cash for work activities carried out through the Infrastructure and Employment programme, an independent investigation was commissioned under the management of the Finance Director. Participants were asked about their concerns and asked to “sign” the questionnaire after being assured that information was for CLP internal use only. The information in the signed “affidavits” was used internally by CLP to identify individuals and structures that had attempted or succeeded in extracting money or favours from participants. Where NGO staff were implicated, the organisations were asked to reinvestigate and take the necessary action

⁴ Hodson, R. (2006) *The Chars Livelihoods Programme; The Story and Strategy so far*, www.clp-bangladesh.org

(usually reimbursement of any extorted funds and dismissal of the persons concerned). In those cases where government officials were implicated, a report was sent to senior GoB officials who worked on the CLP for action.

5.8 Participant Registration Database

The Participation Registration Database holds demographic and baseline information on factors such as income and asset levels asset for each core participating household. Following registration, household income and expenditure data have been collected by trained NGO staff using a simple questionnaire. Initially every core participating household was surveyed monthly, but because of the costs and the difficulties of adequately supervising such large-scale data collection, only a sample of households have been surveyed since 2008.

5.9 Innovation, Monitoring and Learning (IML) Division

Effective monitoring by IML, including through the aforementioned database, was crucial in ensuring that funds were used effectively and lessons learnt fed back into implementation. One of several innovations introduced by IML was the adoption of a “rolling baseline” for measuring programme impacts. This used baseline data on new recruits into the core programme as a proxy for the “without CLP case”, which circumvents ethical issues associated with the use of extreme poor households as excluded control groups.

IML has established a comprehensive and user friendly website, which currently contains 45 studies capturing programme impacts, whilst three more are at the latter stages of preparation. These studies include the aforementioned Customer Satisfaction Surveys, economic impact studies related to different asset classes (e.g. cattle, land leases, sewing machines etc.) and ad-hoc reports that explore the progress and impacts of specific projects, such as Homestead Gardening and the Community Safety Net, whose findings feed directly into programming.

6. Programme Design - Doing A Few Things Well

6.1 Asset Transfer plus Stipend

Asset transfer is central to the CLP approach to lifting households out of extreme poverty and into the mainstream economy. Under CLP1, participating households received assets in four cohorts between 2006 and 2009. They also received a stipend for 18 months until their assets began to generate income.

The concept of cash rather than asset transfers initially appeared attractive for two reasons: (i) cash offers genuine choice to participants and (ii) the transaction costs are (in theory) low. However, the experience of the first cohort showed that transferring cash had two disadvantages, one practical and one developmental. Implementing NGOs were concerned about asking staff to carry large sums of money on island *chars*, which have a reputation for poor security. More importantly, the primary recipients of cash or assets – women - rarely leave their homes and villages. It is inconceivable, for example, that they would go to a cattle market. Hence, providing cash risked transferring choice from women to husbands or other male relatives. Thus in the *chars* context, the provision of assets rather than cash increases the likelihood that choice rests with the intended recipient of the transfer. Under CLP1's Asset Transfer Programme⁵, participants were supported to make informed choices and given help by the programme in purchasing those assets, e.g. NGO staff accompanied chosen male representatives when buying cattle to ensure value for money was obtained.

Participants also received a monthly cash stipend for 18 months, in order to prevent the new assets becoming a financial burden on the household and allow time for them to generate an income stream. For the fourth cohort, the value of this stipend was Tk. 600 per month for the first six months and Tk. 350 per month for an additional 12 months.

Women (wives, widows, divorcees and single women) comprise the overwhelming majority of participants. Most women choose assets they can look after at home, although some chose assets such as rickshaws, to be used by their husbands for generating income, or opened small shops as a family. Cattle are by far the most popular of assets chosen, being selected by 96% of participants in the first cohort and almost 100% in subsequent cohort. This reflects the traditional use of the island *chars* as grazing areas during the dry season. There are other reasons why cattle have increasingly become the favoured option. In the first year post transfer of assets to the initial cohort, 75% of goats and 34% of sheep transferred died.⁶ Conversely, up to 2009, only 29 out of 3,174 cattle purchased by households from this first cohort had died before being sold up to 2009.⁷ Furthermore, project participants said that cattle had the potential to generate enough income to lift them out of poverty in a way sheep, goats and chickens could not.

