



Partnership for Development: Alternative Approaches to Poverty Alleviation in Bangladesh

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Abstract

Poverty has been identified as one of the world's biggest problems. The international community recognises that reducing global poverty is one of the major development challenges of the twenty-first century. The problem of poverty is particularly severe in Bangladesh, where a variety of poverty alleviation initiatives have been tried. The most recent one involves Public Private Partnerships (PPPs), which are collaborations between partners in different sectors. PPPs are assumed to be effective for reducing poverty as they are seen to optimise the use of scarce resources, promote economic growth and enhance efficiency. The Government of Bangladesh has recognised the use of PPPs as an innovative and effective approach for poverty alleviation in Bangladesh. This thesis addresses this major policy issue by examining the novel arrangements of PPPs to determine how this approach can assist in alleviating poverty.

This research explores different PPP arrangements for poverty alleviation in Bangladesh and evaluates the performance and effects of these PPPs. It identifies opportunities and constraints affecting these PPPs. This research utilises the multiple-case study methodology, examining two cases namely, the Income Generation for Vulnerable Group Development (IGVGD) and Rural Micro Credit (RMC) PPPs that have been introduced in Bangladesh as poverty alleviation measures.

The thesis also identifies the rationale, features and mechanisms of the IGVGD and RMC PPPs using interviews with key persons who were involved in the policy making and the design and implementation of the PPPs.

Different stakeholders were also asked about the effects of the PPPs and suggestions for their improvement. The beneficiaries were also asked about the economic and social changes to their lives as a result of the PPPs.

A model of PPPs for poverty alleviation is developed from the literature on the subject and then used to analyse the data from the Bangladesh case studies.

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To my family

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- 2009** Khanom, NA 2009, 'Conceptual issues in defining public private partnerships (PPPs)', *Asian Business Research Conference*, 11–12 April 2009, Dhaka, Bangladesh, <<http://www.wbiconpro.com/14%5B1%5D.-Nilufa.pdf>>

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List of Acronyms

Acronym	Full Title
ADB	Asian Development Bank
ADB I	Asian Development Bank Institute
AGM	Assistant General Manager
AMC	Ahmadabad Municipal Corporation
ASA	Association of Social Advancement
BARD	Bangladesh Academy of Rural Development
BBS	Bangladesh Bureau of Statistics
BRAC	Bangladesh Rural Advancement Committee
BRDB	Bangladesh Rural Development Board
CBN	Cost of Basic Need
CBOs	Community-Based Organisations
CCDA	Centre for Community Development Assistance
CDC	Community Development Council
CIRDAP	Centre on Integrated Rural Development for Asia and the Pacific
CVD	Comprehensive Village Development
DCI	Direct Calorie Intake
DGM	Deputy General Manager
DS	Deputy Secretary
DSS	Department of Social Services
DWA	Department of Women Affairs
FD	Finance Division
FIMS	Financial and Information Management System
FMS	Financial Management System
FSVGD	Food Security for Vulnerable Group Development
GDP	Gross Domestic Product
GK	<i>Gonoshahasthaya Kendra</i>
GM	General Manager
HDI	Human Development Index
HDR	Human Development Report

HIES	Household Income and Expenditure Survey
HNP	Health and Nutrition Programme
HPI	Human Poverty Index
ID	Institutional Development
IG	Income-generating
IGA	Income-generating Activities
IGVGD	Income Generation for Vulnerable Group Development
LGUs	Local Government Units
MC	Micro Credit
MDGs	Millennium Development Goals
MFI	Micro Finance Institutions
MD	Managing Director
MoA	Memorandum of Agreement
MoF	Ministry of Finance
MoU	Memorandum of Understanding
MPI	Multidimensional Poverty Index
MRA	Microcredit Regulatory Authority
MWCA	Ministry of Women and Children Affairs
MWCI	Manila Water Company Incorporated
NER	Net Enrolment Rate
NGO	Non-Government Organisation
NNP	National Nutrition Programme
NPM	New Public Management
NWSDP	National Water Supply and Drainage Board
PFI	Private Finance Initiatives
PKSF	Palli Karma Shahayak Foundation
PLDP	Participatory Livestock Development Programme
PIO	Project Implementation Officer
PO	Partner Organisation
PPP	Public Private Partnership
PRSP	Poverty Reduction Strategy Paper
RID	Rural Infrastructure Development
RMC	Rural Micro Credit
SDI	Society for Development Initiatives

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SSNP	Social Safety Net Programme
Tk.	Taka [Bangladeshi Currency]
TPSB	<i>Tubig Para Sa Barangay</i>
UNESCAP	United Nations Economic and Social Commission for Asia and the Pacific
UN	United Nations
UNO	<i>UpaZilla Nirbahi Officer</i>
UP	Union <i>Parishad</i>
US	United States (of America)
VGD	Vulnerable Group Development
WAO	Women Affairs Officer
WFP	World Food Program
YD	Youth Development

1. Introduction

The Problem of Poverty

Poverty has been identified as one of the world's biggest problems. The international community recognises that reducing global poverty is one of the major development challenges of the twenty-first century (World Bank 2000, p.1; World Bank 2001). It was estimated that in 2009, 1.8 billion people lived on less than US\$2 a day (UNESCAP-ADB-UNDP 2010, p. i); and in 2010, 1.4 billion people lived at or below the level of US\$1.25 per day (UNDP 2010a). Furthermore, the World Bank reported that the developing world is poorer than it was thought (Chen & Ravallion 2008, p. 9).

A variety of measures have been adopted over the years for reducing poverty. Currently, the attack on poverty is spearheaded by the Millennium Development Goals (MDGs) set by the United Nations. The first goal of the MDGs is: 'eradicate extreme poverty and hunger' (UNDP 2002, p. 2). The targets are to take action between 1990 and 2015 to reduce by half the proportion of people living on less than a dollar a day and reduce by half the proportion of people who suffer from hunger (UNDP 2007). In response, some countries and regions have made remarkable progress in attaining the first goal of the MDGs. For example, the proportion of poor people living on less than US\$1 a day fell from 20.8% in 1990 to 6.8% in 2004 in South East Asia (United Nations 2007, p. 6). However, the proportions of poor people living on less than US\$1 a day are still very high in some regions. For example, in 2004, the percentage of people living in Sub-Saharan Africa on less than US\$1 a day was 41.1 (United Nations 2007, p. 6). In the Asia-Pacific region in 2009, it was estimated that there were 903 million people struggling to live on less than US\$1.25 a day (UNESCAP-ADB-UNDP 2010, p. i) and yet more than a half (51%, or 844 million people) the world's multidimensionally¹ poor live in South Asia, and more than a quarter (28% or 458 million) live in Africa (UNDP 2010a).

¹ The multidimensional poverty identifies multiple deprivations in the same households in education, health and standard of living (Alkire & Santos 2010).

The problem of poverty is particularly severe in Bangladesh. Bangladesh is one of the most densely populated countries in the world with an estimated 164.4 million people living in an area of 147,570 square kilometres, and with approximately 5% of households classified as landless. As estimated in 2010, the average annual population growth rate was 1.4%; the Gross Domestic Product (GDP) real growth rate was 5.7%; infant mortality rate (per 1000, at live birth) was 56; child malnutrition (for children under 5) was 48% and the percentage of population that had access to improved water sources was 74% (<http://www.worldbank.org.bd> and http://www.devdata.worldbank.org/AAG/bgd_aag.pdf).

The Human Development Index (HDI) ranked Bangladesh at 129 among 182 countries in 2010; the population with income below US\$1.25 a day was at 49.6% and that falling below the national poverty line was 40% in 2005. Table 1.1 shows comparative data on poverty in South Asia and clearly reveals the enormous problem of poverty in Bangladesh even as compared to neighbouring countries, although Nepal may be worse.

Table 1.1: Comparative data on development and poverty in South Asian countries

Country	Bangladesh	India	Nepal	Pakistan	Sri Lanka
HDI ranking in 2010 out of 182 countries	129	119	138	125	91
Percentage of poverty headcount in MPI* in 2008	57.8	55.4	64.7	51	5.3
% of population below National Poverty Line	40.0 in 2005	28.6 in 2000	38.8 in 2004	32.9 in 1999	22.7 in 2002
% of population with incomes below US\$1.25 a day in 2005	49.6	41.6	55.1	22.6	N.A

* Multidimensional Poverty Index (MPI)

Sources: UNDP (2010b)

The Government of Bangladesh sets out the country's broad national development agenda to reduce poverty. The government has been particularly concerned with the high incidence of poverty and has taken various initiatives for poverty reduction. Since the independence of Bangladesh in 1971, the government has implemented a wide range of programmes for combating poverty. These have included programmes of different government ministries and departments, non-government organisations and international donor agencies. Some important government programmes are poverty and rural development programmes of the Bangladesh Rural Development Board (BRDB), Comprehensive Village Development (CVD) Programmes of the Bangladesh Academy of Rural Development (BARD) in Comilla, and Social Safety Net Programmes (SSNP) implemented by different ministries and

departments. In addition to these government programmes, to achieve the national development goals several NGOs have developed substantial programmes for poverty reduction. For example, there are the microfinance programmes of major NGOs, such as the Grameen Bank, Bangladesh Rural Advancement Committee (BRAC) and *Proshikha*. Although these programmes have had some success in poverty reduction, they are not sufficient to attain the targets of the MDGs. More innovative and effective approaches than the existing programmes are required to reduce poverty in Bangladesh.

Public-Private Partnerships (PPPs) are seen as a significant and an alternative approach to the government initiatives for reducing poverty in Bangladesh. It is assumed by several scholars and international donor agencies that PPPs are effective for poverty alleviation since PPPs increase benefits through collaboration, effective uses of NGO resources, and enhanced efficiency. Firstly, through collaboration PPPs increase resources for poverty alleviation as they combine the resources of the different PPP stakeholders leading to a potentially greater impact on poverty. Secondly, governments can enhance different poverty alleviation programmes by utilising additional resources, such as those of NGOs and private sector organisations. With these new combinations of desired resources it is anticipated that overall effectiveness in the pursuit of the goal of poverty alleviation will be enhanced. For example, NGOs are seen as major participants in PPPs for poverty alleviation as they are seen to have several strengths by scholars. Some are better innovators than government, some are better popular mobilisers than government and some are better implementers than government (Bebbington and Farrington 1993, p. 200). Thus, NGOs are able to enhance efficiency, effectiveness and responsiveness (Brinkerhoff 2002a, p.19-20). They have the ability to involve communities and grassroots organisations more effectively in development programmes (World Bank 1991, p. 136) and NGO staffs have better local knowledge of local needs and priorities (Siddiqi & Oever 1998 and Caplan 2001). Therefore, PPP can be a significant approach in reducing poverty by utilising all these strengths of NGOs in PPPs.

Finally, in case of Bangladesh, several NGOs such as the Grameen Bank, BRAC, the Association of Social Advancement (ASA) and *Gonoshahasthaya Kendra* (in English *The People's Health Centre*) (GK) have made remarkable success in poverty alleviation, microcredit, non-formal education and primary health care in Bangladesh. These success stories of government -NGO partnerships have encouraged different donor organisations like World Bank to advocate for increasing of partnerships involving NGOs in poverty alleviation

(World Bank 1996) and to replicates the successful examples of government - NGO partnerships programmes throughout the country for sustainable development (World Bank 2000, p.58). These strengths and successes have also encouraged government to be involved in the PPPs with NGOs for poverty alleviation in Bangladesh. Thus, by recognising PPPs as an innovative and effective approach to poverty alleviation, the government of Bangladesh has adopted a strategy of seeking collaboration from NGOs especially to address the challenges of poverty alleviation (*Bangladesh Economic Review 2007*, pp. 169-172). There are several PPP programmes for poverty alleviation in Bangladesh including the Income Generation for Vulnerable Group Development (IGVGD) of SSNP, Rural Micro-credit programmes (RMC) of the PKSF, Participatory Livestock Development Programme (PLDP), Rural Infrastructure Development (RID), Youth Development and National Nutrition Programme (NNP) (*Bangladesh Economic Review 2008, 2009*). Among these, the IGVGD and the RMC are designed to address direct income poverty as well as human and social development issues. This thesis addresses this major policy issue by examining the novel arrangements of the IGVGD and the RMC PPP, and how these approaches can assist in alleviating poverty in Bangladesh. However, PPPs are relatively recent arrangements in Bangladesh and there has been limited research on this strategy, thus this research attempts to evaluate the IGVGD and RMC PPP approaches.

Significance of this Research

Many donors are vigorously promoting PPPs for poverty alleviation, believing they will provide good results. However, as PPPs are a relatively recent arrangement for poverty alleviation, there has been limited research on this particular strategy. The World Bank (World Bank 1999, p. 91) and the Asian Development Bank Institute (ADBI) (ADBI 2000) have both called for further research and analysis of partnerships for poverty alleviation by researchers and practitioners. The theoretical case in favour of PPPs needs to be proven empirically. Additionally, there is a great need to delineate and evaluate PPP arrangements in Bangladesh, since there have been few studies on such partnership arrangements and their impacts there (Ahmed & Rafi 1997; World Bank/IDA 1999; Matin, Sulaiman & Rabbani 2008). This research helps to identify the organisation, implementation and effectiveness of PPPs in poverty alleviation in Bangladesh. It explores opportunities and constraints to the success of PPPs and through facilitating our understanding of PPPs we can determine how they may contribute more to poverty alleviation. While the country focus of this thesis is

Bangladesh, the research results and analysis may provide insight into the use of PPPs for poverty alleviation elsewhere.

Aims of this Research

This research aims to explore different PPP arrangements for poverty alleviation in Bangladesh and to evaluate their performance and effects. There are five main aims of this research. First, to find out the rationale, features and mechanisms of the PPPs for poverty alleviation in Bangladesh, and also examine a range of literatures on the subject from which a model is developed, focusing on PPPs. The second aim of this research is to evaluate the performance of the IGVD and RMC PPPs for poverty alleviation. The researcher sought the views of key stakeholders and beneficiaries to see how they perceived the effects and performance of the IGVD and RMC PPPs—whether they were successful and what the measures of their success were. Third, this research aims to discover the effects of the IGVD and RMC PPPs on poverty alleviation by measuring the changes in economic, social and human development of the beneficiaries. The fourth aim is to explore the opportunities and constraints of the PPPs for poverty alleviation by identifying factors that assist in establishing the PPPs and facilitate their success and performance, as well as the factors that are impeding success and performance. Finally, this thesis aims to formulate guidelines to overcome the constraints and to make the PPPs more effective for poverty alleviation.

In order to achieve the aims, this research was guided by four major questions:

1. What are the rationale, features and mechanisms of the PPP arrangements that have been set up in Bangladesh for poverty alleviation?
2. How do different stakeholders view the performance and effects of PPPs for poverty alleviation? Are the PPPs successful for poverty alleviation in Bangladesh?
3. What are the different factors that facilitate the establishment, performance and success of the PPPs? Are there any constraints that hinder the performance and success of the PPPs for poverty alleviation in Bangladesh?
4. How could the PPPs be more effective for poverty alleviation in Bangladesh?

Structure of the Thesis

Following this introductory chapter, this thesis will proceed as described below:

Chapter 2 focuses on the general literature on PPPs. First, it deals with the origin and early activities of PPPs, followed by the defining features of PPPs. Second, it presents several examples of pro-poor PPPs in developing countries. Third, it deals with the arguments around why PPPs are thought to be effective for poverty alleviation. Finally, a model of PPPs for poverty alleviation in Bangladesh is developed and presented.

Chapter 3 describes the poverty and development situation in Bangladesh. After presenting a brief history of the country, the chapter deals with the development status and challenges of Bangladesh, particularly in health, education, gender equity, water and sanitation and poverty. Finally, two specific PPP programmes for poverty alleviation in Bangladesh, the IGVD and RMC, are summarised.

Chapter 4 presents the methodology for this research, which is a case study approach. Two cases were selected for study, and the mixed method was utilised for collecting and analysing of data. Both qualitative and quantitative data were collected and analysed separately for each case and then compared.

Chapter 5 explores the rationale, features and mechanisms that operated in each case—the IGVD and the RMC—from interviews with key persons who were involved in the policy-making. This chapter also discusses the design and implementation of the different PPP programmes for poverty alleviation in Bangladesh.

Chapter 6 sets out the data on the performance and effects of PPPs for poverty alleviation. The information is comprised of different stakeholders' views, including key persons in design and implementation as well as the beneficiaries.

Chapter 7 presents findings on the effects of the IGVD PPP on poverty alleviation using data gathered from interviews with key informants and beneficiaries, surveys of the beneficiaries and participant observation.

Chapter 8 presents the findings on the effects of the RMC PPP on poverty alleviation. These include data from the interviews of the key informants and beneficiaries, and then the survey

responses of the beneficiaries. The chapter also includes findings derived from participant observation.

Chapter 9 presents the findings from the interviews with the key respondents on how PPPs for poverty alleviation in Bangladesh could be improved and made more effective.

Chapter 10 analyses the empirical findings of this study referring especially to the model of PPPs for poverty alleviation in Bangladesh developed for this research and the literature presented in Chapters 2 and 3. First, there is a discussion of the rationale, features and mechanisms of PPPs, followed by a discussion on the performance and effects of the IGVD and RMC PPPs. Finally, the chapter examines how PPP programmes for poverty alleviation in Bangladesh could be improved to become more effective by analysing different opportunities and constraints to the IGVD and RMC PPPs.

Chapter 11 presents the conclusion of this thesis. It includes a summary of the findings based on the research questions outlined in Chapters 5 to 9.

2. Literature Review

This chapter focuses on the literature on PPPs and is organised around several fundamental issues. It deals first with the origin and early activities of PPPs, then with the question of defining PPPs. Next, consideration is given to PPPs in developing countries and why PPPs are thought to be effective for poverty alleviation. Finally, the chapter presents a model of PPPs for poverty alleviation in Bangladesh; the model has been developed specifically for this research.

The Origins of PPPs

At the most basic level PPPs are long-term cooperative institutional arrangements between public and private actors set up for the achievement of various purposes. In the 1980s, privatisation of services as well as deregulation and New Public Management (NPM) characterised a new paradigm of administrative reform and a redesign or ‘reinvention’ of the government’s role in development. At the centre of that policy reform was a cut-back of public sector expenditure, a delegation of responsibilities to the private-for-profit sector and fostering of voluntary engagement aimed at providing local public goods (Mitchell-Weaver & Manning 1991). The re-evaluation of the structure and function of governments for providing public goods was driven by the argument that hierarchical bureaucratic forms of organisation were inherently inefficient and that the introduction of the market mechanisms would substantially enhance the efficiency of public service delivery (Hood 1991; Moore 1996). PPPs emerged as an element of this new policy agenda (IMF 2004). The concept of PPP itself dates back to the early 1980s, when Margaret Thatcher and Ronald Reagan assumed political leadership in the UK and the US respectively (IMF 2004), but it was in the 1990s that PPPs flourished as a tool of public policy across the world (Osborne 2000, p. 1).

The early PPPs were established mostly in rich countries and involved a wide range of social and economic infrastructure projects. The United Kingdom was the country that placed the most emphasis on PPPs, especially using Private Finance Initiatives (PFI) of the Conservative Government (Falconer & McLaughlin 2000, p. 120) to develop and operate traditional public service assets, including schools, hospitals, prisons, courts, police station, public housing, transport infrastructure, support systems and leisure centres (IMF 2004, p. 37). The PPPs, as key elements of the UK government’s PFI programme, were involved in different forms of

cooperation between the public and private sectors. In 2003, the PFI was responsible for about 14% of public investment, and was responsible for projects in most key infrastructure areas (IMF 2004, p. 5).

PPPs were also introduced into European countries. Reflecting a need for infrastructure investment on a large scale and the weak fiscal positions of the governments, countries in Central and Eastern Europe embarked on programmes that used PPPs to deal with their fiscal shortfalls (IMF 2004, p. 5); for example, roads and national highways in the Czech Republic, Hungary and Poland (Grimsey & Lewis 2004). Many continental European Union (EU) countries, including Finland, Germany, Greece, Italy, the Netherlands, Portugal and Spain, have since utilised PPP arrangements for infrastructure projects (IMF 2004, p. 5).

Australia was an early entrant into PPPs, as it embraced the market principles for providing public services. The Australian federal and state governments became involved in PPPs from the early 1990s. Since then, PPPs have been used for projects such as major toll roads, hospitals, prisons, schools, utilities and sporting facilities; for example, the Sydney Harbour Tunnel, the Melbourne City Link, and the Hawkesbury Hospital (English 2005).

PPPs have been introduced in the USA too, generally taking the form of purchase-of-services contracts, where government entities buy services from non-profit contracting agencies (Moulton & Anheier 2001, p. 10–12). PPPs have most often been set up as contractual agreements involving a government agency contracting with private companies to renovate, construct, operate, maintain and/or manage a facility, such as schools and hospitals (US DOT 2004, p. 10).

The most common approaches to project delivery in infrastructure in developed countries are Build-Operate-Transfer (BOT), Build-Transfer-Operate (BTO), Build-Own-Operate (BOO), Design-Build-Operation (DBO), and Build-Develop-Operation (BDO) (IMF 2004; US DOT 2004; Grimsey & Lewis 2002). The general arrangements of BOT projects have the private sector design and finance, and then run and maintain for a concession period. The private sector partner receives income from running the infrastructure (for example, toll road, electricity generation) during the concession period and, after the expiry of the concession period, the legal ownership of the project is transferred to the government. There are also some other types of PPP arrangements, such as leasing, joint ventures and operational and management contracts (Grimsey & Lewis 2005).

PPPs and Traditional Public Procurement

A fundamental question that arises in connection with PPPs is how are they different from the traditional public procurement practices of government. In the infrastructure sector private companies have long been involved in building roads, hospitals, schools and public buildings through traditional procurement. Traditional procurements are contracts for the provision of capital assets. In most cases, these are separated from contracts for operation and maintenance of the assets and thus, in traditional public procurement the private suppliers are mostly not responsible for operation and maintenance after the period of contract. For example, under traditional procurement, the public sector body may enter first into a Design-Build (DB) contract, engaging a private sector firm to design and build a facility in accordance with requirements determined by the government. After the facility is completed and paid for, the government assumes responsibility for operating and maintaining the facility. PPPs at the most basic level, are contracting arrangements between public and private organisations which mostly take responsibility for the design and construction of a component of new infrastructure and take over a long-term lease or concession over existing assets; and a long-term contract to operate and manage the infrastructure. With PPPs, these separate arrangements are combined into one contract and a private sector entity charged with providing, not a building, but a flow of infrastructure services over time (Grimsey & Lewis 2007).

PPPs are different from traditional procurement in regards to responsibilities and accountabilities. Grimsey and Lewis (2005b, 2007) argue that the difference lies in different levels of responsibility and accountability. PPP's place the responsibility for supplying, maintaining and operating the infrastructure on the same entity and regulated in one long-term contract. In most traditional procurement, the government takes responsibilities for operation and maintenance after completion of the construction. This integration of responsibility in PPPs gives the private supplier an incentive for overall cost effectiveness from the provision of infrastructure to its maintenance and operation. In addition, through the long-term contract for operating and managing projects, PPPs are able to transfer financial and functional risks from the government to the private sector. It is also prominent in non-infrastructure services such as cleaning, gardening or catering have been procured from private companies for years. Other services are procured especially in western countries such as Australia e.g. recruitment and payroll. Such transfer of risks is not possible within most

traditional procurement, since, there is no specified guideline regarding the responsibilities and accountabilities of private suppliers after transferring the facility to the government in most traditional procurements. The next section deals with the diversity of definitions in PPPs.

Defining PPPs

The diversity of PPPs is reflected in the academic literature; different authors have adopted different emphases when defining and delineating the essential features of PPPs. To explore this differentiation and to illustrate the variance in PPP arrangements, and the ideas and claims of contributing authors, four broad emphases in the definitions of PPPs have been identified for discussion. These are: tools of governance or management, tools of financial arrangements, tools of development process and pro-poor PPPs.

PPPs as Tools of Governance or Management

A popular way of defining PPPs is as a tool of governance or management. The dominant theme is that PPPs provide a novel approach to delivering goods and services to citizens, the novelty being the mode of managing and governing (Hodge & Greve 2005, p. 3). The authors who lean towards this approach tend to focus on the organisational aspects of the PPP relationship.

There is some agreement about inter-organisational arrangements in most of the literature concerning PPPs. First, both public and private organisations are involved in PPPs. Second, PPPs involve cooperation between these public and private actors. The third aspect commonly identified is the sharing of risks among the participating actors or organisations. Risk sharing is viewed as an important incentive for both the public and private actors, since it is assumed that risk sharing could benefit both. The fourth feature is that in PPPs a partnership involves a long-term commitment, over a number of years. However, there is no agreement of the specific number of years. Finally, these types of cooperation can result in some new and/or better products or services that neither the public nor the private participants could produce alone.

A wide range of different features of inter-organisational relationships of PPPs have been identified by the Dutch public management scholars Van Ham & Koppenjan (2001, p. 598).

They defined PPPs as cooperation of some sort of durability between public and private actors, in which they jointly develop products and services, and share risks, costs and resources that are connected with these products. In their definition, they first underline the necessary involvement of both public and private actors. It is assumed that government organisations are public actors, although there are several levels of public organisations, such as central government, state government and local government. Private stakeholders can include a variety of actors. For example, NGOs, community groups and international donor agents can be among private actors in addition to for-profit organisations. While Van Ham & Koppenjan (2001) did not specify the range of private actors, some literature does attend to this issue. For example, the Commission on PPPs, UK (2001) included voluntary sectors in PPPs as private stakeholders to bring about desired public policy outcomes. Stratton (1989) and Salamon (1995) also included 'business and non-profit sectors' as private sector stakeholders in PPPs.

The second area of agreement among those who emphasise governance and management in their definitions of PPPs is the 'cooperation' between public and private actors. For example, Broadbent and Leughlin (2003, p. 332), Carr (1998, p. 1) and Bovaird (2004, p. 199) all emphasised the cooperative aspects of PPPs. However, most definitions do not go into detail on the characteristics of cooperation.

The third area of commonality is that this type of cooperation has some sort of 'durability' and that PPPs cannot be 'short-term' contractual agreements. Various terms are used to highlight this temporal feature of PPPs. For example, Klijn & Teisman (2000, 2004, 2005) talked about PPP cooperation as 'sustainable' and Greve (2003, p. 59) saw PPPs as 'long-term' cooperation. It is assumed from these terms that PPPs may not take place for a short-term period. However, there is ambiguity in this terminology of 'durability' as there are no hard-and-fast rules about how long a PPP must be to satisfy minimum requirements. Thus, some PPPs involve arrangements for 20 to 25 years, while other PPPs are for only five years (United Nations 2005a). Therefore, although PPPs are long-term arrangements, there are variations in the durations.