⁵ With the transition to CLP2, ATP has been renamed 'Asset Transfer Project'

⁶ Scott, L., Islam, R., and Marks, M. (2007), *Asset Transfer: A road out of extreme poverty*, www.clp-bangladesh.org

⁷ Alam, M. (2010), pers. comms. drawing on CLP's Core Participant Database

Two studies on the economic impacts of cattle carried out in 2007 and 2009 respectively⁸ ⁹ concluded that asset values were growing by more than 70% per annum and providing a nominal income of Tk. 600 per month. An impact assessment undertaken at the end of the 18-month cycle of support to the first cohort underlines this correlation between increasing values of productive assets and income. However, participants from the first cohort purchased smaller cattle than those from later cohorts and by 2008, 70% of the former group still retained their original animals, dampening the rate of increase in values of assets owned by this cohort. Unlike rickshaws, sewing machines and land leases, the asset values of cattle and the income generated continued to increase.

Two further studies ¹⁰ ¹¹. demonstrated high returns from purchasing land leases, a process akin to pawning, where a lump sum is “lent” in return for the deposit of a valuable item (land). Instead of charging interest on the loan, the lump sum is repaid, sometimes less a token annual rent for the land. Average returns on investment (after loan depreciation) were well in excess of 100% and in one case more than 500%. Average monthly income after costs during 2007, when one crop was destroyed by floods, was Tk. 215. There is no increase in the value of the asset as the land remains the property of the owner and net incomes are modest, but returns on investment are high (well in excess of 100% after loan depreciation and in one case more than 500%). Land leases also offer two further advantages: they improve household cohesion by providing labour for husbands near the home and increase household food security.

Initially, most participants reinvested the profits from sale of initial assets in a heifer or a bull. However, this is changing. In 2008, 46% of households from the first cohort reinvested money from animal sales in more cattle, whilst 28% invested in land purchase or land leases.¹² A year later, the former figure was reduced to 32% and the latter had risen to 38%,¹³ showing that the livelihoods portfolios of participating households are diversifying.

6.2 Homestead Gardens - Improving food security and supplementing incomes

Homestead gardening is not a new developmental priority for the *chars*. It has featured in NGO programmes for several years with varied results. The programme’s participants have small pieces of land on top and along the sides of plinths that they could cultivate. CLP1 supported 90,879 households training, vegetable seeds and fruit tree saplings.

⁸ Marks, M. (2007), *Economic Impact of Cattle Transfers during the CLP’s Asset Transfer Programme*, www.clp-bangladesh.org

⁹ Marks, M., & Sultana, T. (2009) *Economic Impact of Cattle Transfers during the CLP’s Asset Transfer Programme: 2006 – 2008*, *ibid*.

¹⁰ Marks, M., and Scott, L. (2007), *Char Leases: 3 Preliminary Case Studies*, *ibid*.

¹¹ Marks, M., and Islam, R. (2008), *Economic Impact of Char Leases Purchased during the CLP’s Asset Transfer Programme*, *ibid*.

¹² Scott, L. (2009), *The CLP Asset Transfer Programme: changes in household asset values over time*, *ibid*.

¹³ Scott, L., and Islam, R.. (2010), *Asset Transfer: The current assets of CLP beneficiaries*, *ibid*.

Although previous donor support for homestead gardening in north-west Bangladesh has had a mixed record, CLP's activities have yielded positive impacts in terms of food security and income. In 2009, average annual incomes from gardens after costs were more than Tk. 2,200 or nearly Tk. 200 per month. In the *monga* month of October, households from the first three cohorts sold Tk. 70 worth and consumed Tk. 142 worth of produce, ten-fold and four-fold that of participants from the fourth cohort, who had recently entered the programme and thus served as a baseline.¹⁴

The results suggest that, although homestead gardens may not, by themselves, lift families out of extreme poverty, they do have a valuable role to play as part of a diverse livelihoods strategy.

6.3 *Monga* Infrastructure & Employment Programme (IEP) and the IEP Safety Net

Between September and November each year, employment opportunities for extreme poor households in north-west Bangladesh are scarce. This period is known as *monga*. There is no objective definition of *monga*, but it is manifested by acute household food insecurity stemming from this lack of income-generating possibilities. Affected households have to cut back on both the quantity and quality of the food they eat. CLP addressed this vulnerability by guaranteeing annual employment opportunities for up to 50 days to extreme poor *char* dwellers during *monga*.

During *monga* 2005, CLP piloted a "cash for work" scheme in 9 Upazilas, providing 225,000 days of employment at Tk. 80 per day. Much of the work involved raising homes on plinths above flood levels, thus contributing to the programme's infrastructure "targets". In 2006, the programme was scaled-up, providing 1,016 million days of employment, again at Tk. 80 per day, to 38,000 extreme poor households in 3 districts (Kurigram, Gaibandha and Jamalpur). 15,000 of scheme participants were women.

In 2007, the scheme was renamed the Infrastructure and Employment Programme (IEP), to reflect its twin-fold aims, and further scaled up to cover all five districts in CLP's working area. This scaling up was in response to a request from the Government of Bangladesh, in the aftermath of devastating floods, which led to a protracted and more severe *monga* in this year. The *monga* season of 2007 has thus far represented the peak of IEP activity in terms of the number of days worked. The need for the programme has partly been reduced because of the introduction of the Government's Employment Guarantee Scheme across much of the region.

In 2007, the payment system was changed from a daily attendance rate to payment for the volume of earth moved, in order to optimise productivity. Whilst there were fears that this would favour male workers, due to their physiological advantages, studies from

¹⁴ Conroy, K. and Islam, R. (2009), *Homestead Gardens: Improving Food Security: Results From A One-Year Study*, www.clp-bangladesh.org

2008¹⁵ and 2009¹⁶ have shown that whilst men tend to earn higher daily wages than women, the latter actually earn more on a per capita basis, due to their smaller household sizes. 35% of job cards allocated have been reserved for women. This target was exceeded in poorer areas where men had already migrated and women were keen to work. Work was limited to five days a week to allow women more time with their families. Thus far, 51,000 poor people worked 2.635 million days and satisfaction levels are over 90%¹⁷.

Initially, worksites were managed through either Union Parishads (UPs) or CLP's implementing NGOs, with the assistance of Scheme Implementation Committees (SICs) made up of local people, who are responsible for organising the local labour force and assisting with agreements on land and earth allocations. However, in the course of implementing IEP, CLP found flaws in the role of SICs. Therefore, in 2008, CLP experimented with a new model of contracting directly with one of the households whose house was to be raised. This has proved to be successful, despite additional effort required early on in the process. The new model has led communities to become responsible for resolving petty conflicts, which has helped strengthen community cohesion, and further reduce misunderstandings and the opportunities for corruption. Consequently, this alternative model has been widely adopted across IEP worksites.

Worker Satisfaction Surveys are used to gauge workers' level of satisfaction with participation on the programme, with a particular focus on incidence of corruption. Cases of "kick-backs" identified through the surveys are followed up by CLP. For example, in 2007, 25% of participants felt they had not been paid the correct wages, the majority of whom (but not all) were from UP-managed schemes.¹⁸ In response, CLP commissioned an affidavit survey and submitted the evidence from the survey to local government and NGOs, although the response from government was disappointing. CLP has a policy of cancelling NGO contracts and withdrawing future funding from UPs that did not take action against proven cases of corruption. As a result of this "zero tolerance" policy, IEP funding through local government (as opposed to NGOs) fell from 74% in 2006 to 32% in 2007 and 26% in 2008. In 2008, innovations were introduced to facilitate quasi-real time response to detection of corruption; for example, the use of rolling surveys, rather than just collecting data at the end of the IEP period, and the erection of signposts at worksites giving a mobile telephone number for complaints. Reports of corruption fell to 0.06%.¹⁹

In 2007, CLP introduced the IEP Safety Net Grant, through which 3,142 extreme poor households who lacked an able bodied member were given grants of 175 taka per week for the 12 week duration of IEP. This grant was limited to villages where IEP was active.

¹⁵ Matthews, H., Haque, Z. and Marks, M. (2009), *2008 Infrastructure and Employment Programme: Worker Satisfaction Survey*, www.clp-bangladesh.org

¹⁶ Gisby, L. (2010), *2009 Infrastructure and Employment Programme: Worker Satisfaction Survey*, *ibid.*

¹⁷ *Ibid.*

¹⁸ Conroy, K., Islam, R. and Marks, M. (2008), *CLP Infrastructure and Employment Programme 2007: Worker Satisfaction Survey*, *ibid.*

¹⁹ Matthews, H., Haque, Z. and Marks, M. (2009), *2008 Infrastructure and Employment Programme: Customer Satisfaction Survey; An overview of levels of leakage*, *ibid.*

In subsequent years, IEP activities at each worksite have lasted for shorter periods, so a 10-week minimum was introduced for receipt of the safety net.