The fourth relates to the arrangement in governance and management, and concerns the emphasis on risk-sharing as a vital component of the relationship. Both parties in a partnership have to bear part of the risks involved. Supporting Van Ham & Koppenjan (2001, p. 598), other authors have emphasised the shared risks as well as the benefits of PPPs. For

example, Klijn & Teisman (2000, 2005) described PPPs in which joint products and/or services are developed and in which risks, costs and profits are shared (Klijn & Teisman 2000, 2005); the Commission on PPPs, UK defined them as risk-sharing relationships (2001, p. 2). Regarding risks, most of the literature has focused on finance, although there might be some other risks involved in PPPs, such as managerial risks, social and political risks, and natural risks.

The final commonality in governance and management emphases on PPPs is that as they jointly produce a product or a service, both stand to gain financially as well as in producing better goods and services from mutual effort. In the case of developed countries, the goods and services are mostly related to infrastructure, since most literature on PPPs in developed countries has concentrated on PPPs involved in infrastructure building (Grimsey & Lewis 2004; Greve 2003). However, in the case of developing countries, the jointly produced goods and services might be different, since many PPPs in developing countries are involved in social service delivery and utility services, although there have been numerous PPPs involved in infrastructure. For example, PPPs in developing countries are involved in health services, water and sanitation and even poverty reduction (United Nations 2005a; World Bank 1999). The range and extent of jointly produced goods and services by PPPs varies from country to country, and even within the country. It depends on the needs of the country, the demands of its citizens and the interests of the stakeholders.

PPPs as Tools of Financial Arrangements

At the heart of all PPP inter-organisational relationships are the financial arrangements. PPPs promise to reduce pressure on government budgets because they use private finance. They are also thought to provide better value for money in the provision of public infrastructure and services by using more efficient budget processes. Several definitions of PPPs have incorporated financial arrangements as a key distinguishing feature (Blondal 2005; Webb & Pulle 2002; Savas 2000; Evans 2003). One definition that emphasises the financial relationships of PPPs in infrastructure is provided by Campbell (2001, p. 5, cited in Hodge & Greve 2005). He sees PPP projects as generally involving the design, construction, financing and maintenance and, in some cases, the operation of public infrastructure or a public facility by the private sector under a long-term contract. Other literature has highlighted the issue of sharing and the involvement of different stakeholders in financing across a spectrum of activities. For example, after surveying 117 different public-private partnership projects

between 1998 and 2000 at local government levels in Sweden, Collin (1998) and Collin & Hansson (2000) identified financial arrangements between different stakeholders as one of the most important features of these PPPs. These authors defined PPPs as arrangements between municipalities and one or more private firms where all parties were involved in sharing risks, profits, utilities and most importantly, investments through joint ownership (Collin 1998, p. 79; Collin & Hansson 2000, p. x). There are several financial aspects to this definition. First, it emphasises the sharing of financial risks and any ensuing profit. Second, it underlines the joint ownership of organisations through financial investment. Finally, the most important aspect is the financial investment made by all organisations. Sellgren (1990) identified the financial involvement in terms of funding from more than one agency, instead of all organisations in a PPP. Tillman (1997, p. 30) extended the PPPs funding partners to include international organisations such as the World Bank, although it is not clear whether international organisations are involved only as financiers. For example, the Asian Development Bank (ADB) and the World Bank are financing some PPPs in Bangladesh through the government of Bangladesh (PKSF 2010). The financial contribution of partners in PPPs varies according to factors such as the activity, the sector and the different capacities of the partners. Thus, large private-sector organisations most often provide the funding for different types of PPPs as participating governments frequently lack such capital. For example, the government of Bangladesh and different international donor agencies are involved in the RMC Programme of PKSF for rural poverty alleviation in Bangladesh (PKSF 2007).

PPPs as Tools of Development Process

PPP is now well accepted as an organisational arrangement for development (Agere 2000, p. 68; Paoletto 2000, p. 30; Osei 2004). The prominent argument is that PPPs maximise benefits for development through the collaboration of different actors (World Bank 1999) and provide enhanced efficiency (Brinkerhoff 2002; Brinkerhoff & Brinkerhoff 2004). Certain features of PPPs are seen as particularly suitable for the development process. Thus, from its studies of PPPs in Asia-Pacific, the ADBI defined PPPs for development as: ‘collaborative activities among interested groups and actors, based on a mutual recognition of respective strengths and weaknesses, working towards common agreed objectives developed through effective and timely communication’ (ADBI 2000, p. 42).

There are several distinct features of PPPs in the definition of ADBI. First, it identifies 'interested groups and actors' instead of public and private actors. It is obvious that these interested groups and actors include public and private actors, since public and private actors must be involved in PPPs. However, ADBI expanded the scope of the different actors that could be involved in PPPs, so they include organisations such as domestic NGOs, community organisations and bilateral and multilateral donor agencies. Government agencies may be from different levels, such as central government and local government. The second important feature is the 'common objectives'. In this aspect, partnerships are undertaken for the purposes of implementing objectives that have been agreed to by the groups involved. The third feature is the 'mutual recognition of respective strengths and weaknesses'. Partnership is oriented to maximise the strengths and overcome the weaknesses of each partner. Finally, different objectives such as plans and implementation strategies are, at least ideally, developed through a process of effective and timely communication.

The World Bank also has a developmental definition of PPP. The World Bank (1999, p. 4) defined PPPs as joint initiatives of the public sector in conjunction with the private for-profit and also the not-for-profit sectors. Each of the actors contributes resources and participates in the decision-making process. This definition is very close to that of the ADBI, which characterises collaboration in terms of the contribution of resources by different actors. The resources are finance and human resources as well as technical and intangibles resources, such as information or political support. The World Bank also emphasises partnership through participation of different actors in the decision-making process. As with the ADBI, the World Bank considers the private sector to include a range of business, civic, research and international organisations. However, the development definitions may transcend the rich-poor country divide. Thus, Osborne (2000) saw PPPs as a mechanism for combating social exclusion through activities such as basic health, education and community development. For example, PPPs have traditionally been associated with urban renewal and economic development in the USA (Osborne 2000, p. 1). Osborne further noted that the PPP has also become a tool for providing public services and developing civil society in post-communist countries such as Hungary, as well as a mechanism for combating social exclusion and enhancing community development in European countries (Osborne 2000, p.1). Bennet & Krebs (1994) shared this developmental emphasis when defining PPP as cooperation between actors where they agree to work together towards a specified economic-development objective for a local area or economy.

Sharing is a central element in most PPPs, with most definitions emphasising risk-sharing and profit-sharing. However, when PPPs are defined from a developmental perspective, PPPs mostly focus on resource sharing rather than risk-sharing. Therefore, it is evident that the 'sharing' feature of PPPs can be differently conceptualised depending on whether it is considered from a financial or a developmental perspective.

Pro-poor PPPs

Partnerships between government and private sector organisations such as NGOs and community organisations for the provision of services are becoming increasingly common in developing countries. These partnerships are intended to provide public services that are better suited to the needs of the poor people, since NGOs and community organisations are usually seen as being better able to understand the needs of the poor (UNESCAP 1999; Caplan 2001). Thus, the United Nations Economic and Social Commission for Asia and the Pacific (UNESCAP) (2004) defined pro-poor PPPs as arrangements that are able to attract private-sector involvement to the provision of basic services to the poor in a sustainable way for long-term poverty alleviation. The pro-poor PPPs can be defined as those arrangements that constitute a partnership between government and private-sector organisations and not-for-profit organisations, where risks and benefits are shared and outputs and outcomes directly benefit the poor. The nature of pro-poor PPPs is further explained by UNESCAP (2004). First, while a classic PPP is composed of a public entity (either from central, provincial or local government) and a formally established private company, a pro-poor PPP usually includes NGOs and community organisations as crucial partners. Second, the agreement between the parties does not always need to be a formal contract. It can take any form that suits the particular context and is appropriate for assigning risks and rewards to each partner. However, UNESCAP is vague on the details of this matter. Finally, a PPP should be considered as a pro-poor PPP only if it benefits the poor disproportionately and/or explicitly integrates the concerns and needs of the poor into the PPP (UNESCAP 2004).

Pro-poor PPPs can assist in the process of poverty reduction in many ways, since PPPs help to generate income and employment and address different issues of the multidimensional poverty. The ADB (2006, p. 4) argued that pro-poor PPP projects have a positive and direct influence on the poor by:

1. Providing affordable access to good-quality economic and social infrastructure services to poor people.
2. Generating employment and providing business opportunities for the poor.
3. Enabling poor people to have a better quality of life by increasing their access to health care services, education, clean drinking water, information and markets.

Thus, pro-poor PPPs may be concerned with generating income and employment for the poor, with providing safe drinking water, sanitation, basic health services and education and with infrastructure services for poor people (World Bank 1999; ADBI 2000; UNESCAP 2004 and ADB 2006). The next section reports how and why PPPs have entered into the developing countries.

PPPs in Developing Countries

While PPPs were first adopted in rich countries, they later found their way into developing countries where they have been used to address a range of problems from infrastructure to health provision and most recently poverty alleviation. The reasons for this popularity are set out in this section.

Public Demand

Demand for public services in developing countries is increasing rapidly, driven by population growth and economic advancement. The public demands for more and better services are manifested in several ways, such as through civil society, political unrest—even revolution—and public opinion surveys. Referring to developing countries, development is defined as a process for reaching an acceptable standard of living for all people which involves giving everyone access to the basics such as food, housing, jobs, health services, education, safety and security (World Bank 2011). Sen (1999) in *Development as Freedom*, argued that to achieve development required the removal of poverty, tyranny, lack of economic opportunities, social deprivation, neglect of public services and the machinery of repression. In fact, many developing countries' governments have been unable to meet some of the basic needs and demands that are mentioned in the definition of development and to achieve development. Further, most developing countries' governments are failing to provide basic services such as water, education, health, employment and energy to the people. They

also fail to meet public demands due to their financial limitations and so the ability to protect poor people from economic and social deprivation (ADB 2006). Considering the public demand, developing countries' governments are becoming increasingly interested in utilising the private sector's resources to meet different public demands for services, since it is believed that PPPs are able to mobilise previously untapped resources from the local, regional, or international private sectors (ABD 2006).

Role of NGOs in Market Mechanism

The dissemination of the efficacy of market mechanisms for public services spread to developing countries in the late 1980s and 1990s. This coincided with the celebration and subsequent growth of NGOs as effective development agents for the poor and disadvantaged. Proponents of market principles (Huxham 1993; Rhodes 1997, 2005) saw NGOs as effective private sector operators, equipped with specific capacities that enabled them to provide responsive, efficient and cost-effective services to the poor and disadvantaged (World Bank 2005, p. 23; Weschler & Mushkatel 1987; Warren 1987). Thus, PPPs were introduced to developing countries to avail them of the competitive advantages and cost effective services provided by NGOs.

Role of International and Development Agencies

The World Bank and IMF became disseminators of the market message during 1980 to 2008, as is clearly set out in the Washington Consensus². It referred to market-friendly policies and generally advised their implementation in both advanced and emerging economies, particularly to bring about economic reforms prescribed for developing countries. Included was advice to reduce government deficits, to deregulate international trade and cross-border investment and to pursue export-led growth. This was the ideological environment that gave rise to and promoted PPPs as quasi market mechanisms (Jones 1999, p. 290). While the dominance of the Washington Consensus may be past, a legacy remains that sees PPPs as effective means of promoting development for the poor (World Bank 1996, 1999, 2005, 2006). The World Bank, IMF and other international financial institutions have considerable

² The Washington Consensus most commonly refers to an orientation towards neoliberal policies from 1980 to 2008. It was influential among mainstream economists, politicians, journalists and global institutions such as the IMF and the World Bank (Williamson 1989).

influence and ideological power over both developing countries' governments and bilateral donors. Thus, PPPs have become accepted as a norm.

Bureaucratic Dysfunction

The proponents of market superiority have argued that hierarchical bureaucracy is inherently inefficient and that the introduction of the market mechanisms will substantially enhance the efficiency of public service delivery (Hood 1991; Moore 1996). Government bureaucracy in many cases has been blamed for poor performance, particularly in developing countries. Though in the ideal Weberian model, bureaucracy is an efficient instrument for policy implementation, in many developing countries the reality has been very different and outcomes and outputs have been very disappointing. Rondinelli (1992) pointed out several weaknesses in the working of the bureaucracy, including inefficiency and ineffectiveness of government procedure, slowness and delay in implementation and lack of qualified government officials. Further, the observation of poor people has also been negative with regard to bureaucracy. For example, the *Voices of the Poor*, a study by the World Bank, revealed that the experiences of the poor working with bureaucrats were often unpleasant, unfair and corrupt (Narayan et al. 2000). The increased perception of bureaucratic and government failure in development, particularly in the areas of basic service provision, has encouraged an alternative way of thinking. There is a belief that the private sector can deliver many services more efficiently (UNESCAP 2004). Further, the creation of partnerships with private sectors in particular, is seen as an important aspect of development through making more efficient use of inadequate resources (Lewis 1997) and reducing bureaucracy (Healy & Robinson 1992). Bureaucratic dysfunction and negative perceptions about bureaucracy in developing countries have led to a search for alternative service delivery arrangements. Decentralisation has been one such arrangement, while PPPs have been another (Turner & Hulme 1997). Both have been thought to bring decision-making for services closer to the recipients of those services and to involve them more directly. PPPs may even be seen as a variant of decentralisation (Turner & Hulme 1997).

Further insight into bureaucratic dysfunction comes from public choice theory, which argues that the private sector restricts monopolies and provides more choice than would occur under public sector service provision. The public choice theory holds that it cannot be assumed that politicians and bureaucrats always act in the public interest; rather, these people pursue their own interests or those of powerful interest groups (Walsh 1995). This has been evident in

developing countries where 'rent-seeking' behaviour of the bureaucratic and political elites has led to poor accountability for public service provision and high levels of corruption. Such behaviour impacts most on the poor and vulnerable and is demonstrated in the low levels of service delivery to these groups.

Government Motivation

It is believed that PPPs are helpful in overcoming government limitations in several ways. Governments have been persuaded that PPPs can maximise strengths and minimise weaknesses (ADBI 2000). They can attract resources from different international financial institutions and other donors. PPPs provide alternative acceptable mechanisms for satisfying public demand (ADB 2006). They can produce more with fewer resources (Jutting 1999). More cynically, they can perhaps reduce government accountability or make it less clear. ADBI (2000) thus suggested that to maximise the respective strengths of the public and private sectors and minimise their weaknesses, policy makers of developing countries need to fully understand the possibilities and benefits of PPPs; they should introduce PPPs as a development strategy for developing countries and this should be explored further to continue to promote health and education services (ADBI 2000, pp. 2 and 7). Considering these benefits, and to overcome government limitations, the governments across developing countries are becoming increasingly interested in using PPPs.

PPPs are Politically Safe

PPPs as an expression of market principles are often considered to be politically safer than privatisation, because privatisation arouses political opposition from the workers, unions and bureaucrats. PPPs structure a partnership between the government and private sector that implicitly recognises that the public sector is politically responsible for ensuring that services are available and that services will be delivered. People see this as a safe option, since in most developing countries people are more likely to rely on government than the private sector, as the latter could have a transient presence.

Indirect Impact of New Public Management

NPM was a rethinking of the state in a specific set of rich countries with an Anglo heritage (UK, Australia, New Zealand, Canada and USA). It introduced market principles into

government and promoted private sector practices as the new paradigm for government. These ideas were disseminated to other OECD countries and also to developing countries. However, receptivity to NPM has been differential (Manning 2001; Turner 2002) and the impact has varied considerably; even where NPM has received a friendly welcome, the transfer of institutional arrangements has been fragmented and involved a restricted set of NPM activities. However, NPM has had a bigger impact in terms of ideas, encouraging new thinking as to the role and operation of government in developing countries. In this way, NPM has provided a more favourable context for PPPs than when the bureaucratic paradigm went unchallenged.

PPP Mechanisms in Developing Countries

This section deals with the different mechanisms of PPPs in developing countries, particularly those aimed at serving the poor. It explores whether, and how, the features of PPPs identified earlier in this chapter are evident in PPPs in developing countries, especially in pro-poor PPPs.

Nature of Partnerships Arrangement

The nature of partnership arrangements in PPPs varies from developed countries to developing countries and also within countries. Regarding the PPPs from developed countries, several definitions indicate that a PPP is the cooperative relationship between the government and private actors (Klijn & Teisman 2004, 2005; Greve 2003). The pro-poor PPPs are seen as entities of cooperation, although they are defined in different ways. There are PPPs in developing countries that constitute ‘cooperation’ among different stakeholders. For example, the health care system of Chile was a PPP based on cooperation (Jutting 1999).

As governments play key roles in establishing most PPPs in developing countries, the pro-poor PPPs are assumed different than the cooperation, although these are referred to using different names. For example, referring to the practical reality of different PPPs in developing countries, Robinson and White (1997) point out that the PPPs were very much concentrated on a government’s complementary roles in developing countries rather than on cooperation. These complementary roles have been explained by Evans (1996, p. 1119) who described PPPs in developing countries as ‘(an) intimate interconnection and intermingling among

public and private actors [...] with a well-defined complementary division of labour between the bureaucracy and local citizens, mutually recognised and accepted by both sides’.

Some pro-poor PPPs are defined as ‘comprehensive efforts’ although the PPPs were based on strong cooperation. For example, the Post-Privatisation Rehabilitation, Palpalá, in Argentina and the Centre for Wood Production, Pensilvania (World Bank 1999), two different PPP Projects for income and employment generation, were based on very strong cooperation between different stakeholders; however, the World Bank preferred to address these as comprehensive efforts.

Sometimes cooperation is not seen as ‘real partnership’, since some authors emphasise contracts as an important feature of partnership. For example, although the PPPs of the health care system of Chile were referred to as cooperation, Jutting perceived this relationship to be complex by including the term ‘real partnership’ (Jutting 1999). He identified the absence of contractual agreements between the partners as an important feature and differentiated between ‘cooperation’ and ‘real partnership’. However, in most existing literature, there is agreement that PPPs are cooperative relationships between government and private organisations (Klijn & Teisman 2004, 2005; Greve 2003). As UNESCAP argued, the pro-poor PPPs do not need a formal agreement (UNESCAP 2004); the issues of formal agreements in pro-poor PPPs may not make any difference in relationships among different stakeholders by differentiating them as ‘cooperation’ or ‘real partnership’. Therefore, the pro-poor PPPs are assumed to not be confined by a hard-and-fast rule of formal agreement.

Initiators of PPPs

The pro-poor PPPs are initiated by different stakeholders, including central government, local government, private actors, business organisations, NGOs and even community groups. PPPs in developing countries are sometimes initiated by the government. For example, the Centre for Wood Production, Pensilvania (World Bank 1999), a PPP project in Colombia for income and employment generation, was initiated by the newly elected local municipal government and involved community groups and NGOs.

PPPs can be instigated by private organisations or international organisations. For example, a PPP in Argentina, the Integrated Development Program in a Low-Income Urban Community, San Jorge, Buenos Aires (World Bank 1999), was primarily initiated by a small group of

mothers for establishing a child care centre for poor mothers, and was later supported by the regional government. Sometimes PPPs are not supported by the local government. The Post-Privatisation Rehabilitation, Palpalá, a PPP of Argentina (World Bank 1999) for example, was not supported by the provincial government. The mayor of the municipality met resistance from the provincial governor and was only able to go forward by leap-frogging the intermediate level of government and taking advantage of his good contacts with the federal authorities.

PPPs can also be initiated by private organisations involving local government and other community organisations. For example, the Manila Water Company Incorporated (MWCI), a private organisation, was the key instigator of a PPP programme called 'Water for Poor Communities' in 1998, for the purpose of providing safe drinking water to the poor people in Manila, Philippines at a lower cost than before (United Nations 2005a). Partnership initiatives have also been instigated by the business sector. For example, in order to address the overriding need to create income-generating (IG) opportunities for the poor, the Mendoza Foundation, a private, non-profit organisation, initiated the Eugenio Mendoza Foundation Microenterprise Support Program in Venezuela in 1986 involving local government (World Bank 1999). International organisations also play important roles in initiating the pro-poor PPPs. For example, the Water Distribution in Colombo PPP was originated as a demonstration project under the regional UNESCAP's project on pro-poor PPPs, a follow-up to the World Summit on Sustainable Development held in Johannesburg in September 2002 (United Nations 2005a). The above examples indicate that PPPs in developing countries can be initiated by different stakeholders such as government, community groups, business and international organisations.

Duration of PPPs

The review of different definitions of PPPs using different approaches reveals that PPP is a commitment that is arranged for the long-term. The duration of PPPs varies from programme to programme; it depends on the nature of programme. For example, the Tubig Para Sa Barangay (TPSB or Water for Poor Communities programme) in Manila was expected to continue throughout the 25 years concession period of the MWCI, which clearly shows a long-term agreement of the PPP, while the Water Distribution PPP in Colombo, Sri Lanka was a partnership project of only five years' duration (United Nations 2005a).

Types of PPPs

Bennet, Grohmann & Gentry (1999, pp. 5–13) identified BOT, contract, concession, joint venture and community-based provision as five common types of PPPs in developing countries. However, the types of PPPs in service delivery and poverty reduction are slightly different from the PPPs that were mentioned by Bennet, Grohmann & Gentry (1999). Referring to service delivery and poverty reduction in developing countries, UNESCAP (2004) and ADB (2006, 2008) identified several types of PPPs in developing countries. These are service contract, management contract, joint venture, and concession, and divesture. As demonstrated by the UNESCAP (2004), and ADB (2006, 2008), the types of pro-poor PPPs are as follows:

Service contracts

Service contracts represent a combination of retention of ownership in the hands of government and transfer of design and construction risks to the private sector, with short contract periods (for example, between several months to a few years). They provide limited incentive for whole-life-costing for the private sector and cause the private sector to focus more on efficiency rather than on reaching the poor. In the service contract provisions of PPPs, the government contracts a private company to provide part of a service. For example, the IGVD is a PPP in the form of a service contract in Bangladesh that makes the government responsible for financing while the NGOs provide development package services (MWCA 2002).

Management contracts

Management contracts involve retention of ownership in the hands of government and the transfer of operating risk to the private sector (with a fee and profit-sharing). The contract period is limited (usually around three to five years) and provides more incentives than previous to improving services to existing customers. The whole service is contracted out to a private company, perhaps with fixed prices and financial guarantees. Water for Poor Communities in Manila was a pro-poor PPP in the form of a management contract among different stakeholders, such as the Manila Water Company Inc., local government units (LGUs), community based organisations and NGOs set-up for providing piped water supply networks to the poor households (United Nations 2005a).

Concessions

In this case the whole service is provided by the private sector under lease or license for a fixed period. These PPPs have the potential to benefit the poor if certain conditions are met, such as universal service requirements, consumer orientation and effective monitoring. Experience suggests that in many countries, such conditions are not commonly met, hence the poor do not necessarily benefit.

Stakeholders Involved in PPPs

The essential feature of PPPs is that they involve cooperative relationships between public and private organisations (Stratton 1989; Van Ham & Koppenjan 2001, p. 598; Klijn & Teisman 2004, 2005; Mitchell-Weaver & Manning 1991, p. 49). In organising a PPP, careful consideration is needed among the stakeholders regarding the different roles those stakeholders will play in the partnership (Gentry & Fernandez 1998).

PPPs for poverty alleviation should ideally include a variety of actors with complementary interests. Thus, local governments, the national government, not-for-profit organisations and foreign donors come together in PPPs with the common objectives of poverty alleviation. For example, in the Post-Privatisation Rehabilitation, Palpalá (Argentina) the municipal and federal governments, an NGO, the local schools and various community groups were involved (World Bank 1999). Each partner brought particular skills and resources to the PPP that complemented those of the other stakeholders. Similar types of stakeholders were involved in the TPSB that brought low-cost water to the urban poor (United Nations 2005a) and the PPPs in poverty alleviation in Ahmedabad, India (UNCERD 2001). In the TPSB, stakeholders included the MWCI, the LGUs, community-based organisations (CBOs) and donors (United Nations 2005a).

The stakeholders in PPPs sometimes go beyond the national boundaries. International organisations can be involved in the pro-poor PPPs in developing countries. For example, in a water distribution PPP in Colombo, Sri Lanka, UNESCAP was an important partner providing technical assistance and funding for pilot project implementation (United Nations 2005a). Other stakeholders in that PPP were the National Water Supply and Drainage Board (NWSDB), a public organisation under the Ministry of Urban Development and Water Supply; Petra Engineering Services, a private-sector company undertaking civil construction

and steel fabrication work; the Halgahakumbura Community Development Council, a community-based organisation registered with the Colombo Municipality and Sevanatha Urban Resource Centre, a local NGO specialising in human settlements development in low-income areas. Similarly, in the Eugenio Mendoza Foundation Microenterprise Support Program in Venezuela (World Bank 1999), the preliminary partnership was initiated by the Inter-American Development Bank (IDB), an international financial institution, and the Mendoza Foundation, a private, not-for-profit organisation in Venezuela for creating IG opportunities for poor people. The Venezuelan national government became involved immediately after the commencement of the programme. After a few years, the national petroleum company, private commercial banks and the municipal government of Sucre also joined in the partnership. Therefore, it is evident that different types of stakeholders are involved in PPPs in developing countries.

Roles of Different Stakeholders in PPPs

One of the important features of PPPs is that each stakeholder is involved in different activities (Collin 1998; Collin & Hansson 2000; ADBI 2000; Bennet & Krebs 1994). Each stakeholder plays a particular role. These roles depend on several issues, such as the degree of control desired by the government, the government's capacity to provide the desired services, the capacity of private stakeholders to produce the services, the legal framework for monitoring and regulation and the availability of financial resources from public or private sources (Gentry & Fernandez 1998). For example, governments are responsible for making rules and regulations and may be involved in providing legal support. Jutting (1999) argued that common basic roles in PPPs in developing countries include provision, financing, regulation and monitoring. Provision involves providing the desired services, for example, health care, education, water, sanitation and housing. The financing of PPPs can be carried out in different ways, such as by one single stakeholder or multiple stakeholders. The setting of rules and regulations for implementation and monitoring in the provision of services is a precondition for the functioning and successful completion of a PPP. Stakeholder role differentiation can be seen in the San Jorge's development programme in Argentina (World Bank 1999). This PPP provided different types of services, including child care, infrastructure construction and job creation to improve the living conditions of poor households in a semi-urban neighbourhood of Buenos Aires. International agencies were involved in financing, while the regional government provided legal regulatory support. A

Latin American NGO named IIED-AL, was instrumental in implementation and responsible for ensuring sustainability through community capacity building.

While the San Jorge's development programme provided child care and infrastructure, and created jobs, the Mobile Clinics Programme in Maracaibo, Venezuela, delivered health services to the poor (World Bank 1999). Different stakeholders again played different roles. Ingeniería Médica C.A., a health engineering company, facilitated the expansion of the programme by selling five new mobile units at a discounted rate, while several private medical and laboratory companies supplied high-tech equipment and other basic laboratory materials at discounted prices. Several other private organisations, such as Pepsi-Cola and Gerber, were also involved in financing. Community associations, such as the Associations of Neighbours, served as a link between the poor and the health teams that consisted of a doctor, a nurse, a social worker, a paramedical officer and a nutritionist. A development NGO, CESAP, sponsored and hosted workshops that dealt with the purification of water and initiated several clean-up and recycling campaigns. The local municipal government provided the legal support to the municipality of Santa Inés, with permission to establish a health clinic that offered inexpensive prescriptions to poor communities. The example of the mobile clinics reveals that the roles of stakeholders depend on the nature of the PPP and the interests and capacities of stakeholders.

The services provided by the pro-poor PPPs are not only limited to employment generation and health services. There are examples in water and sanitation. For example, the TPSB- (Water for Poor Communities) PPP in Manila enabled poor households to be connected to the piped water supply (United Nations 2005a). The rights, roles and obligations of each PPP partner were clearly stipulated in the Memorandum of Agreement (MoA). LGUs provided subsidies or financial contributions to TPSB projects that reduced the installation costs and made connection charges more affordable to poor households. Under a typical MoA, the privately owned water utility, MWCI was responsible for the supervision of the construction of new pipelines and the installation of water meters. Community representatives and city or municipality officials were responsible for coordinating the implementation of the TPSB programme with MWCI. Community representatives were also responsible for the day-to-day management and operation of the TPSB facilities, including the repair and maintenance of pipes, the monthly billing and collection of water payments from the residents and for

remitting the aggregate amount to the MWCI. The role of NGOs was mostly to arrange information, education and communication campaigns as well as community mobilisation.

Why PPPs are Thought to be Effective for Poverty Alleviation

In relation to poverty reduction, Brinkerhoff and Brinkerhoff (2004) argued that the emphasis on partnership is driven by genuine interest in seeking new inter-organisational arrangements to address poverty reduction and deliver development services effectively to those who need them. PPPs are considered an effective tool for reducing poverty because they bring new resources and productivity gains, as well as generating social capital. Further, it is assumed that PPPs enhance efficiency in poverty alleviation programmes (Brinkerhoff & Brinkerhoff 2002).

PPPs Bring New Resources

PPPs are assumed to attract different and new resources to poverty alleviation programmes. Referring to 27 case studies from Latin America and Caribbean countries, the World Bank identified three major resources that benefit from PPPs. It was noted that partnerships offer new resources that lead to both quantitative and qualitative gains in output (World Bank 1999, p. 16). The PPPs increase the resources available for poverty reduction initiatives from different stakeholders and thus expand the range of poverty alleviation solutions.

PPPs encourage new stakeholders to be involved in poverty alleviation and bring new resources. The two principal ways in which additional resources are acquired with partnerships are by bringing in 'new' contributors and by leveraging more and new resources from 'old' contributors. The World Bank (1999) identified private sector organisations as new contributors in PPPs, and state organisations as old contributors, since government has always been involved in delivering public services and public goods. The poor beneficiary communities are also old contributors, since communities provide most of the resources for and experience in community participation in social programmes. Furthermore, the numerical growth of NGOs and other community organisations entails extra resources from this sector, although some NGOs have been engaged in partnership programmes for many years. The new resources that partnerships can offer may be material resources, such as funds and in-

kind contributions, or non-material resources such as technical skills, information or other intangibles, such as providing credibility and political support. The new contributions generally bring a net increase in material resources, but also, and often equally as important, new skills such as management expertise. Thus, the contributions of new and old contributors have led to an increase in and diversification of resources in PPPs for poverty alleviation.

Examples from the 27 case studies of PPPs from Latin America and the Caribbean reported by the World Bank (1999) indicate how PPPs increased the amounts of different resources, such as in finance and materials. In Venezuela, business organisations were involved in supporting, sponsoring and providing donations of different types of resources such as finance, gasoline and medical equipments to the Mobile Health Clinic program of the municipality of Maracaibo to provide health services to the poorest areas of the city (World Bank 1999). Moreover, in Barrio San Jorge in the Buenos Aires Province (Argentina), thousands of families were connected to the water and sanitation network managed through an innovative PPP with a private organisation, an NGO, and municipal and provincial authorities; in addition, community peoples provided their own different contributions such as labour, loans and cash.

PPPs require resources more than money; they also require inputs such as managerial and specialised technical skills. In some PPPs, these could be in-kind, labour-based contributions. PPPs also add skills to poverty-reducing initiatives. For example, in the Centre for Wood Production (Colombia) PPP, the National Integrated College of the East, a regional technical college provided all necessary technical staff and training to local people as a way to develop skills on forestry management. The leading local business organisations also provided management training and equipment for setting up a training and services centre for generating employment opportunities (World Bank 1999). Another example is the TPSB programme in Manila (United Nations 2005a), where representatives of different community organisations provided their labour for day-to-day management, which included the repair and maintenance of pipes and the monthly billing and collection of water payments from the residents.

PPPs Bring Productivity Gains

The World Bank (1999) reported that the synergies and complementarities achieved by different social actors working together in PPPs led to gains in output and productivity

(World Bank 1999, p. 1). The gains in output could be found in many forms, such as improved education for poor children, water and housing for low-income households, more IG opportunities and other welfare achievements. The ways in which PPPs achieve such gains are varied in nature and activities.

One of the ways by which PPPs can achieve qualitative and quantitative gains is through the provision of basic social infrastructure such as water, sanitation and housing for the poor. In the Water for Poor Communities in Manila (United Nations 2005a), a PPP achieved both qualitative and quantitative gains that enabled poor households in Manila to connect to a piped water supply. Between 1997 and 2004, 438 projects were implemented that benefited more than 700,000 urban poor residents by connecting 218,000 households to the water supply. The qualitative gain was the improved health and wellbeing of the poor people achieved through access to safe drinking water at lower cost; the quantitative gain was the increased number of households connected to a piped water supply.

PPPs dealing with health prevention and the other social services such as education and child nutrition provide good examples of how a PPP can achieve important productivity gains through the synergistic relationships within the partnership. For example, the Mobile Health Clinic in Maracaibo, Venezuela (World Bank 1999) was an innovative PPP initiated by the local government. Mobile medical units were sent into the poor parts of the city, where previously no health care was available. Contributions included leadership and funding from the local government combined with a wide variety of private sector subsidies and donations. An NGO (CESAP) provided training to both the social workers and medical staff who travelled with the mobile units, as well as to community health workers, and the NGO successfully linked the community health workers with the units. The interaction among the three sets of actors facilitated improvement in the quality of the service delivered and thus attained qualitative gains through PPPs.

PPPs for income generation among the poor also showed how productivity gains can be achieved. There are two direct ways of providing opportunities for income generation: micro-credit and micro-enterprise programmes. In these programmes, the provision of training in IG skills, technical skills and management skills as well as the provision of financial capital enables poor people to earn additional income from increased productivity. For example, in Bangladesh the Palli Karma Shahayak Foundation (PKSF) provides necessary technical skills training to NGOs in the RMC programmes of the PKSF; the NGOs provide training in IG

skills as well as finance to poor people (PKSF 2010). The rural poor utilise both the training and the finance to earn additional income.

A successful income generation programme was run by the Mendoza Foundation in Venezuela (World Bank 1999). In the ten years it functioned, the programme provided training for over 12,000 micro-entrepreneurs. Originally, the Mendoza Foundation developed its micro-enterprise programme with technical assistance from the Colombian Carvajal Foundation and initial funding was provided by the Inter-American Development Bank. Over the years, the programme expanded its coverage by bringing in new actors, such as the national government's training programme to develop small enterprise, funding operating costs from a private organisation and also funding from other commercial banks. The Foundation was thus able to incrementally increase the capacity to connect with growing numbers of stakeholders. All this contributed to constant gains in economic productivity, while at the same time poor participants enhanced their income-earning capacity.

The Challenges for PPPs

While PPPs are theoretically desirable because they have a range of positive qualities, such as partners' complementary strengths and risk-sharing, in practice there are a number of challenges that threaten the success of PPPs.

Firstly, there can be poor political relationships between 'partners'. Where there has been little prior interaction, mutual mistrust may characterise public-private relationships, especially between government and NGOs. Government can be suspicious of non-government actors or unwilling to decentralise decision-making authority to them. NGOs may be critical of the way government works. Ideological differences may also generate mistrust. For example, NGOs may promote participative democratic practices or may perceive society in terms of exploitative class relations. Such views are likely to conflict with those of government officials, especially where national political regimes have authoritarian elements and centralising tendencies, which are particularly common in developing countries (Halligan & Turner 1995).

Secondly, political and bureaucratic processes can be constraints on the effective and efficient functioning of PPPs. As identified by Menendez (1998), political and bureaucratic constraints derive from fragmented decision-making due to the involvement of multiple

public agencies and an emphasis on administrative procedures rather than on strategies and results. The World Bank has identified bureaucratic and procedural obstacles as the most critical constraint to PPPs for poverty alleviation (World Bank 1999, p. 56). There are three problems in bureaucracy:

1. The first problem concerns the separate public entity. As separate government entities, for example, ministries or municipal organisations, they should be able to function effectively with their own internal procedures. However, often the effectiveness is hampered by bureaucratic protocol. Referring to the Latin America and Caribbean countries, the World Bank (1999) argued that there is usually a lack of capacity to plan and perform tasks in the lower levels of government offices. Moreover, in most developing countries, official decisions of a ministry are often influenced and made by the minister of that ministry. In PPPs, while working with other stakeholders the public entity cannot work effectively. Rigid bureaucratic procedures do not fit with the flexibility required in cooperating with external organisations, such as NGOs, which operate according to a quite different set of norms and procedures. Thus, such bureaucratic gridlock remains as a challenge for the success of PPPs.
2. The second problem is the hierarchical method of coordination between and within the government departments. In PPPs, one branch or level of the public sector has to coordinate with private organisations that do not necessarily follow such hierarchical management. This becomes problematic since PPPs require the public sector needs to adapt to new cooperative forms of working styles if the promised benefits are to be obtained. However, most ministries are used to working in an isolated and monolithic fashion.
3. The third problem is inter-sectoral coordination. This often creates problems and tension within different organisations. The World Bank (1999) pointed out that, in contrast to the Anglo-Saxon tradition, governments in Latin America and the Caribbean customarily coordinate only on what they have been explicitly told in laws and regulation. However, most laws and regulations in developing countries do not explicitly authorise governments to deal with public-private partnerships. For example, there may be restrictions on state organisations to allocate funds to finance partnerships. In addition, tension can also arise between the desire for control by the state on the one hand, and the need for organisational flexibility in contrast. For

example, a common complaint from NGOs in PPPs is that they are forced to account for the details of their expenditures when working under contract for a state body in a way that public bodies are not required to do (World Bank 1999). The NGOs often perceive this as a waste of time and energy exacerbated by the problem of slow disbursement.

Thirdly, poor monitoring and evaluation, as well as regulatory constraints can hinder the outcomes of PPPs. The lack of appropriate monitoring and evaluation are identified as challenges for PPPs (Nikolic & Maikisch 2006), since appropriate monitoring and evaluation of quality performance are particularly important for getting better outcomes. Regulatory constraints are derived from unclear regulatory procedures and the lack of, or deficient, frameworks for the rules and regulations to implement PPPs (Menendez 1998). Such regulatory constraints are common in developing countries and adversely affect the outcomes of the PPPs.

Finally, the political cultures, power structures and attitudes of both public and private actors are identified as political constraints (World Bank 1999, p. 56). Political resistance to the decentralisation of decision-making is a factor that limits the effectiveness of PPPs. Referring to the Latin America and Caribbean PPPs, the World Bank (1999) found that in the case of Post-Privatisation Rehabilitation PPP, Palpalá, Argentina, the mayor met resistance to his proposals from the provincial governor. The personal leadership in that case helped the mayor of Palpalá; however, this may not be so in all cases.

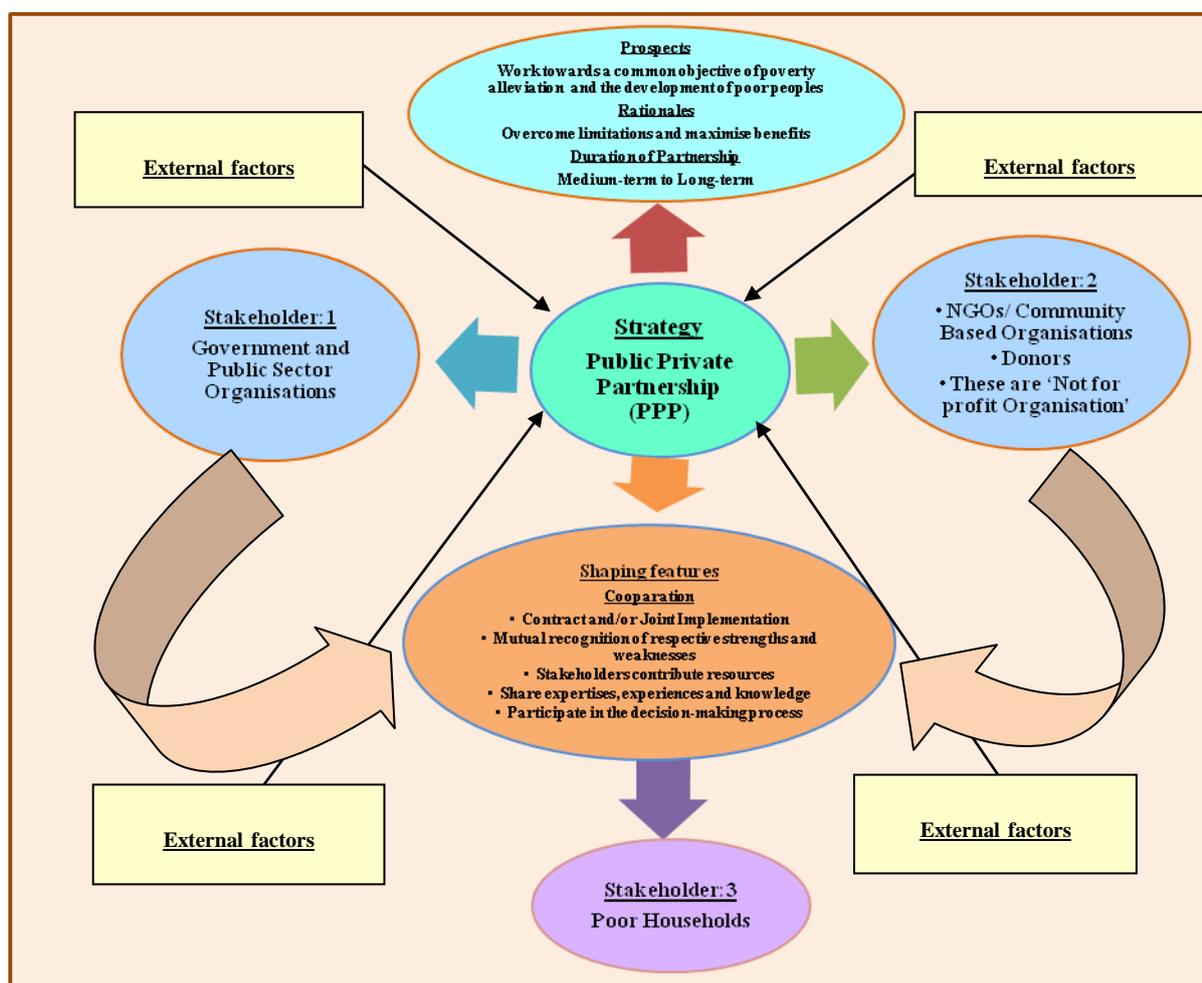
A Model of PPPs for Poverty Alleviation

From the review of the literature on PPPs and the identification of their defining features, rationale and operating mechanisms, it has been possible to develop an analytical model for the PPPs engaged in poverty alleviation in Bangladesh.

For this research, PPP is a cooperative relation initiated by the government and involving different private organisations such as NGOs, different community based organisations and donors in order to alleviate poverty. The donor in this case is a problematic category since it is neither a government organisation nor a business organisation. However, in this research the donor is included as a separate private entity. This partnership model is based on mutual recognition of respective strengths and weaknesses (see Figure 2.1). The rationale of the PPP

is to overcome the limitations of the single stakeholder and maximise the benefits by using PPPs that obtain resources from different stakeholders. Here, all stakeholders contribute resources (such as financial resources, human resources, political resources and political support), share expertise, experiences and knowledge, participate in the decision-making process and work towards the common aims and objectives of ‘poverty alleviation’ and the ‘development of poor peoples’ of the country. In this PPP, the partnership is a medium-term to long-term relationship depending on agreed targets to achieve the goals of the PPPs.

Figure 2.1: Model of PPP for poverty alleviation in Bangladesh



Description of the Figure

There are five different factors in this analytical model PPP; these are:

1. Prospects
2. Stakeholders
3. Shaping features

4. Duration of partnership
5. External factors

These are the factors that define the PPP and will determine its success or failure. Each of the factors is described in more details below.

Prospect

The prospects are the aims and objectives of the partnerships. The dominant aim is poverty alleviation and development of the poor people in Bangladesh. The aims may vary depending on the specific content of PPP details in, for example, job creation, food supply, entrepreneurship and health improvement.

Rationale

The main rationale is to overcome the limitations of having a single stakeholder and maximise the benefits of the PPPs, with resources being contributed from different stakeholders.

Stakeholders

There are three different sets of stakeholders involved in this PPP model. The first is the public-sector organisation, including government ministries/departments/agencies or other public-sector organisations of the Government of Bangladesh such as local government bodies. The second set of stakeholders includes private organisations, such as NGOs, who are registered with the NGO Affairs Bureau of the Government of Bangladesh and Association of Development Agencies in Bangladesh (ADAB), CBOs that work on humanitarian grounds and for social services and national and international donor agents. The third set of stakeholders is the poor households for which the PPPs are designed, which should receive the benefits of PPPs.

Shaping features

It is assumed that the partnership in the model operates on the basis of its shaping features such as:

1. Contract and/or joint implementation. The contract may be a service contract, management contract or sub-contract.

2. Mutual recognition of respective strengths and weaknesses of different stakeholders to overcome the weakness of each other.
3. All stakeholders contribute resources (such as financial resources, human resources, political resources or other resources).
4. All stakeholders share expertise, experience and knowledge.
5. All stakeholders participate in the decision-making process.

The research investigates the degree to which such ‘shaping features’ were evident in the Bangladesh case studies.

Duration of partnership

This partnership is a relationship that extends from medium-term to long-term cooperation. The partnership aims to achieve objectives within a particular time frame, which is usually from five years to 20 years.

External factors

There are some external factors that may affect the outcomes of the partnership activities. These include bureaucratic structures and processes, corruption, the political environment, the natural environment and the international environment, since the influences of these factors are common and prominent in developing countries like Bangladesh.

Conclusion

PPPs have become widely adopted around the world from developed countries to developing countries. Since PPPs have been used for different purposes and in different sectors definitions of PPPs have varied. In the chapter we have seen four broad emphases in the definitions of PPPs. These are as tools of governance and management; as tools for financial arrangements; as tools of the development process and; for pro-poor purposes. However, there is broad agreement on the leading features of PPPs, that they are long term cooperative relations between public and private sector organisations to produce and deliver some goods and services. The chapter has shown that although PPPs have been widely used both in developed and developing countries, their usage has varied. PPPs have been mostly used for infrastructure in rich countries, while social sector development and poverty alleviation have

been prominent in developing countries. Several key reasons have been identified for introducing PPPs into developing countries, especially government failure to meet the increasing needs and demands of citizens for basic services and the scarcity of government resources. In addition, the promotion of market mechanisms, bureaucratic dysfunctions in developing countries and advocacy of international development agencies have further boosted the use of PPPs in developing countries.

Although the pro-poor PPPs are mostly initiated by developing country governments, other stakeholders such as the private organisations, NGOs, community organisations, local and international donor agencies are keen participants. This is because PPPs in developing countries are involved in a wide range of pro-poor activities including job creation, providing access to basic health services, education, sanitation, safe drinking water, credit, and skills and social awareness training. As has been demonstrated, PPPs are thought to be effective for poverty alleviation since they bring new resources such as management expertise and finance and potentially combine the resources to enhance effectiveness in poverty alleviation. A number of challenges threaten the success of PPPs, including political relationships between the stakeholders, political and bureaucratic processes, poor monitoring and evaluation and finally constraining political cultures.

After reviewing the literature it was possible to construct a model of PPPs to act as a guiding framework for investigating the research questions of this thesis. The next chapter will move from a general concern with the literature on PPPs to focus on Bangladesh, particularly its poverty situation and development challenges.

3. Poverty and Development in Bangladesh

This chapter focuses on poverty and development in Bangladesh. It contextualises poverty and development first by presenting a brief history of Bangladesh. Then the country's development status and challenges in health, education, gender equity and water and sanitation conditions are considered. This is followed by a description and analysis of poverty in Bangladesh. Finally, the chapter delineates two specific PPP programmes for poverty alleviation in Bangladesh. These programmes form the case studies for this thesis.

Historical and Geographical Background of Bangladesh

Bangladesh, officially the People's Republic of Bangladesh (Constitution of Bangladesh 1973, Article 66), is located in South Asia and is bordered by India on all sides, except for a small border with Myanmar in the southeast and the Bay of Bengal to the south. Bangladesh is the world's eighth most populous country, with 164.4 million people living in a 147,570 square kilometres area and is one of the most densely populated (see Table 3.1 for basic statistics on Bangladesh).

Table 3.1: Bangladesh at a glance

Items	Year	Statistics
Area (square kilometres)	-	147,570
Population (millions)	2010	164.4
Population growth rates (annual %)	2010	1.4
Life expectancy at birth (years)	2010	66.9
GDP growth rates (%)	2010	5.7
Population below National Poverty Line (%)	2005	40.0
Population with income below US\$1.25 @PPP a day (%)	2008	49.6
Literacy rates for 15+ years people (%)	2010	56.5
Infant mortality rate (per 1000, at live birth)	2010	56

Sources: GoB/UNDP (2009), UNDP (2010b), and www.unicef.org/infobycountry/bangladesh.

Bangladesh has a high poverty rate, having 40% of the total population living below national poverty lines in 2005 and 49.6% living on income under US\$1.25 a day in 2008.

Bangladesh was previously known as 'Bengal', and was one of the wealthiest parts of the Indian subcontinent until the sixteenth century. European traders arrived late in the fifteenth

century and their influence grew until the British East India Company seized control of Bengal following the Battle of Palashi in 1757 (Baxter 1997). The bloody rebellion of 1857—known as the Sipahy Mutiny—resulted in the transfer of authority to the British crown with a British viceroy running the administration (Baxter 1997, pp. 30–32).

At the close of World War II, it was clear that European colonialism had run its course and Indian independence was inevitable. India attained independence in 1947 but the struggle was bitter and divisive, especially in Bengal where the fight for self-government was complicated by internal religious conflict. The British, believing that agreement between the Muslim and Hindu populations was impossible, decided to partition the subcontinent. This happened in 1947 when Bengal was partitioned along religious lines, with the western part going to India and the eastern part (Muslim majority) joining Pakistan as a province called East Bengal (later renamed East Pakistan), with its capital at Dhaka (Collins & Lapierre 1986) (see Figure 3.1 for the location of Bangladesh in South Asia).

Figure 3.1: The location of Bangladesh in South Asia



Tension between East and West Pakistan existed from the outset because of their vast geographic, economic and cultural differences. This tension erupted over language

movement, when the Pakistan government declared that ‘Urdu and only Urdu’ would be the national language. The Bangla-speaking Bengalis decided it was time to assert their cultural identity. Their drive to reinstate the Bangla language metamorphosed into a push for self-government. The outcome was the 1970 national elections in which the Awami League, a nationalistic party, won the majority vote.

Although in 1970 the Awami League secured a majority of the seats in the national assembly, President Yahya Khan of Pakistan postponed the opening of the national assembly in an attempt to circumvent East Pakistan's demand for greater autonomy. As a consequence East Pakistan seceded and the independent state of Bangladesh, or the Bengali nation, was proclaimed on 26 March 1971. The liberation war broke out and with the help of Indian troops in the last few weeks of the war, East Pakistan defeated West Pakistan on 16 December 1971 (Baxter 1997). An estimated three million Bengalis were killed in the liberation war. In February 1974, Pakistan agreed to recognise the independent state of Bangladesh. The Bangladesh liberation war lasted nine months, during which time there was a massive destruction of infrastructure and property; the devastation was left to the new born Bangladesh to address (see Figure 3.2 for the map of Bangladesh). Further, the new country so decimated by war experienced a famine in 1973–74.

Figure 3.2: Map of Bangladesh



Development Challenges in Bangladesh

Despite political turmoil and the devastation of war, over the last 20 years Bangladesh has made impressive gains in terms of key human development indicators. Bangladesh made noteworthy progress in poverty reduction and the attainment of the MDGs during 1990–2005. The observed rate of progress was consistent with, or even higher than that required for achieving the MDGs by 2015 (set against the benchmark of 1990). The data suggest that the country is on track in relation to a number of targets such as reduction of infant mortality and child mortality, expansion of primary and secondary education, reduction in many aspects of gender disparity, eradication of hunger and environmental sustainability (GoB/UNDP 2009). Despite these improvements, there are still major development challenges in Bangladesh. The HDI ranked Bangladesh at 129 among 182 countries, placing it at the lower end of countries considered to have a medium level of human development (UNDP 2010b). At the time of this research, over 63 million people still lived below the poverty line, with the proportion of population below US\$1.25 income a day at 49.6% and that falling below the national poverty line at 49.8% in 2008 (UNDP 2010b). Although Bangladesh has made good progress in development, many development challenges remain.