6.4 Infrastructure - Plinths, Latrines and Clean Drinking Water

CLP1 has reduced *char* dwellers' vulnerability to flooding by raising 90,684 homesteads above flood levels, thus helping to prepare communities for the likely increase in the frequency and severity of major floods as a result of climate change. The construction of many of these plinths was undertaken through the aforementioned Infrastructure & Employment Programme (IEP), with the remainder completed in the 'dry season' period, between January to May.

Infrastructure inputs were delivered through both local government (Upazila Parishads and Union Parishads) and NGOs. The limited capacity of local government to deliver demand-led services proved a significant constraint. Levels of funding were linked to performance. Conversely, funding was withdrawn where significant corruption was discovered.

Following the submergence of 4,123 households whose plinths had been raised by CLP during the devastating 2007 floods, a reference building height was introduced. Communities were asked to mark the high flood line immediately after the July 2007 floods. Concrete pillars were cast and installed in each village in the CLP working area. The high flood line was marked on the pillar and all plinths were referenced against these pillars, constructed to a standard 60cm above the high flood line.

CLP1 is one of the largest water and sanitation programmes in Bangladesh. Its objectives under CLP1 included providing on-plot sanitation facilities and related educational inputs to 50,000 households and ensuring year round access to clean water for 100,000 island *char* households. In order to address this objective, 62,203 slab latrines, 1,469 shared tube-wells and 3,484 tube-well platforms were constructed. These inputs helped to improve hygiene and reduce vulnerability to water-borne diseases. Latrines also ensured privacy and security and allowed women to use toilets in daylight hours. As they were near to water sources, hand-washing was encouraged.

Core CLP participants were the priority, but other poor families also benefited. The fine sand on the *chars* and their remoteness from markets and service providers led CLP to introduce a relatively high cost, fully subsidised latrine model, consisting of five concrete rings, a slab with water seal, and a bamboo and corrugated iron sheet superstructure. Each latrine cost Tk. 5,000 in total, which was considered to be cost effective over the estimated lifetime of 10 years.

In 2008, CLP surveyed access to tube-wells²⁰ and tested tube-well water for bacteria, arsenic, iron, manganese and nitrates²¹. The survey revealed high numbers of households who did not have access to a protected tube-well within a ten minute round trip to a

²⁰ Conroy (2009), internal survey on access to tube wells, (mimeo.)

²¹ EPRC (2008), *Quality of Tubewell Water in the Chars Livelihoods Programme* (mimeo.)

protected tube-well. Evidence of increased bacterial contamination was found in those tube-wells that were not raised above flood level and lacked a concrete platform. Levels of arsenic contamination were found to be low on the main river channel of the Jamuna, but higher on nearby mainland *chars* and along tributaries. In these areas, CLP dug shallow tube-well bores up to 150 feet, to find water less contaminated with arsenic (below 50 ppb). The programme's response to arsenic contamination also included the provision of advice and information to local users about the risks of drinking contaminated water.

In 2008, on the basis of evidence from this survey, CLP revised its definition of adequate access to clean drinking water and formulated a water supply policy. Under the new policy, grant assistance for the construction of shallow tube wells was reduced, although CLP continued promote tube-well construction through social mobilisation. Tube-wells are commonly shared by up to a dozen households. It was therefore proposed that households should be encouraged to share the cost of tube-well installation; CLP would pay for installation of the concrete platform (representing around 30% of the Tk. 5,000 required in total to construct a tube-well) but only after installation of the bore hole and the hand-pump by users. This change in policy came late in CLP1 and will be carried forward into CLP2.

6.5 Social Development & Innovations in Social Protection

The Social Development component of CLP has added value across the programme, by helping individual women and the wider community to optimise the benefits derived from other components. It has directly improved the social status of extreme poor women and ensured that they understand their rights. Social development modules delivered through group meetings of core participants have allowed them to increase incomes (and nutritional benefits) from asset transfers, homestead gardens and market initiatives. Domestic hygiene training has complemented latrine and tube-well provision in reducing vulnerability to water-borne diseases.