Health

Access to health care is regarded as a basic right in the Constitution of Bangladesh. The current and past health care programmes have given special emphasis to vulnerable groups and have had a pro-poor focus. However, Bangladesh still faces major challenges in health. The major health challenges in Bangladesh include health service delivery, scarcity of skilled health personnel, inadequate health expenditure and high rates of child mortality.

Health service delivery in Bangladesh basically involves three types of health care providers: public, for-profit private and not-for-profit private providers. At present, public providers overwhelmingly dominate the sector and supply-side financing has so far been the main strategy for improving the access of the poor and vulnerable to health services. Despite the declared availability of free or subsidised public health services, universal access to modern health care is not ensured.

Patients in Bangladesh face many problems including doctor absenteeism, inadequate nursing services, poor diagnostic facilities, overcrowding and lack of sensitivity to female patients

(GoB 2009). The density of qualified providers including doctors, nurses and dentists in the country was around 7.7 per 10,000 population in 2005–06, well below the WHO recommended threshold density of 22.8 per 10,000 population, below which, coverage of essential interventions to attain the MDGs is not possible (BDHS 2007). Thus, the Millennium Task Force report on health recommended that the highest priority should be given to strengthening the primary health care system of Bangladesh (GoB/UNDP 2009). Doing this would be of particular assistance to the poor and disadvantaged.

Health expenditure per capita is barely adequate to meet expanding health demands in Bangladesh. Overall, in FY2005–06, Bangladesh spent only 1.2% of GDP on health against a WHO target of 5% (BDHS 2007). Despite the fact that the government was spending about US\$5 per capita on Health and Nutrition Programme (HNP) services, patients still faced private out-of-pocket expenditure of US\$7; overall 70% of health expenditure in Bangladesh was out-of-pocket, with 5% of that amount being spent on drugs and pharmaceuticals (United Nations 2005b).

Although Bangladesh has achieved remarkable progresses in reducing the under-five mortality and infant mortality rates in the last two decades, there is still some distance to go to achieve the MDG targets by 2015 (see Table 3.2).

Table 3.2: Under-five mortality rate (per thousand live births)

Years	1992–1996 (%)	1995–1999 (%)	1999–2003 (%)	2002–2006 (%)	MDG Target by 2015 (%)
Rates	116	94	88	65	50

Source: BDHS (1992–1995; 1996–1997; 1999–2000; 2004; 2007)

Education

Getting access to basic education is a fundamental human right that has been denied to a large section of the population living below the poverty line in many developing countries, including Bangladesh. Furthermore, lack of education, as manifested in high illiteracy rates, also constitutes an important dimension of poverty. The fundamental relationship between poverty and the right to education is underlined by the fact that universal primary education is an MDG to be achieved worldwide by 2015 (United Nations 2005b). Bangladesh has already achieved several goals of MGDs relating to education.

Equitable access has increased, dropouts reduced and completion rates improved while there have been a number of quality enhancement measures in primary education. Bangladesh also has achieved gender parity in primary and secondary enrolment (GoB/UNDP 2009). In terms of bringing primary school age children to schools, the country is well ahead of the MDG 2 target. Table 3.3 shows some of these achievements. For example, the Primary School Net Enrolment Rate (NER) has recorded significant improvement, from 60.5% in 1990 to 91.9% in 2008 and 93.3% for girls (GoB 2009; GoB/UNDP 2009).

Table 3.3: Net enrolment in primary school, net enrolments for girls, survival to grade 5 and gross enrolment

Goals	1990/1991 (%)	2005 (%)	2007 (%)	2008/2009 (%)
Net enrolment in primary school for all	60.5	87.2	--	91.9
Net Enrolment in primary school for girls	-	90.1	94.7	93.3
Survival to grade 5	43	53.9	51.9	54.9 (2008)
Literacy rates for 15+ years old people	36.9	-	56.5	-

Source: GoB (2009), BBS (2008), HIES (2005), GoB/UNDP (2009), UNDP (2010b)

A considerable proportion of this improvement may be attributed to the progress in girls' enrolment from 50.76% in 1990 to 94.7% in 2007, as opposed to that for boys (69.43% in 1990 to 87.8% in 2007). There are still challenges remaining in survival to the grade 5 and total literacy rates for 15+ years old population. Survival to the last grade of primary schooling (grade 5) was 54.9% in 2008, an increase from the 43% from the baseline years 1990–95. This indicates that Bangladesh should be able to achieve just a 58.19% survival rate by 2015 (GoB/UNDP 2009), against the 100% target of the MDGs. Further, the literacy rate for 15+ year olds was 36.9% in 1991 rising to 56.5% in 2010 (UNDP 2010b). At this pace it will be very difficult for Bangladesh to reach the MDG target of 100% by 2015.

Water and Sanitation

Increased access to safe water and sanitation is a prerequisite for improved health outcomes within households, since safe drinking water and sanitation help to improve primary health care and significantly contribute to reducing the mortality rates from diarrhoeal and other water-related diseases. Access to safe drinking water and sanitation are considered a basic right of all citizens. Government policies have focused on making safe drinking water and sanitation services available to all in the shortest possible time and at a reasonable price

(Begum & Salimullah 2004). However, Bangladesh still faces challenges in safe drinking water and sanitation.

The basic level of safe water supply services in Bangladesh is achieved through hand-pump and tube wells. The rates of access to safe drinking water vary from rural areas to urban areas in Bangladesh. In 1990 about 78% of population in rural population had access to safe drinking water, while the coverage increased to 96.3% in 2000. Arsenic contamination lowered the service coverage to 84% in 2007. In 1990, about 76% of the urban population had access to safe drinking water, increasing to 86% in 2007 (see Table 3.4). However, there is still more to do in order to reach the MDGs target of 100% by 2015.

Table 3.4: Access to safe drinking water in Bangladesh

Years	1990	1995	2000	2005	2006	2007
Urban (%)	76	80	95	71	71	86
Rural (%)	78	82	96.3	77	77	84

Sources: WHO (2008); GoB/UNDP (2009)

Access to an improved sanitation facility varies in Bangladesh from rural to urban areas. In 1990, 15.3% of the rural population had access to sanitary latrines (see Table 3.5), rising to 35% in 2000.

Table 3.5: Access to sanitary latrines in Bangladesh

Years	1990–95	2000	2005	2006	2007
Urban (%)	61.2	60	74	80	84.7
Rural (%)	15.3	35	57	81	86

Sources: GoB (2007); BBS (2006); GoB/UNDP (2009)

A nationwide Community-based Total Sanitation campaign was launched in 2003, with the aim of reaching 100% coverage by 2010 (GoB 2009). As a result, the coverage increased to 86% in 2007. In the urban areas, 61.2% of population had access to sanitary latrine in 1990–1995, increasing to 84.7% in 2007. The growth rate has been encouraging at about 17% per annum. Despite the success, there is still long way to go to reach the MGD target of 100% by 2015.

Gender Equity

Bangladesh has committed to attaining the objectives of ensuring gender equality and empowerment of women. Over the last two decades, the initiative to ensure equal rights of women and non-discrimination has gained momentum in Bangladesh and there has been steady improvement. The government of Bangladesh believes that healthy mothers and empowered women are in a better position to take decisions for their own and their children's lives, and can contribute more to families and communities (GoB 2009). Thus, the government has taken several initiatives to empower women; for example, eradication of poverty, with special emphasis on eradication of the feminisation of poverty by strengthening SSNPs. Programmes such as the Allowance to Widows and Destitute Women, Maternity Allowance to Poor Mothers and Vulnerable Group Development (VGD) Programme have been providing food security to a large number of poor women since 1987 (*Bangladesh Economic Review 2007, 2009, 2010*). Extensive training programmes in IG skills such as agricultural, fisheries and livestock, computers, sewing, block batik and handicrafts have been conducted. Despite these extensive programmes women are still vulnerable in Bangladesh.

Poverty and Bangladesh

Definitions of Poverty

Poverty has many faces, changing from place to place and across time, and has been described in many ways. For example:

Poverty is hunger, poverty is lack of shelter, and poverty is being sick and not being able to see a doctor. Poverty is not having access to school and not knowing how to read. Poverty is not having a job, and is a fear for the future; poverty is losing a child to illness, poverty is powerlessness and poverty is lack of representation and freedom (World Bank 2010).

Though the fight against poverty is on top of the international political agenda, there is no universally agreed concept of poverty. Greig, Hulme & Turner (2007) noted that poverty is often presented as dichotomies, but it aids analysis to think of it as continua; three such continua are narrow and broad conception of poverty, absolute and relative poverty and objective and subjective poverty.

Poverty can be framed in 'narrow' or 'broad' terms (Lister 2004, p. 13). A narrow approach has the advantage of being easily comprehensible and measurable. A broader approach has the advantages of more fully exploring the multifaceted nature of poverty and the conditions that create, maintain or reduce poverty. At the 'narrow' end of the continuum are meanings such as envisaging poverty as the 'inability to participate [in society] owing to lack of resources' (Nolan & Whelan 1996, p. 193). In perhaps the greatest 'narrowing', the concept is seen as having a per capita income of less than US\$1 per day, which is reflected in the MDGs in Target 1 and regularly measured by the World Bank and UNDP. These reflect the uni-dimensional notion of poverty. These uni-dimensional, money-metric conceptualisations contrast with the broad multidimensional notions.

There are also debates on the merit of distinguishing between absolute and relative poverty. Absolute poverty refers to some absolute standard of minimum requirement, such as a particular level of income, while relative poverty is falling behind most others in a community. With respect to income, a person is absolutely poor if his/ her income is less than the defined income poverty line, while he or she is relatively poor if he or she belongs to a bottom income groups, such as the poorest 10% (*Human Development Report 1997*, p. 13).

One well known means of determining poverty is income poverty. The incidence of income poverty is usually measured by a headcount index, which represents the percentage of people below the chosen poverty line, for example, the National Poverty Line (*Human Development Report 1997*, p. 32). An international poverty line is used to compare the incidence of poverty across borders. The World Bank uses a poverty line of US\$1 (1985 PPP\$) a day per person to compare poverty in most developing countries (*Human Development Report 1997*, p. 32). However, the world community has recalibrated the base poverty line and set a new poverty line of US\$1.25 a day (World Bank 2008).

Poverty as Deprivation

Poverty has to be seen as a dynamic process rather than a static phenomenon, and one that captures various forms of deprivation in well-being (World Bank 2000). Inspired by Amartya Sen's (1999) concept of 'capabilities' (the basic capacities that enable people to function) and 'entitlements' (the ways in which people command resources), Zupi (2007, p. 31) describes the term 'deprivation' as a lack of well-being, not only in terms of access to material goods but also in relation to emotional and psychological factors.

Using the notion of deprivation, Zupi referred to poverty as the ‘web of deprivation’ (Zupi 2007, p. 31), which is a combination of ‘destitution’ (chronic absence of resources), ‘distress’ (the psychological condition of pain and insecurity), ‘disadvantage’ (lack of command over resources, opportunities and access to distribution of power), ‘disability’ (impairments as a medical phenomenon and social exclusion as a result of the economic and socio-political conditions) and exaggerated ‘dependency’ (the status of claimants, for those who have no other option than to depend on assistance). This idea of the ‘web of deprivation’ reveals many dimensions of poverty. This is also referred to as multidimensional poverty. The multidimensional notion allows poverty to be seen as a set of both material and non-material deprivations—a lack of participation in decision-making, experiencing violence, humiliation, lack of respect and powerlessness (Greig, Hulme & Turner 2007). Such a definition of poverty presents much greater challenges for measurement but provides greater analytical insight. Since 1997, the *Human Development Reports* (HDRs) have presented the Human Poverty Index (HPI), which has contributed to the way poverty is understood. However, the measure does not capture overlapping deprivations suffered by individuals or households. Therefore, in 2010, UNDP introduced the MPI, which identifies overlapping deprivations at the household level in education, health and standard of living which also provides greater analytical insight of poverty. It shows the average number of poor people and deprivations with which poor households contend (Alkire & Santos 2010).

Multidimensional poverty is common in developing countries like Bangladesh. To reduce multidimensional poverty in developing countries, several actions are needed, from both wealthy nations and poor nations. Therefore:

poverty is a call to action—for the poor and the wealthy alike—a call to change the world so that many more may have enough to eat, adequate shelter, access to education and health, protection from violence, and a voice in what happens in their communities (World Bank 2010).

In this thesis the term poverty is referred to both income poverty and multidimensional poverty.

Poverty Trends in Bangladesh

Establishment of the MDGs is one of the most important calls to reduce poverty worldwide. The Government of Bangladesh has responded to this call with several initiatives to reduce poverty and hunger, and has made strong progress towards reducing income poverty, placing it roughly on track to meet the target of halving the share of the population living on under

US\$1 a day by 2015 (World Bank 2007, p. 3). The national economy improved its growth performance to 6.21% in 2007–08, from 5.27% in 2000–01.

Despite slight improvement in the economy, the overall scenario of development of Bangladesh is still not satisfactory. Bangladesh remains ranked 129 out of 182 countries for the HDI; the HPI 1 ranked Bangladesh at 112 among 135 countries in 2007 and 49.6% of the total population lived below US\$1.25 a day in 2005. The MPI is the share of the population that is multi-dimensionally poor, adjusted by the intensity of the deprivations. This figure for Bangladesh is 0.291, in which the MPI headcount rate was 57.8% in 2008 (see Table 3.6). Despite remarkable attempts to reduce endemic poverty since independence, the incidence of poverty is still significant in Bangladesh.

Table 3.6: Bangladesh data on poverty and development

Items	Rank/Percentage
HDI in 2010 out of 182 countries in 2008	129
HPI 1 Rank in 2007 out of 135 countries in 2007	112
% of population with income below US \$1.25 PPP a day in 2005	49.6
% of population below MPI (headcount rate) in 2008	57.8

Sources: UNDP (2010b)

In Bangladesh, the state of poverty is broadly estimated by two methods, namely the Direct Calorie Intake (DCI) method and the Cost of Basic Need (CBN) method (BBS 2005, p. 55). The DCI method is normally used by the Bangladesh Bureau of Statistics (BBS) for household income and expenditure surveys. In the DCI method, the caloric threshold of 2122 k cal is used for determining the poverty line. The CBN method sets the poverty line by computing the cost of the food basket that enables households to meet pre-determined nutritional requirements, then adding to this an allowance for basic non-food consumption. Under the CBN method, price differentials over time and across areas are taken into account by costing the food items in a fixed bundle using area-specific prices prevailing at particular times (BBS 2005, p. 56). These two methods reflect both material and physical well-being—two of the dimensions of poverty.

The incidence of poverty in Bangladesh has varied over time and also between urban and rural areas. The incidence of income poverty was higher in 2007 compared to 2005.

Table 3.7: Trend of income poverty: population below national poverty lines

Year	Percentage of Population Below Poverty Lines		
	National	Urban	Rural
2007	47.2	50.8	47.2
2005	40.0	28.4	43.8
2000	48.9	35.2	52.3
1995	51.0	29.5	55.3
1990	58.8	44.9	61.2

Source: GoB (2007); HIES (2000, 2005); GoB/UNDP (2009).

As shown in Table 3.7, the rate of income poverty at the national level declined from 58.8% to 47.2% in 2007, while it was 40.0% in 2005. Though the incidence of poverty reduced from 61.2% in 1990 to 47.2% in 2007, in rural areas poverty rates were higher than in urban areas. In 2005, the rate of income poverty was 43.8% in rural areas compared to 28.4% in urban areas and in 2000 it was 52.3% in rural areas compared to 35.2% in urban areas. The poverty situation became extremely alarming in urban areas in 2007, when it reached 50.8% compared to 47.2% in rural areas.

The data relating to the annual rate of poverty reduction (see Table 3.8) shows an unsatisfactory rate to achieve the goals of poverty reduction by 2015, since the rate has gradually slowed since 1990. The required rate is 1.16% for the national level.

Table 3.8: Annual rates of poverty reduction (%) over 1990–2007

Period	National	Urban	Rural
2005–2007	1.63	1.41	1.71
2000–2005	3.64	3.86	3.25
1995–2000	0.82	3.86	1.08
1990–1995	2.65	6.86	1.93
Required rate	1.16	0.64	1.46

Source: GoB/UNDP (2009)

The reduction of poverty has been lower in rural areas for almost all years, except 2005–2007, compared to urban areas. However, as suggested by the government of Bangladesh and UNDP (GoB/UNDP 2009), a relatively higher rate of reduction is required to achieve the target of halving the incidence of poverty in Bangladesh by 2015. With the existing reduction rate, there is no scope to achieve the targets by 2015.

The poverty gap is a measure of the total difference between income/expenditure of the poor and the poverty line (World Bank 2009). It reflects both the depth and incidence of poverty in Bangladesh. The size of the poverty gap changed by 2.50% and 6.05% during 1990–2000 and 2000–05. The overall rate was 3.18% during 1990–2005 (HIES 2005). Though it shows an encouraging trend, it is still far from the target, which is 8.6% per year to reduce poverty in halving by the year 2015. The rate of poverty gap suggests that the poverty gap may not be eradicated by 2015 (GoB/UNDP 2009).

These data indicate that poverty is still a major challenge in Bangladesh. For achieving the MDG1 by 2015, the government of Bangladesh needs to develop and implement more ambitious and effective strategies for poverty alleviation.

Poverty Alleviation Programmes in Bangladesh

As demonstrated in the discussion above, poverty remains Bangladesh's major development challenge. The government is well aware of this and has taken several initiatives to attain the poverty reduction targets of the MDGs. Particularly the government has been allocating more resources for alleviating poverty in recent years than before. For example, the government has allocated about 60% of total budget resources for different direct and indirect poverty reduction activities only in FY2009–10 (*Bangladesh Economic Review 2010*, p. 178).

Since independence in 1971, a wide range of programmes have been implemented for reducing poverty in Bangladesh, including government programmes, NGO programmes and more recently the cooperative PPP programmes. Among the important government programmes for poverty alleviation and development are those of the Bangladesh Rural Development Board (BRDB) and the Comprehensive Village Development Programmes (CVDP) of the Bangladesh Academy for Rural Development (BARD), Comilla. For example, since inception in 1972, the BRDB has implemented 74 projects and programmes, most of them being poverty-focused and micro-credit based (*Bangladesh Economic Review 2010*, p. 208). Under different development projects and programmes, BRDB and BARD have provided micro-credit, human resource development training and other services addressing diverse social issues such as health, sanitation, family planning, mass education, HIV/AIDS prevention, gender and environment. These programmes have made progress in alleviating

poverty since independence and have become well known both nationally and internationally for their effectiveness.

The Government of the People's Republic of Bangladesh has also been executing other mainstream poverty alleviation programmes through different ministries and departments such as the Ministry of Social Welfare, Ministry of Women and Children Affairs, Department of Women Affairs, Ministry of Food and Disaster Management, Department of Youth Development, Department of Fisheries, and Department of Livestock. For example, the Ministry of Social Welfare has used social safety net programmes (SSNP), and rehabilitation of the disadvantaged segments of the society particularly orphans, the destitute, and the poor and helpless. Social integration and poverty reduction have been the most important aims of these programmes. Revolving funds have been used to provide micro-credit for the target groups through these programmes. The ministry has also introduced cash transfer programmes, food security programme, and micro-credit programmes throughout Bangladesh. One of the recent cash payment programmes of this ministry is the Old Age Allowance programme which has distributed per head Tk.300 monthly among 2.25 million elderly persons in Bangladesh in the FY 2009-10 (*Bangladesh Economic Review 2010*, p. 202).

The government also has been implementing some programmes to reduce poverty during disaster periods. For example, the Ministry of Food and Disaster Management has been operating two food assistance programmes namely the Food for Works Programmes and the Vulnerable Group Feeding (VGF). Additionally it has overseen the Rural Infrastructure Maintenance Programme and the Gratuitous Relief (GR) for combating poverty during natural disasters. These programmes have wide coverage across the country. Through these programmes food grains as well as cash are distributed to the poor. For example, for the Food for Works Programme, the total allocation of food grain was 375,000 metric tonnes in FY2009-10 (*Bangladesh Economic Review 2010*, p. 203).

The Department of Women Affairs (DWA) of the Ministry of Women and Children Affairs has been implementing various projects and programmes aimed at reducing poverty among vulnerable women; these are Vulnerable Group Development (VGD), IGVD and the Vulnerable Group Development for Ultra-poor (VGDUP). These programmes are mostly in the districts with high incidence of poverty. The main objectives of these programmes are to enhance the quality of life by improving the socio-economic condition and nutritional status

of ultra-poor women by providing skills training on income generating activities as well as on nutrition, primary health, human rights, AIDS, reproductive health, gender, and environment. These programmes also have wide coverage. For example, 0.75 million households are provided with cash, credit and skills training every year through the VGD/IGVGD programmes.

In addition to government programmes, a large number of NGOs have assisted in poverty alleviation programmes. They have been implementing large micro-credit programmes for reducing poverty. For example, since its establishment in 1972, BRAC has been experimenting with micro-finance. BRAC operates its micro-finance programmes through its Village Organisations (VOs) in all districts of Bangladesh. It has been providing various types of micro-credit and training to underprivileged and marginalised groups like poor women and the extreme poor living in *char* areas. Up to June 2010, BRAC has disbursed Tk. 469.46 billion among 8,357,249 beneficiaries including 7,952,880 women (*Bangladesh Economic Review 2010*, p. 211). BRAC has also been involved in collaboration with government in the VGD and IGVGD programmes, the latter being a case study of this thesis. Another NGO, *Proshika*, provides credit to the poor through *Credit plus Credit*. Along with the credit, *Proshika* also provides training, technical assistance and market facilities to the poor. The most famous Bangladesh NGO is the Grameen Bank which has been providing banking facilities to poor women and creating self-employment opportunities among the rural poor in Bangladesh through its micro-credit since 1976. The total number of borrowers is 8.35 million and 96% of them are women. Up to March 2011, the Grameen Bank distributed Tk. 684.13 billion as loans to its borrowers since its inception in 1976 (www.grameen.com/index2.php)

More recently, apart from these programmes, the government of Bangladesh has cooperated with NGOs and international donors to introduce PPP programmes for reducing poverty. The next section will deal with the PPP programmes that are aimed at poverty reduction in Bangladesh.

PPP Programmes for Poverty Alleviation in Bangladesh

The government of Bangladesh has acknowledged the success of NGO programmes and has recently commenced more formal partnership programmes with NGOs to make a bigger

impact on poverty reduction. There are several partnership programmes for poverty alleviation in Bangladesh. These are VGD/IGVGD, the Rural Micro-credit programmes (RMC) of PKSF, the Participatory Livestock Development Programme (PLDP), Rural Infrastructure Development (RID), Youth Development (YD) and National Nutrition Programme (NNP) (*Bangladesh Economic Review 2008, 2009*). The IGVGD and the RMC have been designed to directly address income poverty as well as other development issues related to poverty. This research selected two programmes, namely the IGVGD and the RMC, for assessment, since the design and the expected outcomes of these two projects were very similar. They both provide IGA skills training, credit and social awareness training. In addition, these programmes were thought to have extensive impact on poverty alleviation and development in rural Bangladesh.

Income Generation for Vulnerable Group Development

An Overview of IGVGD Programme

The VGD programme is one of the largest SSNPs under the government-NGO partnership arrangements in Bangladesh. It commenced in 1987 as a pilot partnership programme, based on an agreement between the government of Bangladesh, Bangladesh Rural Advancement Committee (BRAC) and the World Food Program (WFP) (Matin & Hulme 2003). It targets ultra-poor³ women-headed households, specifically aiming to bring sustainable improvement to the lives of these people with complimentary inputs that will improve their nutrition, social awareness, livelihoods and self-reliance so its participants graduate out of poverty, hunger and deprivation.

The VGD programme has two components: (i) IGVGD and (ii) Food Security for Vulnerable Group Development (FSVGD). The components together serve 750,000 households (about 3.75 million people) from the ultra-poor households in Bangladesh. In the IGVGD component, beneficiaries receive a monthly ration of 30 kg of wheat or 25 kg of fortified

³ IGVGD households usually have poverty lines less than 1,805 kcal food intake, which is defined as Ultra-poor (WFP 2007).

wheat flour (*atta*) and in the FSVGD⁴ programme, beneficiaries receive 15 kg of fortified wheat flour and Tk.150 per month.

The focus of the IGVGD is on ultra-poor women trapped in the vicious cycle of poverty, hunger and vulnerability. The IGVGD enables the poorest and most disadvantaged women-headed families to overcome food insecurity and brings them opportunities for sustainable development through IGA, savings and access to credit. It identifies ultra-poor women-headed families according to five criteria. These are: first, extremely food insecure families who are unable to have at least two meals a day; second, families who have no land or have land less than 0.15 acres (in these two cases, the landless will be preferred for selection); third, families who have very bad housing conditions; fourth, families who have no regular sources of income, or who earn a very low and/or have an irregular income. Finally, the families must be women-headed, or have no income-earning male member (MWCA 2008).

Over a 24-month period, the IGVGD development package for beneficiaries includes provision of complimentary food rations (either fortified wheat flour or wheat); training on issues such as social awareness, personal health, hygiene and nutrition, legal issues and IGA; savings management; access to credit to allow participants to start IGA and graduation into mainstream NGO development programmes for sustainability (MWCA 2002).

The VGD is operational in 54 out of the 64 districts across the country. However, during the 2007–2008 cycle, only seventeen NGOs were involved with the IGVGD in seventeen districts. The package of development services were implemented by the NGOs in partnerships with local governments, and the DWA of the central government of the Bangladesh.

Partnership Management Structure of the IGVGD

The IGVGD is a partnership programme, as its implementation involves the central government, local governments, donors through the WFP and NGOs.

⁴ FSVGD is only operational in seven districts in Northern Bangladesh: Dinajpur, Kurigram, Lalmonirhat, Naogaon, Rajshahi, Panchagarh and Thakurgaon. These areas are '*monga*' (Bangla name for a near famine situation) prone areas where the level of food insecurity is very high.

The central government provides financial support through the Ministry of Finance (MoF) to the MWCA. The MWCA is mainly responsible for the overall design, planning, monitoring and evaluation of the programme. It provides all necessary guidelines, rules and regulations.

The DWA of the MWCA coordinates the whole programme. It is responsible for implementation at Union and *Upazilla* levels with the involvement of local government representatives (UP chairmen) and *Upazilla* government officials (UNOs and others). The DWA chooses the NGOs according to criteria set by the MWCA and signs contract agreements with the selected NGOs. The DWA also coordinates with the MWCA.