2,691 community groups were formed under CLP1. Initially, the focal point of group meetings is training to prepare participants for asset transfer and managing the assets. However, over the 18 month period of support post-asset transfer, group discussions increasingly focus on social development module. In total, a 56-week curriculum is covered. The discussions are facilitated by trained Community Development Officers (CDOs). During CLP1, 438 trained CDOs led weekly sessions with the 2,691 groups on subjects such as household hygiene, early marriage, dowry and domestic violence. Number of groups supported reached a peak of 1,900 in July 2008 and subsequently declined as participants from the third cohort completed their 18-month cycle of meetings. In addition to group discussions, monthly *para* (hamlet) meetings, together with bimonthly village meetings, are occurring, at which community members from all social levels meet to discuss community issues and plan community development.

There is sound evidence of a better understanding of rights^{22 23} as a result of participation in group meetings. For example, a 2009 knowledge, attitudes and practice study revealed that:

- 15% of participants from the first cohort expected to have to pay a dowry for their daughter's marriage compared to 95% of those from the fourth cohort (who had not entered the programme at the time the survey was carried out, allowing them to function as a baseline);
- over 80% of participants from the first cohort can cite the correct legal age of marriage for men, compared with 30% of those from the fourth cohort;
- between 60% and 70% of sexually active households are using some form of contraception (including natural birth control);
- participants in meetings feel respected by other group members and feel increasingly respected within the community.

CLP also managed the innovative social protection initiatives that helped to prevent the extreme poor fall into destitution.

6.4.1 Erosion grants

Erosion and flooding does not only affect the poorest households on the island *chars*. The severe floods of 2007 highlighted the devastating impacts of flooding, following which the CLP agreed to provide erosion grants to cover the costs of moving home for those affected. The grants were available to the wider community living both on island *chars* and the mainland in the 82 Unions covered by CLP. The programme has thus far provided a total of 15,080 erosion grants: 8,044 grants of Tk. 3,000 in 2007/8; 4,795 grants of Tk. 3,500 in 2008/9 and 2,241 grants of Tk. 2,000 in 2009/10.

6.4.2 Temporary Monthly Food Transfer

The global “spike” in food prices in 2008 hit vulnerable families hard. CLP responded by making temporary, monthly cash transfers to participants from the third and fourth cohorts. Approximately 112,000 women and children were supported each month during the period between August 2008 and June 2009. The size of the monthly transfer was determined by the price of coarse rice, on a sliding scale between Tk. 28 and 18 per kg. At Tk. 28 and above, each family member (up to a maximum of 4 people) received Tk. 50 per month, with the sum falling to zero when the price of rice fell to Tk. 18 or below. No support was given to households from the first two cohorts, who received assets in 2006 and early 2007 respectively, as data on income/expenditure and asset value gathered through monthly monitoring showed that these groups were able to withstand increased food prices.

²² Conroy K. (2009), *Social Development: Knowledge, Attitudes and Practice – A Short Beneficiary Review*, www.clp-bangladesh.org

²³ Gisby, L. (2010), *Attitude Change- An Amalgamation of Findings from other CLP Studies*, *ibid*.

6.4.3 Community Safety Net

The purpose of the Community Safety Net (CSN) scheme is to strengthen safety nets for extreme poor households who are not CLP core participants and reduce their vulnerability through the collective action of the community and especially CLP's core participants who attend weekly Social Development group discussions. Under CLP1, the scheme was managed by the CLP Social Development Unit²⁴ and implemented through IMOs. The scheme was piloted in 2008 with 35 CLP groups. Each group supported one very poor household. In 2008/9, the initiative was expanded and all groups from the third and fourth cohorts selected and supported one extreme poor household per group. The 2,080 beneficiaries of the CSN receive approximately Tk. 100 per week in rice and/or cash.

6.4.4 Roofing Grant

In 2008, under external pressure, CLP agreed to give 10 corrugated iron sheets to all core participating households from the third and fourth cohorts that lacked corrugated iron roofs. Funding constraints meant that ultimately 2,403 households received sheets, with priority given to “elderly-headed” and “female-headed” households.

6.5 Village Savings and Loans Groups

There is a growing understanding of the difficulties faced by micro-finance institutions (MFIs) in providing appropriate services for the extreme poor. The poorest tend to use loans for consumption, which means they have great difficulty. These difficulties are exacerbated in isolated areas like island *chars*, where MFIs carry high operating costs and where loan risks are even higher due to flooding and erosion. However, the alternative is worse, with informal moneylenders charging 10-20% per month. Other programmes have shown the importance to the poorest of having a secure place to deposit their limited savings.