The local government representatives, especially the elected women members of unions, and the Union VGD Committee are responsible for selecting IGVGD women participants from their unions with the help of the *Upazilla* Women Affairs Officer (WAO), and/or the Project Implementation Officer (PIO), and NGO representatives according to the criteria of MWCA, as mentioned earlier. The local government representatives, mainly the Union *Parishad* (UP) chairmen, are responsible for collecting food grains from district food offices and distributing these food grains among the IGVGD women.

In this partnership arrangement the NGOs are involved in activities to improve the socio-economic status of the participating women. This is done mainly by providing a package of six development services:

Group Formation: The NGOs form several groups with the IGVGD women; there are not less than five participants and not more than 20 participants in a group from the same union to receive social awareness and IGA skills training.

Social Awareness Training: The IGVGD women receive formal, classroom-based social awareness training on different health and social issues. These include personal health and hygiene matters such as using safe drinking water and sanitation, the prevention of basic diseases such as diarrhoea, tuberculosis and HIV, immunisation and child health, the schooling of children, food and nutrition information, natural disaster management and women's empowerment covering such matters as the legal rights of women, marriage and marriage registration, dowry, divorce and birth registration.

Income-Generating Activities: The NGOs provide IGA skills training in at least five activities: poultry rearing, cow and goat rearing, kitchen gardening, pisciculture and

entrepreneurship. The NGOs are responsible for developing training modules and providing trainers. The NGOs also ensure that each woman receives at least one of the IGA skills training programmes plus the compulsory entrepreneurship development training through formal classroom training sessions.

Savings Management and Access to Credit: The NGOs provide training on how to save money and how to manage weekly savings. They are also responsible for providing access to a credit programme in which formal security for the cash advances is not required from the IGVDG women. An IGVDG participant can receive a maximum of Tk.3,000 in the first year and a maximum of Tk.5,000 in the second year, although the amounts may vary between NGOs.

Refresher Training: The NGOs provide refresher training on different social and health awareness issues and the IGA subjects mentioned above.

Starting IGA and Follow Up: The NGOs are also responsible for monitoring whether the participating IGVDG women have started any IGA. The NGOs follow up the women's progress on IGAs during the contract period of 12 months (MWCA 2002).

For these development services, the NGOs receive Tk.425 per IGVDG woman from the government in the first year of the cycle for a 12-month contract period.

The WFP is mainly responsible for mobilising donor resources, and for monitoring and evaluating this programme. It is also responsible for coordinating planning and implementation with the MWCA (MWCA 2002).

Expected Outcomes of the IGVDG Partnership Programme

The expected outcomes of the IGVDG partnership programme are several. First, by receiving a monthly food ration of 30 kg of wheat or 25 kg of fortified flour the poorest families will be able to ensure food security for a 24-month period. Second, the participants will improve their household's food intake and nutritional status. Third, the participants will improve their human and social wellbeing through social awareness training. Fourth, the participants will improve the nutritional level of their family members by using knowledge gained through social awareness and IGA training sessions, on matters such as kitchen gardening and poultry rearing. Fifth, the participants will meet the vegetable and protein needs of their households through skills gained in IGA training. Sixth, participants will increase their income through

utilising IGA skills training and the credit of NGOs. Finally, the participants, by improving their incomes and regular earning capacity, will escape from their poverty cycle permanently (MWCA 2002).

Rural Micro-Credit (RMC) PPP of the PKSF

The *Palli Karma-Shahayak Foundation* (PKSF), which in English means ‘Rural Employment Support Foundation’, since its inception in May 1990, has been working as an apex micro funding and capacity-building organisation for eradicating poverty in Bangladesh. It provides micro-credit to the poor through its Partner Organisations (POs). PKSF’s vision is to alleviate poverty and improve the quality of life of the poor—the landless and assetless—by providing them with resources and enhanced capacity-building for employment and the improvement of their economic conditions.

Overview of the RMC PPP

The RMC was the first partnership programme of the PKSF after its inception in 1991. PKSF operates its RMC programmes through its POs. The number of POs increased to 257 in 2009 from 121 in 2005 (PKSF 2005, 2010). The RMC is the largest core PPP programme of the PKSF in terms of the amount of disbursement and number of borrowers. The main IGAs undertaken by the rural poor in the RMC include crop and non-crop agriculture, small-scale trade and activities related to transport and family-based small businesses. In FY2009, PKSF disbursed loans amounting to Tk.7.55 billion to its POs under RMC, an increase of 22% compared to FY2008 (PKSF 2010).

Partnership Structures of the RMC PPP

The RMC is a partnership programme between the government of Bangladesh, the PKSF and NGOs. A Memorandum of Understanding (MoU) is the legal basis between the Finance Division (FD), MoF of the government of Bangladesh for operating the RMC programmes. The PKSF also signed other sub-loan agreements with its POs for the disbursement of loans to POs. Legally, PKSF is a ‘company limited by guarantee’ and is a ‘not for profit’ company registered under the Companies Act of 1913/1994 with the Registrar of Joint Stock Companies in Bangladesh (PKSF 2010).

The PKSf receives funds from the government of Bangladesh, as well as from other donors through the government of Bangladesh such as the World Bank, USAID, the ADB and the International Fund for Agricultural Development (IFAD) (PKSF 2010). The PKSf receives funds from the government as loans for 20 years and repays them in instalments over that time. The government receives payments from donors for 40 years for the RMC programme.

The PKSf levies a 4.5% service charge per year from its POs. Loans received by the POs from the PKSf are repayable within three years. The first six months are considered a grace period and loans, along with service charges, are then to be repaid in 10 quarterly instalments within the remaining 30 months. A PO can receive another loan from the PKSf after repayment of the first loan.

The POs (NGOs) disburse the first loan to the beneficiaries for one to two years. The first two months are considered a grace period and repayment of the loans is over the following 10 months. The POs charge interest on money loaned to their beneficiaries depending on the field situation of the POs. Normally POs collect 12.5% interest as the service charge from the beneficiaries. However, this varies from 12.5% to 15% from PO to PO. The repayment period for the borrowers is one year. After repayment of the initial loan an individual beneficiary can receive another loan; thus, an individual beneficiary can revolve the loans for as many years as she wishes.

Management and Implementation of the RMC PPP

The government of Bangladesh provides finance to the PKSf under an MoU and monitors RMCs through PKSf reports on the RMC activities. In the RMC PPP, the PKSf is responsible for several activities, including the selection of POs, disbursement of credit to POs, helping POs to build capacity and monitoring the field activities of the POs. PKSf is responsible for the implementation and monitoring of financial activities of POs on behalf of the government of Bangladesh (PKSF 2010).

As the PKSf implements the RMC through various POs selecting the appropriate PO is one of its crucial tasks. Although the PKSf mainly prefers NGOs, in this process the PKSf appraises various types of organisations, including non-government, semi-government, voluntary agencies, societies and local government bodies as a means of selecting the POs that have appropriate experience and expertise or have the potential to operate a successful micro-credit programme for self-employment and income-generation for the landless and

assetless. In appraising an organisation, PKSF follows guidelines divided into (a) organisation, (b) organiser, (c) management, (d) human resources, (e) working area, (f) field activities, (g) past performance, (h) management information system (MIS) and (i) accounting system (PKSF 2010).

According to the guidelines, to become a PO of the PKSF an organisation should have certain features. It should have a legal basis. For an NGO, it is to be registered with the appropriate authority such as the Directorate of Social Welfare, Department of Women's Affairs, Registrar of Cooperatives, or NGO Affairs Bureau. The organisation should have a constitution, a general body and an executive committee approved by the concerned registration authority. The organisation also should have a mandate from the registered authority to operate credit programmes for self-employment and income-generation activities for the landless and assetless with an admissible service charge. It should be able to borrow money from the government and from semi-government, private and other organisations. The organisation should have at least 400 group members; at least five members in each group, a Tk.0.2 million operating loan at field level, and experience of at least six months' successful micro-credit operation. The groups should be organised within a 10 km radius of the NGO project office (PKSF 2010).

The organiser(s) or founder(s) of the development NGO should be socially reputable, respected and honest and have a clear intention to serve poor people. They should be acceptable to the staff, group members and to the community in general. The organisers should have the capability and commitment to develop a vision and strategic plan that is appropriate for their own development organisation.

The working area of the organisation should be well suited to microcredit operations. It should have a good communications network, banking facilities and easy access to market so that the borrowers can utilise their loan profitably. The rural areas and the areas, especially those with a relatively high incidence of poverty, are given preference. There should be potential for expansion of the programme, while avoiding duplication with the activities of other development organisations working in the same area.

Capacity Building Programmes of the PKSF

The PKSF considers the capacity of a PO and its staff as significant and integral to RMC. Therefore, the PKSF has designed several programmes for building the capacity of its POs,

including training, awareness-building and skills-enhancing seminars and workshop, technical assistance, exposure visits, research and institutional development (ID) loans.

A multi-year training programme comprised of 15 modules has been implemented for the POs of the PKSf and 4,364 staff from different POs were given training under the mainstream programme in FY2009 (PKSF 2010). The PKSf also provides training to staff of POs and the borrowers involved in its different projects. The training focuses on relevant management skills, awareness-building and technical services such as skill development in various sectors. In addition, training is given in developing livelihood strategies and the ability to cope during crises (see Table 3.9).

Table 3.9: PKSf’s trainings provided to staff of POs

Category of Staff	Types and Names of Training
Chief Executive	<ol style="list-style-type: none"> 1. Financial Management 2. Savings and Micro-credit Management 3. Monitoring and Evaluation 4. Strategic Planning 5. Good Governance
Mid-level Officers	<ol style="list-style-type: none"> 1. Accounts Keeping and Financial Management 2. Savings and Micro-credit Management 3. Supervision and Monitoring 4. Training of Trainers 5. Disaster Management 6. Micro-enterprise
Accountants	<ol style="list-style-type: none"> 1. Accounts Keeping 2. Financial Management
Field Workers	<ol style="list-style-type: none"> 1. Group Dynamics, Savings and Micro-credit Management 2. Effective Management of IGAs

Source: PKSf (2010)

These training programmes have been designed to transfer knowledge from PO staff to field level beneficiaries. The PKSf provides training to the executives of the POs in financial management and governance. Training for the mid-level officers, accountants and field workers comprises a range of practical skills needed to operate programmes. For ID, the PKSf provides loans to its POs at a nominal service charge for the procurement of vehicles such as motorcycles and motorised boats, office equipment such as computers and photocopiers and for building training centres.

Field Implementation of the RMC

The POs of the PKSf are the main implementing agents of the RMC PPP. The POs provide loans to the beneficiaries after selecting who can be borrowers in a particular area. All the beneficiaries are provided social awareness training on such matters as on legal rights and health issues. The POs encourage beneficiaries to make regular weekly savings. The POs provide training to the beneficiaries under different projects so that not all beneficiaries are provided with all types of IGA skills training. Exactly what they receive depends on their preferences. An individual beneficiary can receive one or two courses of IGA skills training according to her choice. The POs monitor the activities of the beneficiaries. They also collect weekly instalments and services charges and look after the savings of the beneficiaries (PKSF 2006, 2010).

The POs apply a set of criteria in selecting the beneficiaries:

1. The beneficiaries should be landless and asset less.
2. The beneficiaries should be residing in rural areas owning less than 0.5 acres of cultivable land, or having total assets of the value less than that of one acre of land in the locality.
3. The landless and asset less should be organised into groups of not less than five members.
4. All members of a group must be residents of the same village or area.
5. Groups must be formed with like-minded people from the same socio-economic stratum and be people having confidence and trust in each other.
6. Members should be conscious of, and adhere to, group discipline and be regular in attendance at group meeting and in making saving deposits (PKSF 2010).

Expected Outcomes of the RMC PPP

Through the RMC PPP, it was expected that the participants would be able to improve their human and social wellbeing through social awareness training. The participating households would be able to improve their food and nutritional level by using knowledge gained through social awareness and increased income through IGA skills training sessions, especially with training relating to matters such as kitchen gardening and poultry rearing. Participants would be able to enhance their economic conditions through utilising IGA skills training and the

loans of the NGOs. Finally, the beneficiaries' households would be able to come out of poverty through regular earning utilising the credit of the NGOs (PKSF 2010).

Conclusion

This chapter has contextualised poverty in Bangladesh so that the case studies of IGVGD and RMC can be fully appreciated. The chapter commenced with a brief history of the country, followed by delineation of its development status and challenges in health, education, gender equity and water and sanitation conditions. Then a descriptive analysis of poverty in Bangladesh was presented to fully demonstrate the enormity of the task facing poverty alleviation programmes in Bangladesh. Finally, two specific PPP programmes namely the IGVGD and the RMC for poverty alleviation in Bangladesh were outlined in this chapter. This sets the scene for the in-depth case studies of IGVGD and RMC but before examining these PPPs the next chapter describes the research design and methodology used for this thesis.

4. Research Design and Methodology

This chapter deals with the design and methodology adopted for this research. It explains the case study and mixed methods approaches used for this research design, and for the collection and analysis of data. The section on the case study approach presents the rationale for its use while the section on mixed methods describes the nature of this technique and the reasons for using it. Special details of data-gathering and analysis procedures are also provided.

Case Study Approach

Yin (2009) argued that, in general, case studies are the preferred strategy when ‘how and why questions are being posed’, and ‘when the investigator has little control over the events and when focus is on a contemporary phenomenon within some real life context’ (Yin 1994, p. 1). Yin also argued that case studies allow an investigator to retain the holistic and meaningful characteristics of real life events. The case study is used to contribute knowledge of individual, group, organisational, social, political and related phenomena (2009, p. 4). Miles and Huberman (1994, p. 25) identified a case ‘as a phenomenon occurring in a bounded context’, while Creswell (1998, p. 61) considered a case study to be ‘an exploration of a “bounded system” or a case or multiple cases over time through in-depth data collection involving multiple sources of information rich in context’.

The purpose of this research was exploratory. The exploratory approach is typically used when a researcher examines a new interest or when the subject of the study itself is relatively new (Babbie 2002, p. 83). The case study approach is the basic design for this research, since a case study is an exploration of a case or multiples cases (Creswell 1998, p. 61). In this research the cases studied were the IGVD and the RMC PPPs for poverty alleviation in Bangladesh. The case study approach facilitated enquiry into the rationale, features, mechanisms and performance of these PPPs, as well as their effects on poverty alleviation; quite a new topic for Bangladesh as there were ‘very few earlier studies to refer to’ (Babbie 2002, p. 84).

Using the rationale of Yin (2009), this research explored the contemporary issues of the IGVD and the RMC PPPs reflecting the real life context of the beneficiaries. There was no

control over the situation of the beneficiaries by the researcher. Following the method explained by Yin (2009), data and evidence were collected from different situations and in different forms. Qualitative data came from the key informants on the policy design, management and implementation issues of the IGVGD and RMC PPPs. Data was also collected on individual and groups related to the IGVGD and the RMC PPPs, and their economic and social effects. In line with Yin's (2009) thinking, this case study investigated the real-life development activities of the IGVGD and RMC beneficiaries through a survey. This case study method encouraged a wide variety of evidence to be considered, such as documents, interviews and observation (Bradshaw, Kendall, Blackmore & Jenkinson 1998, p. 2130; Creswell 1998, p. 62).

The case study approach has not been without criticism. It has been stated that case studies are too often based on equivocal evidence or lack rigour or that biased views intrude. A frequent criticism of the case study approach is that its dependence on a single case renders it incapable of providing a generalisable conclusion. The case study methodology is viewed as 'microscopic' because it lacks a sufficient number of cases (Giddens 1984).

The research questions of this thesis were not developed for testing hypotheses under an experimental technique. However, the constructive validity was addressed by using multiple sources of data, which included semi-structured interviews, a survey, document investigation, an examination of relevant literature and observation. Employing such multiple methods is often referred to as triangulation (Guba & Lincoln 2005, p. 722). The internal validity issues were addressed in this research by using a form of pattern-matching logic, which involves comparing an empirically based pattern with a predicted one (Yin 2003, p. 116). The pattern-matching is a situation where several pieces of information from the same case may be related to some theoretical proposition (Campbell 1975). The survey questionnaires that were developed for this research mostly were based on the national households' income and expenditure survey and the expected outcomes of IGVGD and RMC PPPs which were described in several secondary documents of relevant ministries and departments; and that were in line with pattern-matching situation. These questions could be repeated in further studies of the effects of PPPs in Bangladesh (Yin 2009, p. 46).

Selection of Cases

When selecting a specific case for a case study, researchers often use information-oriented sampling, as opposed to random sampling (Flyvbjerg 2006). In line with Flyvbjerg's argument, this research selected two specific cases, namely the IGVGD and the RMC programmes, on an information-oriented basis.

The 'information' revealed that these cases were the richest source of information on PPPs for poverty alleviation since both had adequate primary and secondary information as both had been operational for more than ten years. The cases are similar in nature. This research selected two programmes namely the IGVGD and the RMC for evaluation, since the design and the expected outcomes of these two projects were very similar. They both provided IGA skill training, credit and social awareness training. In addition, these programmes were thought to have wide impact on poverty alleviation and development in rural Bangladesh.

These two were also comparable cases, and so were able to reveal more information of the PPPs for poverty alleviation in Bangladesh. In addition, both programmes provided a clarification of the deeper causes behind the perceived problems of PPPs for poverty alleviation and its consequences rather than simply a description of the symptoms of the problem. However, the cases are not necessarily representative.

Yin (2003, p. 40) distinguished cases study designs along two axis of a matrix. On one axis there are single and multiple cases, while on the other axis there are holistic and embedded cases. Yin (2009, p. 60) argued that any use of multiple case designs should follow a replication, not a sampling logic, and an investigator must choose each case carefully. The simplest multiple case design would be the selection of two or more cases that are believed to be literal replications. The case should serve in a manner similar to a multiple experiment, with similar results (a literal replication) or contrasting results (a theoretical replication) predicted explicitly at the outset of the investigation. The individual case within a multiple-case study design may be either holistic or embedded. In an embedded multiple case design, each individual case study may in fact include the collection and analysis of quantitative data, including the use of surveys within each case.

In reference to Yin's (2003) matrix design, this study was a multiple cases study design. For the multiple cases study, two different cases were looked into namely the IGVGD and the

RMC PPPs. At the same time, it was an embedded case study and used the literal and theoretical replication, since for each case similar issues were explored using the same sets of interview questions and survey questionnaires.

Multiple case designs have distinct advantages and disadvantages in comparison to single case designs. By definition, the single case represents an extreme case or a unique case, while revelatory cases all are likely to involve only single cases. Thus, there is no scope for comparison. However, multiple cases are often considered more compelling. The overall study is therefore regarded as being more robust (Herriott & Firestone 1983), since the multiple case study design is considered to be comparative, particularly for political science, sociological and development studies. This is why multiple cases, namely the IGVGD and the RMC, have been used in this research. However, the multiple-case study is not without problems. It can require extensive resources and time beyond the means of a single student or independent research investigator (Yin 2009). The analytical benefits in this research from the two cases—the IGVGD and the RMC, was a more informed and powerful conclusion than if it had come from a single case. Yin (2009) suggested having at least two cases should be the goal of a researcher. In order to achieve such benefits this was followed in this research.

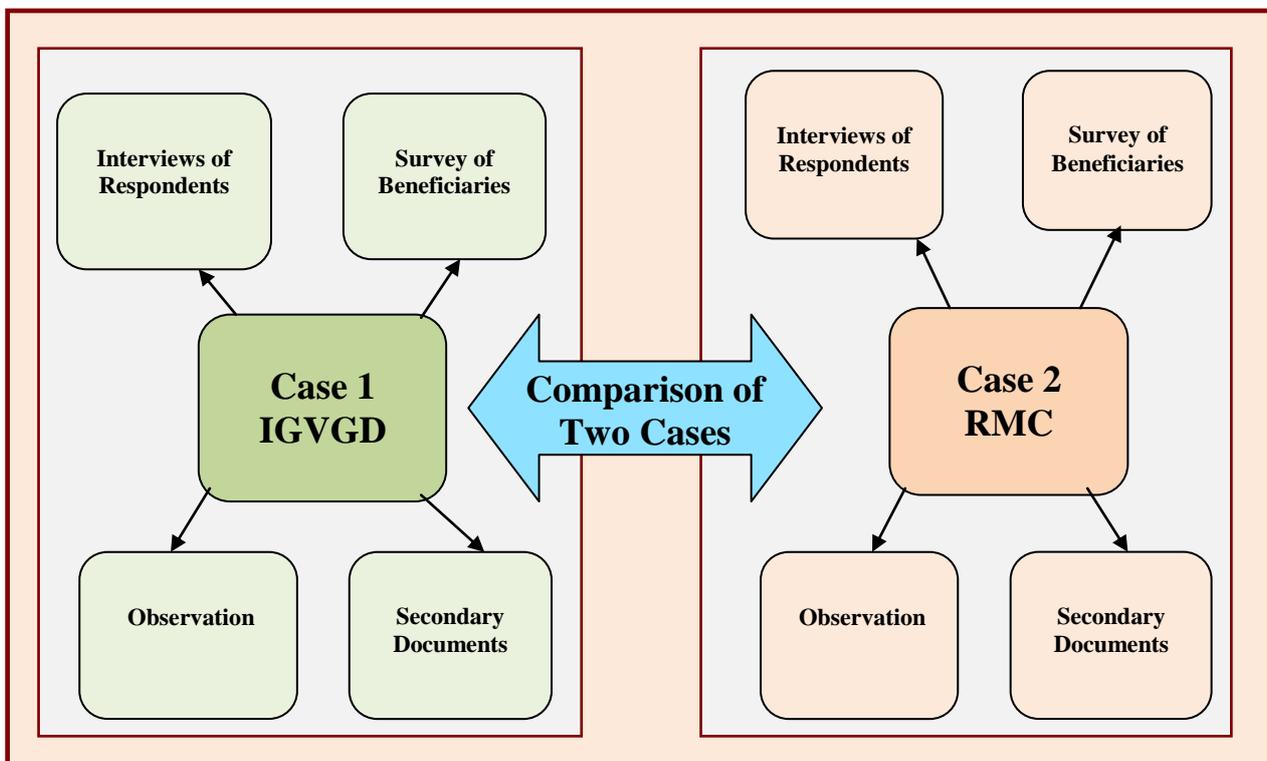
Mixed Methods of Data Collection in Case Study Design

The research method determines the precise approach to data collection and procedure of data analysis. According to Punch (1998, p. 153) in a case study approach multiple sources of data are likely to be used. A mixed method is preferred, since a mixed method allows collecting data from multiple sources in a single research, which is absolutely in line with the case study design. Yin (2009, pp. 114–115) considers that triangulation through the use of multiple sources of data is more important in case study research. Janesick (1998, p. 47) noted that triangulation is meant to be a heuristic tool and not limited to any single approach to research, which is best suited in a mixed method approach for data collection and analysis. Thus, the triangulation of multiple data was used in this research.

The mixed methods research requires collecting complementary data and conducting counterpart analysis (Yin 2006). In this mixed method research, as a part of case study approach, the researcher utilised combination of qualitative and quantitative research techniques, used multiple sources of data into a single research (Johnson & Onwuegbuzie

2004, p. 17; Creswell 2003, p. 12). The mixed method is particularly the case in three related fields—international development studies, poverty/welfare studies (in both developed and developing countries) and policy evaluation work (Hulme 2007, p. 2). Indeed, in development studies there is an emerging consensus that mixed methods can create knowledge that is more socially useful and can contribute to more effective policy (Hulme 2007; Carvalho & White 1997; White 2002). This mixed methods data collection procedure provided a better understanding of PPPs as alternative tools for poverty reduction than either a qualitative or quantitative approach alone (Creswell & Clark 2007, p. 5). The triangulation structure of the mixed methods data collection procedure in embedded multiple case study approach is shown in Figure 4.1.

Figure 4.1: Mixed method triangulation in embedded multiple case study approach



As shown in the diagram above, for each case, the data was collected from interviews, a survey, observation and secondary documents separately and then triangulated. Finally, a comparison of two cases was made. In this research the government officials, PKSF officials, and NGO executives and supervisors are referred to as respondents, while the field level poor women participants are referred to as beneficiaries to differentiate the two groups of participants from each other.

Data Collection

Both primary and secondary data were collected for this research.

Primary Data

The primary data collected were through both qualitative and quantitative methods and participant observation. Qualitative data came from through semi-structured interviews with various stakeholders. The quantitative data were compiled from a survey of the beneficiaries of the IGVGD and the RMC PPP.

Semi-structured Interviews

Berg (2004, p. 251) noted that the case study approach has been used by many qualitative investigators to guide their research. In this mixed method multiple-case study approach, the qualitative data was collected through semi-structured interviews. This is an interview built around a set of topics rather than fixed wording (Kayrooz & Trevitt 2005, p. 194–195). Furthermore, semi-structured interviews are appropriate when the interviewer wishes to understand the constructs used by the interviewees as a basis for beliefs and opinions about a particular matter or situation (Easterby-Smith, Thorpe & Lowe 1991, p. 74). Semi-structured interviews allow flexibility and an interactive data collection process as was needed for this research. Through the semi-structured interviews, the views of different stakeholders were explored, looking specifically at the rationale, features and mechanisms of the IGVGD and the RMC PPPs for poverty alleviation in Bangladesh. The technique was also used to explore views on performance, effects, and different opportunities and challenges for the PPPs, as well as some suggestions to make them more effective (see Appendix A for interview questions).

To explore views on the rationale, features, mechanisms, performance, opportunities and challenges relating to the PPPs, fifteen officials of the government of Bangladesh were interviewed using semi-structured questionnaires. These officials were working at the level of deputy secretary (DS) through to that of secretary in various ministries and departments. Additionally, five key persons from the PKSf who were directly involved in different PPP programmes run by the PKSf were interviewed. They were working as manager, assistant general manager (AGM) and/or deputy general manager (DGM) of programmes in the PKSf.

The WFP was one of the important partners of the IGVDG programme. Therefore, the head of the VGD unit of the WFP Bangladesh office was interviewed. As NGOs were also involved in these PPPs, the executive directors and directors of five prominent NGOs, namely BRAC, *Padakkhep*, *Uddipon*, Centre for Community Development Assistance (CCDA) and Society for Development Initiatives (SDI), were interviewed. Field level personnel involved in implementation of the programmes studied were also interviewed. They included four *Upazilla Nirbahi* officers (UNO), two UP chairmen, and six field level NGO supervisors/field workers. To enrich the research two experts on PPPs and poverty alleviation programmes were also interviewed. They were the managing director (MD) of the Small and Medium Enterprise (SME) Foundation, a semi-government organisation, and the executive director of the Infrastructure Investment Facilitation Centre (IIFC), an enterprise of the External Resource Division (ERD) of the MoF. In addition, to explore the effects and obtain suggestions for further development of the IGVDG and RMC PPPs on poverty alleviation, this research employed semi-structured interviews for ten IGVDG beneficiaries and eleven RMC beneficiaries.

The qualitative data were collected from February to July 2009. The semi-structured interviews were audio-recorded and then written transcripts were prepared for each interview.

Survey

Surveys represent one of the most common types of quantitative research in social science (Fowler 2002). In the survey, the researcher selects a sample of respondents from a population and administers a standardised questionnaire to them. Babbie (2002, p. 252) argued that survey research is probably the best method available to the social researcher who is interested in collecting original data for describing a population too large to observe directly. For this research, a close-ended survey questionnaire was developed. The close-ended survey questionnaire permits a number of known themes to be addressed and allow data to be interpreted very efficiently (Keyrooz 2005, p. 220).

The purpose of the survey in this research was to explore the effects of the IGVDG and the RMC PPPs on the sample IGVDG/RMC households to see whether they had attained any economic and social development after involvement in the IGVDG/RMC PPPs. To explore the effects of the IGVDG PPPs on poverty alleviation, five districts out of 17, and 15 unions from these five districts were selected randomly. Sixty-six women-headed households were

selected randomly for this survey from these 15 unions. Households were selected from those that had already completed the 2007–08 cycle of the IGVGD programme. To explore the effect of the RMC programme, five districts out of 64 districts and 18 unions from these five districts were selected randomly. Sixty-two women-headed households were selected randomly for survey from these 18 unions, so that the research could investigate the effects of the RMC on development and well-being of the participants. Households were selected from those which had been involved in the RMC for more than one year.

The survey questionnaire was developed on the basis of the expected outcomes of the IGVGD and the RMC PPPs, which were found in the documents of MWCA, DWA and the PKSf. Some questions were included from the Report of the *Household Income and Expenditure Survey* (HIES) questionnaire of 2005 of the government of Bangladesh. See Appendix B for the survey questionnaires of this research.

The survey questionnaire included several questions on the economic and social wellbeing of the participants covering the average monthly household income and expenditure in FY2007 and FY2008, per capita monthly average income in FY2007 and FY2008, average monthly household expenditure on food and changes in food intake in FY2008, loan-receiving behaviour during FY2007–08, changes in land ownership, savings patterns during FY2007–08, variation in school enrolment of participants' children, familiarity with health issues such as the immunisation status of participants' children, participants' knowledge on common diseases, sources of safe drinking water, and sanitation conditions and acquisition of assets and properties. Additional questions asked whether they received any training on IGA skills and the types of training, current IGA, amount of loan received from the NGOs, income from the IGA and views on the rates of interest of the loans. The survey questionnaire also recorded demographic characteristics, such as household size, occupations of the members of households, numbers of income earners and age, marital status and educational qualifications of the participants. The survey data were collected from February to July 2009 by the researcher through face-to-face communication with the beneficiaries.

Observation

Observation is a method used to increase the researcher's knowledge about the phenomenon. It differs from interviews and questionnaires, since 'it is a method for the non-inquisitorial involvement of a researcher' (Cargan 2007, p. 141). It is also another triangulation technique.

It is helpful since it can provide a practical description of natural situation. As Cargan (2007, p. 142) noted:

The major advantages of the observation technique are that it is flexible and can be useful to provide an accurate description of a situation of the natural settings, to gather supplemental data to help interpret findings obtained from other sources, to gain insight.

This researcher engaged in observation during the course of visits to the field while collecting survey data and conducting interviews. Data gathered this way included data on how training was provided to the beneficiaries and day-to-day interaction between the NGO field workers and the beneficiaries. This researcher also observed, first-hand, the situations of the beneficiaries such as housing conditions, sources of safe drinking water, sanitation conditions and the IGA of the IGVD and the RMC beneficiaries.

Secondary Data

Secondary data formed an integral components in this mixed method approach. The secondary data were collected from different sources, such as from academic articles, official documents and other published documents as listed below:

1. Government reports on PPP programmes for poverty alleviation in Bangladesh from different ministries and departments.
2. HIES reports.
3. Poverty measures and monitoring survey reports from BBS and PKSF.
4. Previous research reports on IGVD from BRAC and the WFP.
5. Evaluation reports on different RMC PPP programmes from PKSF.
6. Published books of different ministries and departments of the government of Bangladesh and the PKSF.
7. Academic journal articles and newspaper reports.
8. World Bank reports and policy papers.
9. ADB and UNDP reports.

Data Analysis

The research collected both qualitative and quantitative data separately for each case. The qualitative data were analysed through utilising Nvivo 8 software and thematic analysis. The quantitative data were processed through SPSS 16. All written transcripts were saved in the

Nvivo 8 under the name of PPP for poverty alleviation project. Several free nodes were created for four main questions and also for different sub-questions. Several tree nodes were created under two main cases named IGVGD and RMC. Tree nodes were also created under the main groups of respondents, such as the government, the PKSf, the NGOs and the beneficiaries. These free nodes and tree nodes were utilised for grouping and comparing different interviews.

The survey data were entered into the SPSS 16 project in numeric and string forms. These were saved under different 37 variables. The two cases were identified with two different names in data labels: IGVGD and RMC. Sixty-eight data were entered for the IGVGD and 62 data were entered for the RMC. The variables were defined by adding level and values for each variable. This research did not handle missing data, since there was none. After entering all data and variables into the software, the data were run for analysis. Frequencies and compared means were mostly used in descriptive statistics for analysing the data. Several tables and charts were also created utilising the SPSS 16 for this research.

Both qualitative and quantitative data were analysed separately for each case. These findings then triangulated with the findings from the observation and secondary data and then analysed together.

Limitations of this Research

Some limitations were faced during the data collection period; some were anticipated and others unanticipated.

First, in the case of in-depth interviews, it was anticipated that there would be some non-response errors since some interviewees might be unwilling to respond to some questions. For example, bureaucrats, high officials and political leaders might be unwilling or disinterested in discussing the problems of design and implementation strategies of these IGVGD and RMC PPPs. There were in fact no limitations in this regard.

Second, it was thought that there might be insufficient information and data available about previous PPP programmes, especially in the government departments that still lack electronic databases. This was true. Thus, it was hard to find details of previous data and researches on

these issues. However, this research did uncover some studies done by the WFP, the World Bank as well as studies from other developing countries to overcome this limitation.

Finally, in the field survey and interviews, it was predicted that the perceptions and attitudes of participants might vary due to social backgrounds. For example, the female participants might not be frank, since most of the rural and poor women in Bangladesh are introverted and they might feel a power distance with the researcher, an educated public servant from the capital. As things materialised, the researcher did not face any problem in dealing with poor women; indeed, they were very open in expressing their views.

The design and methodology for this research have been reported in this chapter along with the explanation and justification of the case study and mixed methods approaches, and the specific techniques of data collection and analysis. This enables us to move onto the empirical study of the two PPPs selected for this thesis. Thus, the next five chapters – Chapters 5 to 9 - will present the findings of the interviews, surveys and observations.

5. Rationale, Features and Mechanisms of PPPs for Poverty Alleviation

This chapter presents findings from interviews with key persons who were involved in policy-making and also in the design and implementation of different PPP programmes for poverty alleviation in Bangladesh. To explore the rationale, features and mechanisms of different PPPs, fifteen officials of the government of Bangladesh were interviewed using semi-structured questionnaires. Additionally, five key persons from the PKSf (in English, Rural Employment Support Foundation) who were directly involved in different PPP programmes run by the PKSf were interviewed. The WFP was one of the important partners of the IGVD and thus the head of the VGD unit of the WFP, Bangladesh office was interviewed. As NGOs were also involved in these partnerships programmes, the executive directors and directors of five prominent NGOs, namely BRAC, *Padakkhep*, *Uddipon*, CCDA and SDI were interviewed. Field-level personnel involved in implementation of the programmes studied were also interviewed. The field informants included government officials such as four UNO⁵, four UP⁶ chairmen, and six field-level NGO supervisors/field workers of the NGOs that are mentioned above. To enrich this research, two experts on PPPs and poverty alleviation programmes were also interviewed. They were the MD of the SME Foundation, and the executive director of the IIFC.

The Rationale for Partnerships to Alleviate Poverty in Bangladesh

To explore the rationale for the partnerships the following question was asked: ‘what were the different reasons behind partnerships for different poverty alleviation programmes in Bangladesh?’ Among the government officials, three out of fifteen did not answer this question. All other interviewees provided responses.

⁵ UNO is the government officer working at the lowest level administrative unit called as Upazilla (meaning sub district) of the government of Bangladesh.

⁶ Union *Parishad* is the lowest tier of the Local Government Administrative body and its chairman is elected by people in the union territory.

Several rationales for PPPs were identified as shown in Table 5.1 below:

Table 5.1: Rationale of partnerships for poverty alleviation in Bangladesh

Rationale	Percentages of Views			
	Government	PKSF	NGO	Experts
To overcome government limitations	9 (75%)	5 (100%)	3 (50%)	----
To take advantage of NGOs strengths	8 (66%)	----	3 (50%)	---
To ensure better service delivery	4 (33%)	4 (80%)	3 (50%)	----
To ensure timely implementation	---	3 (60%)	-----	----
To increase efficiency	3 (25%)	--	2 (33%)	---
To reduce government's financial involvement	3 (25%)	4 (80%)	-----	
To bring donor resources into the country	1 (8%)	---	-----	-----
Cost effective	---	4 (80%)	---	----
To share expertise and Knowledge of NGOs	---	2 (40%)	----	-----
To share quality services of NGOs	----	---	2 (33%)	
To overcome government inability to reduce poverty alone	-----	----	2 (33%)	
To recognise strengths of private actor	-----	---	2 (33%)	----
To get better results in implementation	---	----	----	1 (50%)
To overcome bureaucratic procedures of the government	----	-----	-----	1 (50%)

The most common were (a) to overcome limitations in government organisation and government employees, (b) to take advantage of the expertise of NGOs, (c) to reduce government expenditure, (d) to increase the efficiency of development initiatives and (e) to promote better service delivery. Additional reasons for partnerships included recognition of the strengths of the private sector, utilisation of the quality services provided by NGOs and overcoming the bureaucratic procedures of government.

Nine (75%) out of twelve government respondents believed that partnership was a means to overcoming the limitations of the government, since it did not have enough institutional set-ups and human resources at the grass roots level to deliver adequate services in rural areas. Eight (66%) out of twelve government respondents believed that NGOs had several strengths,

such as their institutional set-ups and offices in rural areas. Further, they believed that NGOs had experienced and dedicated workers for delivering services. Therefore, partnerships meant government could take advantage of NGOs official set-ups and utilise their experienced and expert workers for delivering services in rural areas. For example, one government respondent mentioned sharing quality services and efficiency of private sector behind partnership:

Partnership is to share quality services from private sector..... Partnership is to increase efficiency in service delivery and to strengthen through collaboration. The government is committed but it is not possible for government to deliver alone with single effort. So, we need partnership. For example, we have some areas that are hard to reach areas, such as islands, hilly areas and remote areas. Government [employees] cannot reach those areas and cannot provide service to these areas. So, then government goes for partnership with big NGOs, like BRAC, Grameen Bank to utilise their HR, staff, and their established infrastructures and other supports to get better service delivery through these partners [Transcript from interview conducted on 23 April 2009].

Four (33%) of the twelve government respondents said that one of the important reasons behind the partnerships was to ensure better service delivery to poor people. Three (25%) of these respondents said that partnerships tended to increase efficiency. Another three (25%) thought that through partnerships the government could reduce its expenditure on poverty reduction programmes. For example, in the IGVGD programme, although the government bore all administrative costs, it obtained food help from different donors. Therefore, donors' involvement helped the government to reduce its expenditure. As one respondent said:

We could reduce some financial burden, since in the VGD programme we get food from donors though it is not at a very satisfactory level [Transcript from interview conducted on 26 April 2009].

Another completely different view about the reason for partnerships came from one (8.3%) government respondent. He believed that one reason behind partnership was the desire to bring donor resources and foreign funding into the country. He explained that some donors desired to implement poverty alleviation programmes through NGOs. In such cases, the government went for partnerships with the NGOs to bring these donor resources into the country:

There are also some donor motivations; for example, sometimes some donors are interested to provide funds for some programmes, but they choose NGOs for field level implementation. Donors are interested to run their funds through NGOs. In this case, when government is interested to bring these resources into the country, then government goes for partnership with NGOs and accepts the conditions of donors to accommodate NGOs [Transcript from interview conducted on 24 April 2009].

The views of PKSf respondents were quite similar to those of government respondents, except that the PKSf respondents included the cost effectiveness as an additional reason behind the partnerships.

Partnership For Development: Alternative Approaches to Poverty Alleviation in Bangladesh

All five (100%) PKSf respondents believed that the government had organisational limitations and employee shortages. Therefore, the government went for partnership with PKSf and NGOs. One typical response indicating the problems with insufficient government employees' and inadequate service delivery in the rural areas was as follows:

When the government goes to implements its different programmes, then government can identify its own weaknesses, such as weakness in infrastructure. Government can also identify that it cannot provide and deliver services in some remote areas due to lack of government staff and employees. So, government is thinking to provide social service and other services through partnerships [Transcript from interview conducted on 22 and 23 April 2009].

Four (80%) of the five PKSf respondents believed that partnership was cost-effective, since the government had no need to establish any new institutional set-up, or to think about employees' salaries, or other administrative costs and management. For example, one interviewee stated:

This [PPP] is cost effective for government, since government has no headache for this huge number of employees that are working in NGOs; and government has no need to develop any formal institution for the management of these NGOs [Transcript from interview conducted on 7 May 2009].

Similarly, another interviewee observed that:

Implementation cost for government is high, so it [partnership in PPP] is also reducing government's financial burden [Transcript from interview conducted on 8 May 2009].

Four (80%) of the five PKSf respondents believed that partnership with NGOs helped government to reduce its expenditure as well as ensured better service delivery. Further, two (40%) of these respondents believed that partnerships arrangements helped different poverty alleviation programmes to be implemented within the scheduled time. For example, one interviewee stated:

Partnerships are to reduce the government involvement both financially and administratively. By this arrangement better delivery of services is also assured. Besides this, timely implementation of various poverty reduction programmes has become possible through these [partnerships] [Transcript from interview conducted on 11May 2009].

Two (40%) of the five PKSf respondents believed that the government went for partnerships with NGOs since the government could then share the local expertise of NGOs, since they have personnel at grass root level.

Several views given by the NGO respondents were similar to those of the government and the PKSf respondents. The NGO respondents thus mentioned rationale behind the partnerships, as being to overcome the government limitations in organisational infrastructure and employees, to access the quality services of NGOs and to increase efficiency. They also

mentioned additional reasons for partnerships including recognition of the strengths of the private sector and the inability of government mechanisms alone to reduce poverty.

Three (50%) of the six NGO executives believed that the partnerships were to overcome government limitations, since the government did not have enough capacity for the implementation of huge poverty reduction programmes in rural areas. Thus, one respondent said that:

Government has not enough employees in rural level; so, through partnership government can use NGOs rural level workers to implement different programmes [Transcript from interview conducted on 13 May 2009].

Three (50%) of the six NGO respondents believed that one important reason behind the partnerships was to ensure better delivery of services by using NGOs, since they believed that NGOs were capable of serving poor people better than other agencies. Two (33%) of these NGO respondents thought that partnership was to share the quality service of NGOs, since NGOs were providing quality services across the country.

Further, two (33%) of the six NGO respondents believed that the government was unable to implement those huge programmes of poverty alleviation alone, and this was why the government was interested in partnerships with NGOs.

Another two (33%) of the six NGO respondents believed that the government was recognising the strengths of private actors through partnerships. They also believed that the government shared the knowledge and expertise of NGOs and increased the efficiency of service delivery.

The experts' opinions were quite different from other respondents' opinions. One (50%) of the two experts interviewed believed that partnerships were to get better results in the implementation of poverty alleviation programmes. The other believed that partnerships were to overcome the bureaucratic procedures of the government, since the different procedures in the government were very lengthy and it took long time to get a decision from the government.

Defining Features of Partnerships

To explore the defining features of partnerships in the IGVGD and the RMC PPPs, different participants were asked why these programmes should be defined as partnership programmes and what the different features of the partnerships were.

To explore the different features of partnerships, fifteen government officials, five PKSf executives, six NGO executives and two experts were interviewed. Among the government respondents, twelve provided their responses with regard to the IGVGD and ten provided their views on the RMC. Among the six NGO respondents, three were involved in the IGVGD and another three were involved in the RMC. Therefore, three NGO respondents provided their responses in regard to the IGVGD and the other three provided their views on RMC. The five PKSf respondents provided their views on the RMC, since they were involved in the RMC only.

The IGVGD and the RMC, the two PPPs studied in this thesis, were different in their design, management and implementation procedures. Therefore, the next part presents the findings on the defining partnership features separately.

Several features of the partnerships were identified from the interviews. The common features found in both PPPs were the aims and objectives, the sharing of resources, the nature of their commitments and the nature of their contracts. Some additional partnership features were joint implementations, mutual responsibilities, mutual understanding and cooperation between the government and other stakeholders.

IGVGD

From the interviews, it was evident that the most common defining features perceived in the IGVGD programme were the common aims and objectives, sharing of resources, joint implementation, commitment and nature of contracts.

Nine (75%) of the twelve government respondents, all of the (100%) NGO respondents and one of the two experts (50%) believed that the most important feature of partnership was the joint implementation of the IGVGD, since the IGVGD was jointly implemented by the DWA, local government and the NGOs.

Eight (67%) of the twelve government respondents and two (67%) of the three NGO respondents believed that one of the important partnership features of the IGVDG was their common aims and objectives, since all the stakeholders had the common aim of poverty reduction and the common objective of the development of poor women in Bangladesh.

The sharing of different resources was identified as another partnership feature. Four (33%) of the twelve government respondents, all three (100%) NGO respondents and one of the two experts (50%) believed that sharing of resources and expertise was another important characteristic of partnership, since in the IGVDG programmes, different stakeholders shared their resources and expertise with each other. One typical response that mentioned the aims and objectives of the IGVDG and the sharing of resources was:

Yes, it is partnership, since the aims and objectives are same to reduce poverty; and we all share resources, such as human resources and other technical resources [Transcript from interview conducted on 17 April 2009].

Eight (67%) of the twelve government respondents, all three (100%) NGO respondents and one of the two experts (50%) believed that contracting out was another important feature of partnership, since NGOs were contracted for providing the development package services of the IGVDG and assigned to perform their duties according to the contract agreements signed between the DWA and the NGOs.

Additional features, such as mutual responsibilities, common commitment and common goals were also identified as partnership features. Three (25%) of the twelve government respondents, one of the three (33%) NGO respondents and one of the two experts (50%) believed that mutual responsibility was another partnerships feature, since responsibilities were shared.

Three (25%) of the twelve government respondents and one of the three (33%) NGO respondents believed that common commitment was another partnerships feature, since all the stakeholders had the common commitment to serving poor people. Thus, one interviewee said:

It is partnership due to its contracting out nature,...NGOs are involved in contract; aims and objectives are same, and we all have the same commitment [Transcript from interview conducted on 17 March 2009].

The WFP respondent believed that the IGVDG was a partnership programme since it was jointly implemented, had common aims and objectives, shared resources and expertise and

the stakeholders had mutual responsibilities. Table 5.2 shows the different features of the partnership in the IGVGD and the RMC.

Table 5.2: Defining features of partnerships in the IGVGD and the RMC

IGVGD	Common to Both	RMC
Common aims and objectives	Common aims and objectives	Common aims and objectives
-----	-----	Cooperation between the government, the PKSF and the NGOs
Mutual responsibilities	-----	Mutual understanding
Joint implementation	-----	Caring for each other
Sharing resources and expertise	Sharing resources	Sharing resources, knowledge and expertise
Contract	-----	Agreement signed as MoU between GOB and the PKSF; and subcontract with NGOs
Common commitment	Common commitment	Common commitment

RMC

Several partnership features identified by the different respondents for the RMC were common aims and objectives; cooperation between government, PKSF and NGOs; the sharing of resources; caring for resources; common goals; mutual understanding and common commitment.

Eight (80%) of the ten government respondents, four of the five (80%) PKSF respondents, all three (100%) NGO respondents and one of the two experts (50%) believed that the most important partnership feature of the RMC was the common aims and objectives, since they believed that the aims and objectives of the RMC was to reduce poverty and bring sustainable development to the lives of poor people. Table 5.3 shows the views of respondents about the features of partnership.

Table 5.3: Views of respondents on the defining features of partnerships

Percentages of Respondents' Views								
Features of Partnerships	IGVGD				RMC			
	Government Respondents	NGOs Respondents	WFP Respondent	Experts	Government Respondents	PKSF Respondents	NGOs Respondents	Experts
Joint implementation	9 (75%)	3 (100%)	1 (100%)	1 (50%)	-----	-----	-----	-----
Common aims and objectives	8 (67%)	2 (67%)	1 (100%)	1 (50%)	8 (80%)	4 (80%)	3 (100%)	1 (50%)
Sharing of resource, expertise and knowledge	4 (33%)	3 (100%)	1 (100%)	1 (50%)	5 (50%)	5 (100%)	3 (100%)	2 (100%)
Contract/MoU and then sub-contract	8 (67%)	3 (100%)	1 (100%)	1 (50%)	8 (80%)	5 (100%)	2 (67%)	1 (50%)
Mutual responsibilities	3 (25%)	1 (33%)	1 (100%)	1 (50%)	----	----	----	----
Common commitment	3 (25%)	1 (33%)	-		8 (80%)	5 (100%)	2 (67%)	-----
Caring for each other	-----	-----	-----	----	5 (50%)	4 (80%)	2 (67%)	----
Cooperation between government, PKSF and NGOs	----	----	----	----	6 (60%)	5 (100%)	2 (67%)	-----
Mutual understanding	-----	-----	----	-----	5 (50%)	5 (100%)	2 (67%)	-----

Five (50%) of the ten government respondents, all five (100%) PKSF respondents, all three (100%) NGO respondents and the two experts (100%) believed that another partnership feature of the RMC was its sharing aspect. They believed that in the RMC the government was sharing its financial resources with PKSF and NGOs, the PKSF was sharing their training and other technical resources with NGOs and the NGOs were sharing their human resources with other stakeholders. They strongly believed that this sharing characteristic of the RMC was an important partnership feature.

Five (50%) of the ten government respondents, four of the five (80%) PKSF respondents, two of the three (67%) NGO respondents and one expert (50%) believed that caring was another

important partnership feature in the RMC, since the PKSf and the government both care for each other's resources. One respondent, who emphasised sharing and caring, responded as below:

The first is the sharing. We share expertise, knowledge and ideas. For example, we don't have our own training institutions. In that case we use/share government training institutions. We share/take help from government expertise; we avail technical support of different government organisations. So, sharing is one of the most important concept and aspect of partnership. Then caring, we care for government money and our POs. Sharing and caring are both important for this partnership [Transcript from interview conducted on 22 and 24 May 2009].

Eight (80%) of the ten government respondents, all five (100%) PKSf respondents and two of the three (67%) NGO respondents believed that common commitment was another feature of partnership, since they believed that all the actors involved in the RMC were committed to serve poor people and to reduce their poverty.

Six (60%) of the ten government respondents, all five (100%) PKSf respondents and two of the three (67%) NGO respondents believed that the RMC was the cooperative action of the government, the PKSf and the NGOs. Therefore, the cooperation between different actors was considered as another important feature of partnership in the RMC.

In the RMC, mutual understanding was also mentioned as a characteristic of partnerships. Five (50%) of the ten government respondents, all five (100%) PKSf respondents and two of the three (67%) NGO respondents believed that there was strong mutual understanding between the government, the PKSf and the NGOs. They believed mutual understanding was another partnership feature.

The RMC is not a legal contract based on any legal act or rules; it is in the form of a MoU. According to the MoU, an agreement is signed between the Government of Bangladesh and the PKSf, and another sub-contract is signed between the PKSf and the NGOs. The nature of this agreement and sub-contract was identified as another partnership feature as well as a legal document of the RMC by several respondents. Eight (80%) of the ten government respondents, all five (100%) PKSf respondents and two of the three (67%) NGO respondents believed that the MoU and the sub-contract were important features of partnership. For example, one response was:

Partnership is not according to the legal act that means legally we are not partners. There is no legal basis for partnership; however, we have signed MoU, so these are partnerships. We further do another sub-contract agreement with our [PKSf] partner NGOs [Transcript from interview conducted on 24 May 2009].

The Partnership Mechanisms of the IGVGD and the RMC

To explore the partnership mechanisms of the IGVGD and the RMC programmes, a range of questions was asked to the respondents regarding the different partnership arrangements and implementation strategies; the stakeholders involved in the IGVGD and the RMC; the roles of each actor; the duration of partnerships; the strengths and weaknesses of stakeholders; whether different stakeholders shared their expertise, knowledge, and resources; whether different stakeholders contributed to decision-making processes and whether there were any risks involved in PPPs, and if so what were they.

Types of Partnerships Arrangements

The implementation arrangements of the IGVGD and the RMC programmes were explored through questions of whether they were contracts, sub-contracts or jointly implemented. The interviewees provided documentary evidence relating to the IGVGD and the RMC and this evidence was further supported by the information provided during the interviews. The partnership arrangements and the implementation of the IGVGD and the RMC were different and are therefore presented separately.

The partnership arrangement of the IGVGD was implemented both by means of contract and joint implementation. In the field, the IGVGD was jointly implemented by different government officials at *Upazilla* level by the elected representatives of the local government, together with the NGOs. The specific government officials and others personnel involved were: the UNO, *Upazilla* WAO and/or *Upazilla* PIO, UP chairman and women members, and the NGOs.

The DWA selected the NGOs according to the set criteria for the programme designed by the MWCA and signed contracts with the chosen NGOs. The interviewees' views on the implementation of the partnership arrangements confirmed the information in the documents from the MWCA and the DWA.

Table 5.4 shows the partnership arrangement in implementation.