In 2006, CLP began to address its commitment to provide the poorest with a “safe place to save” through piloting Village Savings and Loans (VSL) groups comprising 15-25 female members in mainland Jamalpur district. The approach was adapted from Hugh Allen's Village Savings and Loans Association model. VSL groups do not provide capital, which comes from the participants. In 2007, the programme expanded onto the *chars*. A review of the programme in 2008 concluded that it “*encourages the practice of saving regularly, reduces the expenses associated with borrowing, keeps capital and profits in the community and builds social capital. [The approach] is safe, with losses less than 0.05% of savings and cost effective per household*”.²⁵

²⁴ Under CLP2, this Unit has been renamed the Human Development Unit, which now also incorporates the Village Savings and Loans group project the health and education projects and the various social protection projects.

²⁵ Panetta, D. (2008), *Review of the Village Savings and Loans (VSLA) Strategy of the Chars Livelihoods Programme*, *ibid*.

The programme continued to expand and by June 2008, 19,000 households were members, of whom 40% were core CLP participants. Average savings per member were Tk. 60 per month. The average loan was Tk. 600, at an interest rate of 5% per month. Loans were largely of 1 to 3 months' duration and generally taken in order to procure agricultural inputs or meet expenses of funerals, health and education. Participants made an average 30% annual profit on savings.

VSL group accounts are “balanced” annually. A physical cash share-out is undertaken and the money is reconciled against the accounts. By the second cycle, total household savings of members were 2 to 3 times those of non-members. Net borrowing by members had declined by approximately 50% and shifted towards the VSL groups (which accounted for 60% of loans taken during the second cycle) and away from moneylenders. Losses of savings were less than 0.01%.²⁶

By the end of CLP1, VSL group membership had reached 35,604. In the final quarter of 2009, 364 associations made their annual share out. The average annual “dividend” per member was Tk. 182, whilst average savings in 2009 were Tk. 75 per member per month. This equates to a 32% return over 12 months.

6.6 Market development – Provision of goods and services

Market Development activities aim to improve market opportunities and profitability in the areas of livestock and agricultural production. Following the award of small, competitive grants to IMOs for pilot activities in 2006/7, the Market Development Unit concentrated on three business opportunities with particular potential on the *chars* relevant to supporting the livelihoods gains made by core participants:

- **Poultry rearing:** 39,555 backyard poultry producers have been trained in improved management and marketing and 900 have invested in improved poultry housing. More than 12,000 producers are now selling eggs each month, for which they receive an average of Tk. 312 against a cost of Tk 54;
- **Milk Marketing:** 17,923 farmers have been helped to set up informal collectives to market milk. Some 9,000 are now selling an average of 1.5 litres a day at an average price of Tk. 22 per litre, either directly or to milk collectors. Sixteen formal milk processors are now active in the area, some of whom provide a range of services; and
- **Fodder production:** CLP reached a guaranteed purchase agreement with a private sector importer of hybrid “jumbo grass”. This is being sold on the *chars* through local agents. In 2008/9, 6,600 participants planted 867 acres, producing 15,000 metric tonnes of fodder, of which 300 metric tonnes was ensiled.

²⁶ Ibid.

6.7 Livestock Services Providers

Livestock provide an important income earning opportunity for most *chars* dwellers. As highlighted above, cattle have been overwhelmingly the favoured choice of participants, followed by sheep and goats, whilst the Market Development Unit has supported poultry production. Therefore, access to livestock services is important to maximise productivity and thus profitability. On the isolated island *chars*, Government livestock services are poorly developed. The larger NGOs have capacity but their ability to provide these services on the *chars* (as opposed to the mainland) is patchy. CLP decided, therefore, to train a cadre of community-based Livestock Services Providers (LSPs or “paravets”) to operate as private service providers, in order to ensure the sustainability of animal health care both during and after the lifespan of the programme.

In 2007 and 2008, with the support of Upazila Livestock Officers and Upazila Veterinary Surgeons, CLP trained 358 community-based LSPs in livestock management, disease identification, treatment and vaccination. Vaccination, including management of the “cold chain”, received priority. Subsidies were provided for the purchase of 35 solar refrigerators to be shared amongst the LSPs. Asset Transfer participants were given vouchers for vaccination and de-worming, which LSPs then redeemed from IMOs. By June 2009, LSPs had an average net income of Tk. 5,543 per month. Treatment accounted for 52% of income, medicine sales for 20%, vaccination, 15%, de-worming 8% and feed sales 5%. The services they provide have helped keep livestock mortality at low levels; for example, the cattle mortality rate up to May 2009 was just 0.5%.