Table 5.4: Partnership arrangements of the IGVGD and the RMC

IGVGD	RMC
Contract	Agreement between the government and the PKSf under MoU
Joint implementation	Sub-contract between the PKSf and the POs (NGOs)

The documentation provided by the PKSf and the MoF showed that the RMC was the result of an agreement signed under a MoU between the FD of the MoF, the Government of Bangladesh and the PKSf. There were also sub-contracts between the PKSf and its partner NGOs (the PKSf called the partner NGOs ‘Partner Organisations’ [POs]). A typical response regarding the MoU and sub-contracts was:

[The RMC is a] Contract according to the MoU; the government makes an agreement with the PKSf. The terms and the conditions are specified in the agreement. The Mof is the financier. Then we [PKSf] do sub-loan agreements or sub-contracts with the NGOs (POs) [Transcript from interview conducted on 25 May 2009].

In this case, the PKSf worked as an intermediary between the government and the NGOs. It also worked as a supervisory body and monitored the NGOs’ activities. Further, the PKSf provided technical support to the NGOs. While the interviewees’ views supported the documented information supplied by respondents, all of the PKSf respondents believed that the relationships between the PKSf and the NGOs were not limited to the contracts or sub-contracts, since the PKSf also provided different training and technical support to the NGOs without any cost and outside of the contracts. For example, one respondent said:

We cannot say this relationship is only a contract; it is more than a contract, because the PKSf is not providing only finance to the POs. The PKSf is also providing different training and other technical support to the POs without any the cost [Transcript from interview conducted on 22 May 2009].

Having set out respondents’ views of the types of partnership arrangements, the next section reports the findings on the PPP stakeholders and perceptions of their roles in the IGVGD and the RMC.

Stakeholders Involved in the IGVGD and the RMC

The next question sought identification of the stakeholders involved at different stages of the IGVGD and the RMC. There were several stakeholders involved in the IGVGD. These were

the ministries and departments of the national government, such as the MWCA and the DWA, which designed the programmes; implementation agents including the UNO and *Upazilla* WAO; locally elected local government representatives, such as the UP Chairman and women members and the NGOs. In the IGVGD, the WFP was an additional partner providing resources collected from different foreign donors. The WFP was also involved in monitoring and evaluating in implementation with DWA, and in coordinating with the MWCA in the design of the IGVGD. The aim of the IGVGD was reducing the poverty of ultra-poor women-headed households in Bangladesh. Therefore, the ultra-poor women were another important stakeholder in the IGVGD. Table 5.5 shows the different stakeholders involved in the IGVGD and the RMC.

Table 5.5: The stakeholders involved in the IGVGD and the RMC

IGVGD Stakeholders	Common Stakeholders in IGVGD and RMC	RMC Stakeholders
<ul style="list-style-type: none"> • The MWCA • The DWA • The UNO and other Upazilla-level government officials • Locally elected local government representatives: (UP Chairman and elected women members) • The WFP • The NGOs 	<ul style="list-style-type: none"> • Poor women • The NGOs 	<ul style="list-style-type: none"> • The FD of the MoF • The PKSf • The NGOs (the POs of the PKSf)

In the RMC the main stakeholders were the FD of the MoF, the PKSf and the NGOs—the POs of the PKSf. The RMC was also implemented to reduce the poverty of women-headed households in Bangladesh. Therefore, poor women were important stakeholders in the RMC.

Roles of the Stakeholders and Resource-sharing in the IGVGD and the RMC PPPs

The next question asked participants to explain the roles of the different stakeholders in the IGVGD and the RMC partnership programmes. The roles of the stakeholders were specified by the different agreements and contracts. These were outlined in the formal documents provided by the respondents and further supported by the respondents in the interviews. The

responses also covered the provision of sharing of different resources by stakeholders, since sharing of resources was specified in the MoU and sub-contract agreements.

The IGVGD

In the IGVGD programme, the MWCA and the DWA were involved in policy design. At the field level, other government offices and officials were involved in implementation. These included officials from the *Upazilla Nirbahi* Office and the UNOs, as well as locally elected local government representatives such as the UP chairman and women members, and the field workers of the NGOs.

The MWCA was mainly responsible for overall planning, management, monitoring and evaluation of the IGVGD programme. It provided all necessary guidelines and issued different administrative orders and circulars concerning the implementation of the IGVGD programme. There was a central coordinating committee, headed by the MWCA, comprised of 20 members from different ministries and departments. This committee was responsible for reviewing all the policies related to the IGVGD and coordinating with different ministries and departments, as well as providing policy frameworks and guidelines for the successful implementation of the IGVGD. The MWCA shared its administrative set-ups and legal support, knowledge and expertise with other stakeholders. There were several committees for the VGD/IGVGD.

There was a union IGVGD committee headed by the UP chairman. The local government representatives, especially the UP chairman and the elected women members were responsible for ensuring the women selected were according to the VGD criteria set by the MWCA, ensuring the correct distribution of food, assisting the NGOs in delivering their services packages, providing IGA skills training to the VGD women, ensuring the savings managements of the NGOs and sending the monthly progress reports of the IGVGD to the UNO. Furthermore, the elected women members of UP were particularly responsible for selecting and preparing the primary list of IGVGD women from their unions according to the criteria. The UP chairman and women members shared their political support, knowledge and expertise with NGOs, UNO and IGVGD beneficiaries.

The NGOs were mainly responsible for providing development package services. These included social awareness training, IGA skills training and savings management and

providing credit to the participating IGVGD women in order to improve their incomes and earning capacities.

The development package service included six different steps: (a) group formation, (b) providing social awareness training, (c) providing IGA skills training, (d) savings management and access to the NGOs credit, (e) providing refresher training and (f) helping participants to start IG activities and follow up. The NGOs shared their technical expertise and resources, such as training skills and their staff with other stakeholders.

The WFP was mainly responsible for mobilising donor resources including finance and commodities. It participated in coordinating and planning with the MWCA and in monitoring the programme implementation with the DWA. It also reported to the WFP headquarters and contributing donors and facilitated research and evaluation of the IGVGD programme. The WFP shared monitoring expertise and financial resources with other stakeholders.

The RMC

Stakeholders in the RMC were the FD of the MoF, the PKSf and the NGOs. The main role of the government was to provide finance through the FD of the MOF to the PKSf. It was also responsible for the formulation of policies, designs and guidelines related to the RMC and monitoring the RMC programmes through the information provided by the PKSf. The RMC programme was guided by the MoU signed between the FD and the PKSf.

The PKSf was responsible for providing finance to the POs (partner NGOs of the PKSf) and monitoring their activities. It also provided different training and technical support to the POs. The PKSf mainly provided three different types of support to its POs, as one of respondents from the PKSf said:

We [PKSF] provide three different types of support: 1. financial support 2. support for ID, such as training and computers, and 3. policy support such as policy advocacy [Transcript from interview conducted on 25 May 2009].

The NGOs were the main implementing agents in the field. They distributed loans to the beneficiaries, monitored their activities and collected weekly instalments on the loans provided by the NGOs to the beneficiaries of the RMC. The NGOs also provided different types of training to their beneficiaries. This included some social training such as training on legal and health issues. However, the NGOs did not provide IGA skills training to all

beneficiaries. This depended on the desires of the beneficiaries. An individual beneficiary could take one or two IGA skills training courses, but this was not compulsory.

In the RMC, government shared the financial resources, the PKSF shared their technical resources and NGOs shared field level human resources with other stakeholders. With these stakeholder issues established it is appropriate to move on to issues relating to the duration of the IGVDG and the RMC.

Duration of PPPs

The next question asked about the duration of the IGVDG and the RMC PPPs. Several formal documents were provided by the respondents. The information in the documents was supported by the responses to the interviews. Notably, the durations of the IGVDG and the RMC were quite different.

According to the contract, the IGVDG programme generally ran in a two-year cycle. The MWCA obtained finance from the MoF every financial year (1 July to 30 June). The NGOs were expected to provide the social and IGA skills training by the end of the first year of the two-year cycle. Table 5.6 shows the duration of the IGVDG and the RMC PPPs.

Table 5.6: Duration of the IGVDG and the RMC

IGVDG	RMC
Fixed for two-year cycle	Not fixed; starts with one and/or two-year period
No scope for extension	Revolves for several years, even for 20 years
Finance provided according to financial year (starts in July and ends in June)	Finance provided by the FD for 20 years to the PKSF

The duration of the RMC programme varied. Some programmes ran for two years, some were for longer periods and some were even shorter; less than one year. Initially the RMC started with a one and/or two-year period. If any individual beneficiary wished, she could take the loan again after completion of all weekly instalments of the one and/or two-year cycle and thus revolve that loan for several years. Usually the RMC programme revolved for several years. It was found from several interviews that many RMC beneficiaries were revolving their loans for more than ten years, and even up to 20 years, a matter that will be discussed in the next chapter. As one respondent from the PKSF mentioned:

It varies from programme to programme. Usually the first loan is for one and/or two-year for the beneficiaries. After that she can take that loan again, and in fact these loans revolve for several years [Transcript from interview conducted on 24 May 2009].

In the RMC programme, the PKSf obtained financial support from the FD for 20 years according to the signed MoU between the FD and the PKSf. This concludes discussion of issues relating to the duration of the PPPs thus enabling the next section to report the findings on the strengths and weaknesses of different stakeholders involved in the IGVD and the RMC.

Strengths and Weakness of Different Stakeholders

To explore the views and perceptions of strengths and weaknesses of different stakeholders, fifteen government officials, five PKSf executives and six NGO executives were interviewed. Two experts on PPPs were also interviewed.

Views of the Government Respondents on the Strengths and Weaknesses

Strengths and Weaknesses of the Government

Twelve (80%) of the fifteen government officials believed that the government's main strengths were their administrative set-ups at different levels. The government had established official and institutional set-ups from central to *Upazilla* level and even at union level. By this means government could maintain law and order everywhere in the country. Another important strength of the government was its financing capacity. Government financed different PPP programmes including the IGVD and the RMC.

Only five (33%) of the fifteen government officials mentioned weaknesses of government. They particularly mentioned the bureaucracy, bureaucratic rules and negative attitude of the government officials as weaknesses. They believed that bureaucratic rules did not usually provide positive achievement in development and particularly in PPPs. Furthermore, they mentioned the lack of commitment of some government officials, resource constraints and insufficient numbers of personnel as limitations in government. They believed also that as a developing country, the government of Bangladesh had several limitations, especially financial limitations. One of the interviewees said:

Government has resource constraints. And government rules and regulations are very strict. There are long procedures to get money from government; and these take a long time to perform any work with government. These are limitations of the government [Transcript from interview conducted on 23 April 2009].

Table 5.7 shows the strengths of different stakeholders and Table 5.8 shows the weaknesses recognised by the different stakeholders (see below and the next page).

Table 5.7: Recognised strengths of different stakeholders

Views	Recognised Strengths		
	Government	PKSF	NGO
Government and percentage of responses	Administrative set-ups (80%) Controlled law and order (80%) Financial support (80%)	Powerful governing body (100%) Experts and experienced persons in the governing body (100%)	Local official set-ups (80%) Experienced and committed field workers (80%) Experience of work in remote areas (80%) Good relations with and access to poor people (80%)
PKSF and percentage of responses	Positive support from government (100%) Government commitment to reduce poverty (100%) Recognition of microfinance as a tool of poverty alleviation (60%) Recognition of private stakeholders (60%)	Experienced and qualified board members and their leadership (100%) Strong networks throughout Bangladesh (100%) Qualified and dedicated staff (100%) Strong monitoring system (60%) Fair recruitment process (40%) Good work culture (40%)	Dedicated and sincere staff (100%) Capacity to work with both microfinance and in social services delivery (100%) Commitment (100%)
NGOs and percentage of responses	Institutional set-ups and administrative authority (100%) Positive attitude to poverty alleviation (100%) Government financial support (100%) Recognition of private stakeholders (67%)	Strong monitoring system (67%) Experienced and qualified board members (67%) Funding capacity and training provider (67%) Excellent feedback system (67%)	Qualified and motivated field workers (50%) Good communication skills, good net work (50%) Efficiency (50%) Easy access to poor people and good relationship with local people (50%) Institutional set-ups (33%)

Experts and percentage of responses	Institutional set-ups (100%) Administrative authority to make rules and regulations (100%) Recognition of private stakeholders (100%)	Not mentioned	Not mentioned
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Table 5.8: Recognised weaknesses of different stakeholders

Views	Recognised Weaknesses		
	Government	PKSF	NGO
Government and percentage of responses	Bureaucracy, bureaucratic mind set, bureaucratic strict rules and regulation (30%) Resource constraints, lack of coordination, lack of commitment (30%) Insufficient number of employees (30%)	Depends on government for funding (80%) Depends on beneficiaries for recovering loans (80%)	High service charges, high interest rates (80%) Lack of financial accountability, lack of proper accounting and management system and lack of commitment (80%)
PKSF and percentage of responses	Lack of motivation in field offices by the government (80%) Lack of institutional and moral support from central government to rural offices (80%)	Typical and outdated design of PPP programmes (100%) Lack of technical and technological support (100%) Lack expert human resources on modern technology (100%)	Lack of expert HR on technology (80%) Lack of professionalism (80%) Lack of proper accounting and management system (80%) Lack of financial accountability (40%)
NGOs and percentage of responses	Lack of coordination (16%)	Not mentioned	Lack of coordination (50%) Lack of commitment (50%) Business-minded/business-oriented (50%)
Experts and percentage of responses	Corruption (100%) Time consuming (100%) Lack of coordination (100%) Lack of monitoring system and do not maintain quality (100%)	Not mentioned	Not mentioned

Strengths and Weaknesses of the PKSf

Ten (67%) of the fifteen government officials presented clear views about the different strengths and weaknesses of the PKSf, especially of NGOs. All ten (100%) government officials believed that the PKSf had several strengths. The main strengths were its experience, expertise and powerful governing body. However, it had some weaknesses. Eight (80%) of the ten government respondents believed that the main weakness of the PKSf was the dependency on others for funding, since the PKSf had to depend on the government for funding. It was also dependent on field-level beneficiaries for recovering distributed loan money.

Strengths and Weaknesses of NGOs

Twelve (80%) of the fifteen government officials mentioned that the most important strengths of NGOs were their rural-level official set-ups and their experienced and committed workers who were motivated to serve poor people. Additionally, NGOs had experience of working with the ultra poor in remote areas.

Several weaknesses of NGOs were mentioned by the same government participants. The main weaknesses were lack of financial accountability and proper accounting and management systems. Further, they believed that NGOs were not committed enough to providing training to the IGVGD beneficiaries. One participant talked about the unprofessional approach of some NGOs. He especially mentioned NGOs involved in the IGVGD and said:

But some NGOs do not provide training in proper time; training modules are not good enough and they do not ensure the presence of all participants. And even qualities of trainers are not up to the mark according to the criteria [Transcript from interview conducted on 7 June 2009].

Views of the PKSf Executives on the Strengths and Weaknesses

To explore the views of PKSf about the strengths and weaknesses of different stakeholders this research interviewed five PKSf executives. Their views on different stakeholders' strengths and weaknesses are explained below.

Strengths and Weaknesses of the Government

All (100%) PKSf executives believed that the positive support given to the PKSf and their commitment to poverty alleviation programmes were the most significant strengths of the government. Table 5.7 shows the strengths of different stakeholders.

Three (60%) of the five PKSf executives mentioned the government's recognition of micro finance as a tool of poverty alleviation as being another strength of government. For example one participant said:

They [government] always play a supportive role to the PKSf and micro-finance. There are differences in government and the oppositions on several issues; but they have no debates about poverty alleviation, micro-finance and the positive role of micro-finance in poverty alleviation [Transcript from interview conducted on 11 May 2009].

The PKSf executives also mentioned some weaknesses of the government. Four (80%) of the five noted that the government did not provide adequate financial and other institutional support to rural employees to keep them working in rural offices. For example, they mentioned the inadequate technical institutions, health services and lack of good educational institutions in rural areas. The consequences are that most local-level employees were not well motivated to work in rural offices.

Strengths and Weaknesses of the PKSf

All five (100%) PKSf respondents were unanimous in mentioning their strengths. They believed that they had experienced and very qualified board members. The board members had excellent leadership to guide the PKSf. Further, the PKSf had very strong net-works with NGOs throughout Bangladesh. They also believed that the PKSf was the only institution with very good relations with almost all NGOs in Bangladesh. Further strengths that were noted were support from the government and qualified and dedicated staff. For example, one interviewee highly praised specific board members who were in the board during the time of interview:

Our biggest and the highest strength are our board; and our board members and their capacities, personal qualities and qualifications. Our board members, for example, Dr. Muhammad Younus, Dr. Wahid Uddin Mahmud, all are very experienced and experts in poverty reduction policies and activities [Transcript from interview conducted on 22 May 2009].

Three (60%) of the five PKSf respondents noted that the strong monitoring system of the PKSf was also a strength. Two (40%) of the five mentioned that the PKSf's fair recruitment process was one of its strengths that helped them to get qualified staff. Another two (40%)

mentioned the work culture of the PKSf as another strength, because it created a good work environment in the PKSf.

Interviewees from the PKSf noted several weaknesses of the PKSf. All (100%) the interviewees' agreed that inadequate training of PKSf staff on modern technology was the most severe weakness of the PKSf. Other weaknesses of the PKSf included the backdated designing of PPPs, lack of technical and technological support and lack of expert human resources with new technological knowledge. For example, one participant noted several weaknesses of the PKSf:

We are not thinking about new products, new designs and new way of implementation strategies of PPPs. We are working typically, but we need to change according to modernisation. We are working still as we were in 30 years back...we do not have enough trained human resources to cope with our daily changes according to the demand of the technology and ongoing changes of technologies [Transcript from interview conducted on 24 May 2009].

Strengths and Weaknesses of NGOs

All (100%) of the PKSf respondents agreed that staff of the NGOs, especially the POs of PKSf, were dedicated and sincere. These were identified as the most significant strengths of the NGOs. The capacities of the NGOs to work both as micro-finance institutes and social service providers at the same were considered as an important strength of the NGOs by all (100%) PKSf respondents. For example, one participant mentioned:

Our POs are working as micro-finance (MF) organisations but they are not really micro-finance institutions (MFIs). They have no set-ups or they were not set-up as MF institutions. They were originally developed and established as social service providers. Now, micro finance is an integral part of these institutions. So, now they are working as both MF institutions and as social service providers. I think it is a very remarkable strength of these NGOs working with the PKSf [Transcript from interview conducted on 11 May 2009].

Several weaknesses of NGOs were identified by the interviewees. Four (80%) of the five PKSf respondents agreed on some common weaknesses of the NGOs. These were lack of professionalism, lack of expertise in financial and accounting management and lack of experts in technology. For example, one participant said:

Still they don't have enough professionalism about financial matters ...that are exclusively related with finance. Most NGOs have no professional and expert human resources to deal with financial management and social service delivery at the same time [Transcript from interview conducted on 27 May 2009].

Two (40%) of the five PKSf respondents thought that the NGOs had problems with accountability. However, they also believed that the government blamed the NGOs for accountability problems. The same PKSf respondents also believed that the government

should monitor the accounting systems and do a regular audit of the NGOs since government had its established rules and regulations to monitor all NGOs through the NGO Affairs Bureau of Bangladesh. For example, one participant mentioned:

Government is basically blaming for accountability problems of NGOs but government has the NGO Affairs Bureau and the Department of Social Service. They are giving registration to NGOs and they have regulations to monitor NGOs. Government has the responsibility to monitor and audit all NGOs. They [NGO Affairs Bureau and the Department of Social Service] are creating the scope for the NGOs to avoid accountability. Government should ensure accountability of the NGOs through regular monitoring [Transcript from interview conducted on 27, May 2009].

Views of the NGO Executives on Strengths and Weaknesses

To explore the views and perception of the strengths and weaknesses of the different stakeholders in PPPs in poverty alleviation, interviews were conducted with six key persons working as CEO and Director in five prominent NGOs in Bangladesh, namely BRAC, Uddipon, CCDA, SDI and Padakkhep. These NGOs were involved in the IGVGD and the RMC PPPs.

Strengths and Weaknesses of the Government

Three (50%) of the six NGO executives did not mention anything about the strengths and weaknesses of the government. The three other respondents' views were different on the strengths and weaknesses of the government. They included established institutional set-ups, positive attitude of the government in recognising different PPPs and the administrative and financial support of the government to the PPPs as the strengths.

Only one (16%) of the six NGO executives mentioned some weaknesses of the government. He said that the government had a lack of coordination between its different ministries, departments and also with other sectors.

Strengths and Weaknesses of the PKSf

Four (67%) of the six NGO executives mentioned some strengths of the PKSf. These included the monitoring and feedback system, expert board members, funding capacity, management capacity to bring all small NGOs under PKSf and facilitating role for providing quality training. They believed that the PKSf had all the above capacities. For example, one participant said:

PKSF is a big funding organisation; it has brought all small NGOs in a line. It provides us various types of excellent training, especially training on Financial and Information Management System (FIMS) and other skills development [Transcript from interview conducted on 20 May 2009].

No one mentioned anything about the weaknesses of the PKSF. The NGOs were highly dependent on PKSF for their funding, and thus it seemed that they were hesitant to mention any weakness of the PKSF which might annoy the PKSF.

Strengths and Weaknesses of the NGOs

Two (33%) of the six NGO executives referred to BRAC as the first NGOs involved in the IGVD PPP when identifying the strengths of the NGOs. They believed that BRAC was a big NGO, with a huge institutional set-up throughout Bangladesh and strength in qualified and motivated field workers, qualified trainers, quality training programmes and different training facilities. Three (50%) of the six NGO executives believed that most NGOs involved in PPPs had some similar strengths. These were: efficiency, capacity to get the assigned work done on time, good communication skills, good net-working, access to poor people and good relationship with local people.

Three (50%) of the six NGO executives mentioned some weaknesses of the NGOs, including lack of coordination within other NGOs, lack of commitment and business-oriented behaviour rather than providing service to poor. As one of the respondents stated:

All NGOs are not really non-profit organisations; all are not really for providing services and better services to poor peoples. All NGOs are not committed to provide better service to the poor; rather, they think more about business, and this is one of the key weaknesses of some NGOs [Transcript from interview conducted on 3 June 2009].

Experts' Views on Strengths and Weaknesses of the Government

Two experts on PPPs and poverty alleviation policies were interviewed. They only mentioned the strengths and weaknesses of government and said nothing about the PKSF or the NGOs. They thought that government had some strengths, specifically administrative set-ups and authorities to make rules and regulation, which made PPPs easy to implement at different levels. However, they also said that there were some weaknesses in the government; the most important was corruption. They also mentioned other weaknesses of the government. For example, the government bought inexpensive things to save money and was not interested in maintaining quality. There was a lack of coordination in the monitoring system in the

government and the government usually took longer time in making any decision than did private-sector organisations. From the above findings it is evident that each stakeholder was seen to have some strengths and weaknesses. Each actor recognised some strengths and weaknesses in the others and themselves.

Views on the Weaknesses of the Beneficiaries

Both experts (100%), two (13%) of the fifteen government officials and one (17%) of the six NGO executive mentioned a few points of weakness relating to the beneficiaries. They noted their lack of bargaining power and illiteracy as the severe weaknesses of the beneficiaries. Furthermore, beneficiaries were not sufficiently aware of their rights.

Findings on whether and how stakeholders contributed in making decisions in PPPs are reported and discussed in the next section.

Contribution of the Stakeholders on the Decision-Making Process

Questions were asked about whether different stakeholders contributed to the decision-making, whether they had higher or lower levels of decision-making power and whether they had enough scope to be involved in decision-making process.

Fifteen government officials, five PKSf executives, six NGO executives, and two experts on PPPs were interviewed. Five of the fifteen government officials did not answer this question. The views of respondents from the government were different from other respondents.

Views of the Government Officials on the Decision-Making Process

Ten (67%) of the fifteen government respondents believed that stakeholders from different levels could contribute to the decision-making process through different committees, since there were different committees at different levels for the IGVGD and the RMC PPPs. They believed that opinions were sought from different stakeholders and each stakeholder was consulted during the meeting of the central committee at design stage.

Referring to the higher or lower levels of decision-making power, six (60%) of the ten government respondents believed that though opinion was sought from different stakeholders; in most cases all the stakeholders could not contribute to the decision-making process. Referring to the central committees, the respondents noted that usually higher level officials such as the secretaries and the joint secretaries and prominent NGOs such as BRAC and Grameen Bank were involved as the members in the committee. Therefore, most decisions were taken by the high level officials. For example, referring to the NGOs, one participant stated:

We usually call the bigger partners, such as BRAC and Grameen Bank while we discuss about our policy. In the decision-making process at the policy level we usually discuss with heads of organisations, for example, Executive Director of BRAC [Transcript from interview conducted on 4 June 2009].

Referring to the IGVGD and the RMC, six (60%) of the ten government respondents mentioned that authorities were delegated through contracts to the respective NGOs and the PKSF for field-level implementation. Therefore, they believed that, in that case, the NGOs took their own decisions. Although NGOs could take implementation decisions, eight (53%) of the fifteen government respondents and believed that in really field-level supervisors and beneficiaries had no opportunity to share in the decision making process. A response from one respondent was as follows:

Authority is delegated to the NGOs who are implementing the contract, and those organisations are authorised to take their own decision. However, I personally do not think that grass root level people have any scope [Transcript from interview conducted on 9 June 2009].

Five (50%) of the ten government respondents believed that other stakeholders had very little opportunity to contribute to the decision-making and in fact there was no need to take part in decision-making process, since in most PPPs everything was guided by rules and regulations of the government. For example, one participant mentioned:

Everything is regulated by set rules and regulations. NGOs can only design training modules according to their own decisions [Transcript from interview conducted on 10 June 2009].

Views of the PKSF Executives on the Decision-Making Process

All five PKSF executives provided their views of the decision-making process. All (100%) of the PKSF respondents believed that the PKSF always followed a participatory approach within the PKSF and also with their POs. However, one (20%) of the five participants recalled that sometimes they took their own decisions from their own considerations without asking their POs, if it was a very urgent matter.

All (100%) of the PKSf respondents noted that they followed some procedures when taking decisions about any new policy on a new project. Usually when they took such decisions in house, they discussed the matter with each relevant official and brainstormed within the PKSf. Furthermore, while taking initiatives on any major issue, the PKSf always sent their draft policies to their POs for their opinions. After getting the POs' opinions they called all of the POs to a workshop for discussion. After the detailed discussion the PKSf usually finalised the policy outlines. For example, one participant stated:

We involve our POs in project design and formulation. When we take any new project for a specific area, we usually call most of our key players—the main POs of that certain area and discuss how it could be better implemented; and after discussion with our POs we finalise the design of the project [Transcript from interview conducted on 22 May 2009].