6.8 Health & Education

Government health and education services on the *chars* are poorly developed and are likely to remain so for some time. Even where services exist notionally, many teachers and medical staff will not live on the *chars* and do not turn up for work. From the outset, CLP recognised the importance of access to health care and education. However, the programme did not have the capacity or funding to lift 55,000 households out of extreme income poverty as well as run large-scale health and education programmes. CLP recognises that access to health and education are crucial in the medium term, but also that CLP’s approach is to first tackle the immediate priorities for the extreme poor (such as knowing where the next meal will come from).

However, in 2006/7, CLP explored options for improving access to health and education services in a context where Government provision is grossly inadequate. Based on these investigations, the programme “piloted” a Primary Health Care and Family Planning Project (PHC-FP) and a Non-Formal Primary Education Project. Both projects sought to ensure that they followed Government norms, e.g. school curriculum; Directorate-General Family Planning Affiliation; qualified paramedics.

6.8.1 Primary Health Care and Family Planning

CLP commissioned a study on health care options on the *chars* in 2006.²⁷ Based on the study's findings, the programme contracted in technical assistance from specialist organisations such as EngenderHealth and Pathfinder International and piloted the Primary Health Care and Family Planning (PHC-FP) project on a small-scale from January 2008. Following two studies^{28 29} that demonstrated good progress and a high level of customer satisfaction, implementation was scaled up in July 2008. PHC-FP now operates in all five CLP districts, but only 15 Upazilas within these districts. The PHC-FP adopts a demand-side financing approach to the provision of health care services. All CLP core participating households receive a book of 50 vouchers worth Tk. 10 each, whilst other clients can pay cash for consultation and treatment.

The project operates at three levels:

- **Char Shasto Karmis** (Community Health Workers): CSKs live in the community and serve some 250 CLP participants and non-participant households each. They deliver health and nutrition education, provide micronutrient supplementation, drugs and health and family planning items and offer treatment;
- **Satellite Health Clinics** (SHCs), headed by qualified paramedics: These visit communities weekly and provide services in accordance with the Essential Service Delivery component of the GoB/multi-donor Health, Nutrition and Population Sector Programme (HNPSPP). Paramedics also mentor CSKs and refer complex cases to “referral centres; and
- **“Referral centres”** that manage complex cases, on a case by case basis.

6.8.2 Learning Centres: Non-Formal Primary Education

CLP began implementing a non-formal primary education project from November 2007. The project is implemented through six IMOs with “Friends in Village Development, Bangladesh” (FIVDB) providing technical support to CLP and the IMOs. The model and curriculum, which were designed and developed by FIVDB, provide six academic years of basic education (shishu/pre-primary to Class V) over the course of 48 calendar months. Teachers were selected from the local community and trained. CLP provides uniforms and all learning materials. Preference was given to older children (8-9 years old) from the neediest households. 70% of students come from non-core CLP participant households.

A total of 150 learning centres were constructed. Classes run 3 hours per day, 6 days per week. Eighteen of the learning centres run a double shift, making 168 classes in total.

²⁷ Zizys, T. (2006), *Briefing Note on Options for Health Care Services in the Chars Livelihoods Programme*, www.clp.bangladesh.org

²⁸ Momin, M.A. (2008), *Primary Health Care and Family Planning Project: Progress Report to April 2008*, *ibid.*

²⁹ Momin, M.A., Conroy, K., Islam, R., Marks, M. (2008), *CLP Primary Health Care and Family Planning Project: Patient Satisfaction Survey*, *ibid.*

Overall, the project provides primary education to 4,976 children (2,457 boys and 2,519 girls) without access to government or non government schooling.

6.9 Floods in 2007 - Effective and Timely Emergency Response

Underpinning the CLP “approach” is a commitment to transferring resources to extreme poor households efficiently and effectively. This commitment was put to the test during the two separate floods of July and August 2007. The floods were severe but short-lived. In many places on the northern Jamuna River, flood levels exceeded previous record levels set in 2004 and 1998, but the water receded quickly, to below danger levels within ten days on both occasions.

Within seven days of gaining DFID-Bangladesh approval, all island *chars* dwellers requesting it - 600,000 people - had received three days supply of ready-to-eat food.³⁰ Within another week, 650,000 people (including the original 600,000) received an additional seven-day supply of rice, *dal*, potatoes, matches, etc. In addition, 3,849 people and 3,375 cattle were rescued by CLP boats, and 15,118 cattle were provided with a 7-day feed ration. Clean drinking water was ensured through distribution of buckets and 2 million pre-stocked PUR and chlorine tablets. 400,000 doses of Oral Rehydration Solution (ORS) were also given out. These activities were subsequently followed up with provision of vaccination against Food and Mouth Disease for 30,066 livestock. Plinth replanting and an expanded cash for work programme ensued.

Only some 600 out of 11,420 CLP participant households had to move away from their village.³¹ The emergency programme was a success for two reasons: the CLP’s systems for transferring resources quickly to large numbers of poor people worked well; and the programme’s strategy for “flood-proofing” the livelihoods of extreme poor people, which meant that island communities did not have to move to mainland flood shelters, where people cannot work and depend on food aid and women are at risk of harassment.

³⁰ Scott, M (2007), *Report on a visit to The Chars Livelihoods Programme, Bangladesh, August 4th to 23rd 2007*, www.clp-bangladesh.org

³¹ Marks, M., and Islam, R. (2007), *The CLP Flood Relief Activities (August 2007): Summary of Relief Activities and Customer Satisfaction Survey*, *ibid.*

7. Impact

CLP1 achieved its objectives and made a significant contribution to the “targets” in DFID-Bangladesh’s Country Plan. In depth studies and summaries of impacts of individual aspects of the programme are available on the CLP website www.clp-bangladesh.org. An overall summary of impacts is listed here:

- Two years after they had stopped receiving direct CLP support, the incomes per person per day of the first cohort of core participating households, adjusted for inflation, had increased by 66% from their pre-CLP levels and were still rising;
- Total asset values of core participating households from the first cohort were Tk 1,329 on entry into the programme. Between 2008 and 2009, when no longer receiving direct CLP support, asset values increased on average by Tk. 17,698 (after adjusting for inflation) to a total of Tk. 51,322;
- Vulnerability to flooding was greatly reduced: only 6% of plinths were completely eroded and only 660 out of 11,200 CLP core participant households left their home villages during serious flooding in 2007;
- For early CLP cohorts, the use of latrines by children increased from 31% to 76% and by adults from 50% to over 80%;
- Vulnerability to water-borne diseases was reduced, with only small increase in childhood diarrhoea during 2007 floods (10% compared with a baseline of 4%);
- By 2009, vulnerability to food insecurity and hunger had been reduced overall from an average of 35% to 9% for core participating households;
- A 2009 study showed significant and positive differences in the nutritional status of women recruited early into the programme compared with later recruits;
- Good progress has been made in eradicating *monga*: the percentage of early recruits into CLP reducing food intake during *monga* fell from 39% in November 2007 to 11% in November 2009; and
- There is evidence of improved status of women and improved intra-household relationships.

8. Reflections and Conclusion

Approaches to reducing extreme poverty have often assumed that “the extreme poor are just like the middle poor, only more so”. However, the experience of CLP1 is that traditional, “top down” approaches to poverty reduction will have limited impact on the poorest and most vulnerable in the short to medium term. The extreme poor are economically and socially excluded and are the last to benefit from economic growth; “the rising tide does not lift all boats”. The evidence from CLP is that extreme poverty can be reduced on a large scale by providing direct household-by-household support, including asset transfer and that economic empowerment leads to social empowerment.

CLP’s experience demonstrates the importance of investing in implementation. The strategy is clear cut (“doing a few things well”), but success depends on high quality delivery.

Whilst CLP has excelled at ensuring delivery of basic goods and services directly to individual households, it does not claim any prizes in facilitating and encouraging government to improve on its service delivery. As a remote area, the *chars* face unique barriers for any supplier or market actor. CLP took a view early on that it would avoid delivering indirectly through government, which would involve attempting to achieve substantial gains and improvements in governance, multi-stakeholder participation, and institutional sustainability.

By focusing on household income first and foremost, and coupling this with knowledge and confidence building, targeted especially at women, CLP has not only reduced income poverty but also empowered the extreme poor.

That this needs to be followed by community building, rights gains and market development, is not in question. However the simplified approach CLP has taken has now set the stage for these actions to follow, and have brought the next steps of the *char* people’s development within reach.