Referring to the participatory approach and delegation of power in making decisions all (100%) of the PKSf respondents mentioned that the PKSf had very strict rules and regulations. However, considering the practical situations, they made some changes to provide flexibility as well as to ensure a participatory approach. All PKSf respondents noted that the field-level officials could change any rules without prior permission of the PKSf in case of difficulties during implementation.

When the PKSf was involved in any project with the government, all (100%) of the PKSf respondents mentioned that the government always discussed and asked for suggestions from the PKSf for decisions about the implementation of the projects. One respondent described the process, saying:

When government wants to initiate any project based on PPPs, the government asks the PKSf about our [PKSf] interest in, and wants to know our views. The government always directly asks the PKSf about the projects, and asks how the project could be better implemented [Transcript from interview conducted on 24 May 2009].

Views of the NGO Executives on the Decision-Making Process

Six NGO executives were interviewed to explore their views on the role of stakeholders in the decision-making process. None of them mentioned all stakeholders. Five (84%) of the six spoke about the PKSf, three (50%) of them mentioned only their own organisations and two (33%) of the six failed to say anything about the government.

The respondents' views about the government were mixed. Two (50%) of the four NGO executives who mentioned the government believed that while working with the government in PPPs, some stakeholders actually had no role in the decision-making. They believed that

although the government discussed different policy issues with them in formal meetings, the main decisions were taken by the government, and the government did not always follow all the recommendations that were given in the meetings.

Referring to the IGVGD, the other two (50%) of the four NGO executives thought that government valued their decisions at different levels. They believed that, in the case of the IGVGD, all the decisions were taken on the basis of discussions held by the respective committees at different levels. As one respondent stated:

At central level we have several committees and we discuss everything in the formal meetings, and the government accepts our decisions. For the IGVGD, there are several committees at different levels, such as at UP, Upazilla and at District, and each decision is taken in the meeting by the committee members [Transcript from interview conducted on 23 March 2009].

Three (50%) of the six respondents only mentioned their own organisations. They believed that they had participatory approaches at every stage of the decision-making process within their organisations. They mentioned that they organised regular meetings with area managers, branch managers, field-level supervisors and even with field-level coordinators. They also noted that their branch managers also arranged some meetings with field-level staff and solved problems if any arose. For example, one participant stated:

In every week our branch managers meet with field-level staff, and specially discuss the problems that have arisen with implementation. We in fact always follow participatory methods. We never impose any decision from head office on the field staff. The decision-making process is quite transparent and participatory within my organisation [Transcript from interview conducted on 24 March 2009].

Five (83%) of the six NGO respondents believed that the PKSF always followed participatory approaches in taking decisions on project design and implementation policies. The PKSF always discussed new policies with them and took their suggestions on implementation strategies.

Experts' Views on the Decision-Making Process

Two experts on the PPPs and poverty alleviation programme provided their views on the decision-making process. Their views were very similar. They both mentioned only the NGOs. They said that the NGOs contributed little to the decision-making procedures when they were involved with government in PPPs. They believed that the NGOs were considered as service providers to the government and the main decisions were taken by the government, even though NGOs were called in different meetings. One expert said:

The NGOs have no decision- making power. They are in fact service providers, and though NGOs are called on for discussion, government in fact takes the main decisions [Transcript from interview conducted on 2 June 2009].

Findings on respondents’ views on risks associated with the IGVGD and the RMC PPPs are presented in the next section.

Risks in PPPs

To explore the nature of risks that PPPs involved in poverty alleviation in Bangladesh faced, this research posed questions to the respondents about whether any risks exists, and if so, what kind of risks they were. Fifteen government officials, five PKSf executives and six NGO executives, and twelve informants from the field were interviewed. The latter included four UNOs, two UP chairmen and six NGO supervisors. All respondents mentioned several categories of risks although it varied from respondent to respondent. The different types of risks that were mentioned included political, policy, management, financial, natural, economic, social and personal. Different types of risks relating to PPPs are summarised in Table 5.9.

Table 5.9: Types of risk in the IGVGD and the RMC PPPs

Types of Risks	IGVGD	Common in Both	RMC
Policy risk	Lack of sustainability Short duration	Lack of research and evaluation	Faulty design Overlapping of programmes
Financial risks	Loss of assets	Financial loss	Failure to recover loans Irregularities in financial management
Management risks	Lack of monitoring Inappropriate training module Faulty selection procedure	Corruption Lack of coordination Accountability problems Incompetent management Inadequate training	Inadequate experience of NGOs
Political risks	Lack of political commitment	Undemocratic government Non-elected government	Changes of commitments/promises Unexpected government decisions
Natural risks	----	Flood Cyclone Bird Flu Other natural disasters	----
Economic risks	---	Resource Constraints Food price rises National economic crisis Global and regional economic crisis	---
Social risks	---	Social unrest	---

		Unemployment Migration to other areas	
Personal risks	---	Personal and family problems Physical sickness	---

The majority of respondents mentioned that each risk was potentially interrelated with other risks. When there was a management risk, the PPPs faced financial risk. If there was any corruption in a PPP, it faced management risk as well as financial risk. The PPPs faced both financial and management risk, if there was any natural risk. Further, if a PPP faced a political risk it also faced the financial risk. One respondent stated how different types of risk were interrelated. As he stated:

For example, one government has taken some PPP projects for poverty alleviation; after 5 years, when a new government comes led by another party, it usually does not continue the previous projects of the previous government. However, the previous government already spent a huge amount of money. It is a very big risk and I think these cause various types of loss, such as time loss, management and financial loss [Transcript from interview conducted on 24 May 2009].

Types of Risks

Political Risks

Ten (67%) of the fifteen government respondents, four (80%) of the five PKSf respondents, six (50%) of the twelve field level informants including all UNOs (100%), and three (50%) of the NGO executives mentioned political risks. These included lack of political commitment of the government, changes of political promise due to the changes in government, and the activities of undemocratic or non-elected governments, such as having a caretaker government and different unexpected decisions taken by the government. One respondent explained how the changes of political commitment could be a political risk. He stated:

Changes of political promises are due to changes of governments. For example, one government has taken some projects on PPP. After five years, when a new government comes led by another party, usually it does not continue the previous projects of the previous government, since they have different types of political promises to the people. So they stop previous projects and start new projects. It is very big risk and I think this causes severe financial loss [Transcript from interview conducted on 28 May 2009].

The activities of undemocratic and non-elected caretaker government were mentioned as a political risk by four (80%) of the five PKSf respondents, three (50%) of the six NGO executives and four (33%) of the twelve field informants. They believed that a non-elected government does not care about people's opinions, and so makes some decisions that affect the poor people and also cause risk to their development. For example, one respondent said:

Risk! Yes, during the caretaker government's regime, government suddenly announced to take over Khash Land [government land] from people, and thus they demolished lots of buildings, road side shops and other established infrastructure. Thus our borrowers cannot do business during the last two years. It was a very dangerous risk for the development of poor people [Transcript from interview conducted on 2 June 2009].

Policy Risks

Regarding policy risks, respondents thought that before formulating or making any new policy the government did not think ahead about sustainability and did not do a sufficient feasibility study on the further effects of the programme. All PKSf respondents, five (50%) of the ten government respondents, four (80%) of the five PKSf respondents and three (50%) of the six NGO executives also believed that although the government did not think ahead, sometimes some PPPs failed to bring about expected outcomes. As an example, one respondent mentioned that without any prior study of a remote area, the government decided to establish a training centre for nurses from different hospitals on PPP; there was no sufficient electricity, so that in the end the government could not establish that training centre.

Economic Risks

Economics deals with how economies work and how different economies interact. It includes finance, business, government, law, politics, educations, social institutions and many more spheres of relevance (Taggart, Findly & Parkin 2007). The economic risks were explained by the respondents as risks resulting from phenomena such as national economic crisis, global and regional economic crises and high food prices. All (100%) of the five PKSf respondents, five (33%) of the fifteen government respondents, eight (67%) of the twelve field informants and four (67%) of the six NGO executives mentioned economic risks. They believed that the economic risks could have a very bad effect on the PPPs, since the global economic recession led to increased food and other prices; thus, the beneficiaries of the IGVD and the RMC could not save money, since they had to pay more money for food than in previous times. For example, one participant mentioned:

During the world economic recession, especially due to the high price of food, we could not recover 15 million taka [Bangladeshi currency] from the field, since beneficiaries could not pay their weekly instalments [Transcript from interview conducted on 3 June 2009].

Management Risks

Ten (67%) of the fifteen government respondents, all (100%) five PKSf respondents, six (50%) of the twelve field-level informants, including all UNOs (100%), and four (67%) of

the NGO executives mentioned management risks. Different categories of management risks were mentioned such as corruption, lack of coordination, lack of monitoring, inadequate training, inappropriate training modules, accountability problems, inadequate experiences of NGOs, faulty selection procedures and incompetent management of different organisations. The respondents believed that all these risks related to management, either at the policy level or in the implementation stages. Among these, corruption, lack of coordination, accountability problems and inadequate training programmes were identified as the most common management risks in both the IGVGD and the RMC PPPs by five (33%) of the fifteen government respondents, ten (83%) of the twelve field-level informants, including all UNOs (100%), and four (67%) of the NGO executives. Further, referring to the IGVGD PPP, lack of monitoring, faulty selection procedures, corruption in selecting IGVGD women and corruption of the local government representatives were identified as severe management risks by these respondents. They believed that these risks adversely affected the desired outcomes of the IGVGD, since the really vulnerable poor women were not getting the IGVGD cards due to corruption of the UP chairman and members. For example, one respondent explained his experience:

From my experience, I think maximum 30% of the VGD cards are distributed to really vulnerable women and the most cards—70% are distributed to the preferred persons of UP chairmen and members. In addition, sometimes, a woman has to pay 4000 to 5000 taka to the UP chairman/members. As she is not interested to be dropped out from the list, and does not want to miss the IGVGD and other facilities of the UP, she does not put any objection or protest. So, I will say that the really vulnerable poor women are not getting the IGVGD benefits [Transcript from interview conducted on 11 June 2009].

Inadequate training and inappropriate training modules were identified as two other management risks of these PPPs. For example, one participant mentioned that training modules that were to provide skills training to poor women sometimes did not suit those women and thus they could not utilise the training.

Financial Risks

Finance is a part of economics. As finance deals with matters related to money, market, savings and financial management, it focuses on maximising the wealth (Melicher & Norton 2008). Respondents mentioned financial risks in different ways that dealt with money, savings and financial management of the IGVGD and RMC PPPs. Five (33%) of the fifteen government respondents, four (80%) of the five PKSF respondents, four (33%) of the twelve field-level informants and four (67%) of the six NGO executives mentioned financial risks. The financial risks were stated as being loss of assets, financial loss, failure to recover all or

some of the loan money and irregularities in financial management. The respondents believed that any kind of the above financial loss that affected the PPPs was a financial risk. For example, referring to the RMC, one respondent stated:

We [PKSF] found some irregularities in financial management in some POs. Then we had to stop financing to those POs. So as a result we cannot fulfil the targets of organised members [beneficiaries] of that particular PO.... and also we could not recover 100% of our distributed money, so it was our financial loss - a financial risk [Transcript from interview conducted on 24 May 2009].

Natural Risks

Ten (67%) of the fifteen government respondents, all (100%) five PKSf respondents, eight (67%) of the twelve field informants and four (67%) of the six NGO executives mentioned natural risks. The natural risks that were identified by different respondents were floods, cyclones, bird flu and other natural disasters that had affected the outcomes of the PPPs. For example, due to the floods in 2007–08, the beneficiaries could not do any business and the NGOs could not recover the loan money from the beneficiaries. Thus, both the NGOs and the beneficiaries were affected. One respondent stated the effects of natural disaster as follows:

Natural risks are such as floods and SIDR [one kind of cyclone].... During SIDR 2008, we and our PO's could not collect weekly instalments, we cannot recover our money [Transcript from interview conducted on 4 June 2009].

Social Risks

The social risks were described by respondents as social unrest, unemployment and migration to other cities or other areas. They believed these to be risks since they could have bad effects on PPPs. For example, sometimes some beneficiaries would migrate from one district to another district and then the NGOs could not find them to recover their loan money. This resulted in financial loss to the NGOs. Five (33%) of the fifteen government respondents, four (80%) of the five PKSf respondents, four (33%) of the twelve field-level informants, and three (50%) of the six NGO executives mentioned the social risks in PPPs.

Personal Risks

Personal risks affecting PPPs include family problems and physical sickness of beneficiaries. Five (33%) of the fifteen government respondents, four (80%) of the five PKSf respondents, four (33%) of the twelve field-level informants, and three (50%) of the six NGO executives mentioned personal risks. For example, due to physical sickness, some beneficiaries could not do their business and thus could not earn money. However, at the same time they needed to pay for medical treatment, which was a drain on financial resources.

Conclusion

This chapter presented findings on the rationales, features and mechanisms of different PPPs as perceived by a range of respondents from within and outside of government. The most common rationales identified were (a) to overcome limitations in government organisation and government employees, (b) to take advantage of the expertise of NGOs, (c) to reduce government expenditure, (d) to increase the efficiency of development initiatives and (e) to promote better service delivery. The most common features found in both PPPs were the aims and objectives, the sharing of resources, the nature of their commitments and the nature of their contracts. The partnership mechanisms of the IGVDG and the RMC PPP programmes identified several factors including partnership arrangements and implementation strategies; the stakeholders involved in the IGVDG and the RMC PPPs, the roles of each actor; the duration of partnerships; the strengths and weaknesses of stakeholders; sharing of resources by the stakeholders' in these PPPs; stakeholders' contributions in decision-making processes and different risks involved in PPPs. With these perspectives on organisational aspects of the case study PPPs established we can move on to discover what the views of performance of the PPPs were.

6. Performance of the PPPs

This chapter reports the different stakeholders' views on the performance of PPPs for poverty alleviation. Fifteen high-ranking officials of the government of Bangladesh were interviewed using semi-structured questionnaires. Additionally interviewed were five executives from the PKSF, the head of the VGD unit of WFP's Bangladesh office and six NGO executives from five prominent NGOs, namely BRAC, *Padakkhep*, *Uddipon*, CCDA and SDI. More interviews were held with twelve field-level informants including four UNOs, two UP chairmen, and six field-level NGO supervisors/field workers. Finally, ten IGVD beneficiaries and eleven RMC beneficiaries were also interviewed. Questions were asked that dealt with the performance of PPPs, including questions about the opportunities that assisted the establishment and performance of PPPs, and the factors that hindered the success and performance of these PPPs. The findings are presented in two parts. First, the views of different stakeholders on performance are dealt with, while the second part deals with the different opportunities and constraints of the IGVD and the RMC PPPs.

Stakeholders' Views on the Performance of the PPPs

Common Views on Performance on both the IGVD and the RMC

Six (40%) of the fifteen government respondents, one (20%) of the five PKSF respondents and one (17%) of the NGO executives provided their views on the performance of both the IGVD and the RMC PPPs. They believed that the general performance of both the IGVD and the RMC was good, and that these programmes were operating successfully. Referring to the different survey and national poverty reports, they said that they believed the overall performance was satisfactory, since poverty was reducing according to different reports, though there were no specific studies on the IGVD and the RMC. One respondent said:

Yes [PPPs are] successful, according to national-level macro study, such as the HIES, poverty is reducing, though we do not have any micro level study of these programmes [Transcript from interview conducted on 3 June 2009].

Furthermore, the six government respondents thought that, despite the repetition of similar RMC programmes in some areas, the overall performance of the RMC was good. They mentioned that reports of activities gave evidence of the better performance of the RMC.

However, they had some doubts about the reports, since sometimes NGOs publish the positive effects more than the negative aspects of the RMCs. For example, one respondent stated:

[The performance is] generally good; but, the publicity mechanism of the NGOs is well organised and they only make public their bright side. Failure history does not come out to the public [Transcript from interview conducted on 27 April 2009].

Four (27%) of the fifteen government respondents did not mention anything about the performance, since they did not have accurate reports on the performance of either the IGVGD or the RMC. They believed that without any specific research or evaluation reports it was very difficult to say anything about performance. Three (20%) of the fifteen government respondents mentioned that they knew of some evaluation reports on some poverty alleviation programmes but they believed some of these to be biased. Therefore, they felt that they should not give any response based on these reports. For example one participant explained:

We, in fact, have no research or evaluation reports on these [PPP] programmes. So, it is very difficult to say exactly about their performance. Though we have very few reports, these are biased, not 100% correct. For example, last week we got one evaluation report on a poverty project. The report was showing that some of the criteria and parts of the project were successful. However, when it was discussed in the meeting elaborately, finally we found that actually that project was not successful. So, some evaluation reports do not reflect the reality [Transcript from interview conducted on 12 April 2009].

One (20%) of the five PKSF executives and one (17%) of the six NGO executives believed that the PPPs for poverty alleviation were not as successful as they should be. The PKSF executive believed that the selection procedure of the NGOs for the PPPs was faulty. As he said:

Silk foundation [a PPP programme for poverty alleviation] failed, since appropriate people were not selected for the management of the Silk Foundation [Transcript from interview conducted on 9 April 2009].

One (17%) of the six NGO executives believed that not all stakeholders were dedicated in sharing all of their resources, such as knowledge and expertise to make the PPPs more successful, and thus the performance of the PPPs was not at the expected level.

Views on the Performance of the IGVD

Views of the Government Respondents

Eight of the fifteen government respondents were directly involved in the IGVD. Six provided their views on the performance of the IGVD, while the other two did not mention the success of the IGVD separately. Six (75%) of the eight government respondents who were involved in the IGVD believed that it was successful. Three (50%) of the six believed that the IGVD was very successful, since it had continued for several years and the demand for the IGVD was very high with poor women. For example, one respondent explained that since the IGVD had lasted from 1976, it was very successful.

One respondent mentioned that the IGVD was successful since the WPF reports showed that the IGVD was able to fulfil 70% of its expected outcomes though he also believed that it should be even more successful. He stated:

I believe if 70% of the IGVD is successful then we can say that it is successful. Then I will say that definitely to a greater extent these (VGD/IGVD) programmes are successful. However, I do not think these programmes—especially the IGVD are becoming 100% successful [Transcript from interview conducted on 8 June 2009].

Three (50%) of the six government respondents were doubtful about the performance of the IGVD PPP. Referring to the development of the beneficiaries, they believed that the IGVD was not very successful since the beneficiaries were not able to get out of the poverty cycle and there were no indications of sustainable development in the lifestyles of the beneficiaries. For example, the IGVD beneficiaries had no permanent source of income. However, the IGVD was seen as good for that two-year period, since the beneficiaries were getting food and some skills training. Something was better than nothing, as one respondent said:

We will say [IGVD] was not very successful; however, this is like that ‘something is better than nothing’ [Transcript from interview conducted on 3 June 2009].

Two of these government respondents were also very doubtful about the performance of the IGVD since there were no impact studies or any evaluation reports on the IGVD. Therefore, they believed, it was very hard for them to make any judgement on the performance of the IGVD. One respondent explained his views in this way:

I am not very sure about the performance of the IGVGD programmes since we have no impact studies or reports particularly on the IGVGD, we have to depend on the WFP reports [Transcript from interview conducted on 12 June 2009].

Views of the NGO Executives

Four of the six NGOs executives interviewed were involved in the IGVGD programme. All four (100%) believed that the IGVGD was successful in ensuring food security for beneficiaries for the two-year cycle. They also believed that the IGVGD was about 70% successful, since the evaluation reports of the WFP showed that the IGVGD was 70% successful in reaching its expected outcomes.

Views of the WFP

The head of the VGD unit of the WFP, Bangladesh office was interviewed since the WFP was one of important stakeholders in the IGVGD PPP. Referring to the different evaluation reports of the WFP she believed that the IGVGD was successful since the IGVGD achieved at least 70% of its expected outcomes.

Views from the Field Informants

Ten field informants who were directly involved in the IGVGD programme implementations for several years were interviewed. These included four UNOs, two UP chairmen and four NGO supervisors.

All of the UNOs (100%) believed that the IGVGD was successful in ensuring food security for the two-year period but was not very effective for development. They believed that during the two-year period, the beneficiaries received enough food security for that period. However, they also believed that the beneficiaries were not getting other expected benefits from the IGVGD, since they were not getting proper IGA skills training and were not involved in the credit programmes. As one UNO explained:

In fact it is not very effective for development of that group. It is reducing food poverty for a certain time, otherwise they could not survive. If we think only about the food safety, I will say that it is 100% successful to ensure food security of that vulnerable group. But it is not bringing any sustainable development for that vulnerable group of people, as it is intended. It is preventing 7.5 lakhs [0.75 millions] households to go below poverty lines for that two year [IGVGD] period [Transcript from interview conducted on 5 June 2009].

The views of UP chairmen on the performance of IGVGD were completely different. The two (100%) UP chairmen believed that the IGVGD was very successful, as beneficiaries

were getting food for two years and skills training from the NGOs. At least they were in a better condition for those two years. As one UP chairman said:

Yes, I think this programme is successful. They are getting regular food grains for two years; they are in a better position at least for two years [Transcript from interview conducted on 5 June 2009].

However, views of the NGO supervisors and field workers were mixed. Two (50%) of the three NGO supervisors thought that the IGVDG programme was very successful since the beneficiaries were using sanitary latrines, wearing better clothes and had access to safe drinking water. One of NGO supervisors, who thought that the IGVDG was successful, explained his views in this way:

I think these programmes are bringing some development to these women. Last week we met a few IGVDG women who were in last year's cycle along with the WFP representative. We saw that now she is in better position than last year. She is using sanitary latrine, drinking tube-well water [safe drinking water] and wearing better cloths. She is involved in our regular credit programme. We visited five different women, and they are all getting better [Transcript from interview conducted on 7 June 2009].

However, another (50%) thought that the performance was average since the IGVDG programme was bringing some development, though not at the desired level.

Views on the Performance of the RMC

Seven of the fifteen government respondents, all five PKSf executives and three of the six NGO executives provided their views on the performance of the RMC, as they were directly involved with the RMC.

Views of the Government Respondents

The views of government respondents on the RMC, and especially about the PKSf, were very positive. All of them mentioned the PKSf more than the RMC and its performance. All seven (100%) government respondents believed that the PKSf was doing very well and so was the RMC. Referring to different PPPs, they believed that the PKSf was playing very positive roles in establishing PPPs, as the PKSf was introducing different types of PPPs, such as RMC and the PLDP. Citing the national reports on poverty, they mentioned that the rate of poverty was reducing, thus showing the performance of the RMC to be very good. For example, one participant stated:

Of course these are successful and that is why we are going for more partnership programmes with the PKSf. If these are not successful we would not go for further partnerships. The overall poverty

rate is reducing. The PKSf is doing very well [Transcript from interview conducted on 16 April 2009].

Views of the PKSf Executives

The views of the PKSf executives were all very similar. All of the PKSf executives believed that the RMC was successful. Referring to the different research projects and evaluation reports on the RMC, they mentioned that the RMC was very successful. For example one participant stated:

Of course our programmes [the RMCs] are successful; it is according to the different evaluation and monitoring reports of the PKSf and other organisations [Transcript from interview conducted on 24 May 2009].

Referring to the value of loans taken by the POs of the PKSf, and beneficiaries, and the total number of the beneficiaries in the RMC, four (80%) of the five PKSf executives believed the RMC was successful since their POs were taking more loans and distributing more loan money to field-level beneficiaries. They also believed that these were important indicators of success and the better performance of the RMC. For example, one respondent mentioned:

I could say that our RMC programmes are successful, since the outreach of most of our POs has been increased. They are taking increasing amount of loans from us. Now they are taking loans from ten thousand to three crore [30 million] taka. They are investing more money in the field, so I can say that they are doing well [Transcript from interview conducted on 23 May 2009].

Although all PKSf respondents believed that the RMC was successful, two (40%) of them believed that the success was not at the desired level. They mentioned that in research and evaluation reports, the success stories were highlighted compared to the sad stories and the practical aspects. They also believed that the RMC should be more successful. One participant explained his views as:

When researchers do research or any mid-term evaluation, they usually write that it is successful. I think it has become a tradition. There are some gaps in reports and in practical fields. But as a practitioner I will say that yes, it is successful but it has not been as successful as we expected. It should be more successful [Transcript from interview conducted on 22 May 2009].

Views from the Field Informants

Four NGO supervisors from the field who were involved in implementation of the RMC were interviewed to explore their views on performance. Three (75%) of them believed that RMC was successful, though the level of success varied from time to time and from area to area. They believed that the RMC was successful since it could create a flow of money into rural areas and had a significant influence in empowering women and developing social and health

consciousness among participants. They believed that the RMC beneficiaries were now more concerned about the immunisation and education of their children or about their rights; they had better clothed, had access to pure drinking water and sanitary latrines and the consumption power of the beneficiaries was increased. All of these were indicators of the development of beneficiaries. Thus, one interviewee stated:

The RMC at least could create some flow of money into rural areas to the poor people. For example, in 2007–2008, during economic recession, at least our beneficiaries could survive, and none die without food. And this is the effect of the RMC. There is at least a minimum increase in the buying power of these poor people. Their consumption has been increased—at least to a minimal level. And these have been possible only with RMC PPP [Transcript from interview conducted on 7 June 2009].

The next section presents the findings on reported opportunities and constraints of the IGVGD and the RMC PPPs.

Opportunities and Constraints of the IGVGD and the RMC PPPs

The next question asked respondents about the different opportunities and constraints to the performance of the IGVGD and the RMC PPPs. Fifteen government officials, five PKSF executives, six NGO executives, and one WFP executives were interviewed. The views of the twelve field informants who were involved in implementations were also collected through interviews. Ten IGVGD beneficiaries and eleven RMC beneficiaries also provided their views in interviews.

Opportunities of the PPPs

Eleven of the fifteen government respondents mentioned the opportunities that facilitated both the IGVGD and the RMC PPPs. Four did not provide any response. All five PKSF respondents and all NGOs executives and ten of the twelve field respondents mentioned both PPPs. All ten IGVGD beneficiaries and ten of the eleven RMC beneficiaries mentioned the opportunities of the IGVGD and the RMC respectively.

All (100%) eleven government respondents, all five (100%) PKSF respondents, all (100%) NGO executives, ten (83%) of the twelve field informants, the WFP representative, all ten (100%) IGVGD beneficiaries and ten (91%) of the eleven RMC beneficiaries mentioned the government's commitment, its positive attitude and continuous support to poverty reduction

programmes and the PPPs as the most important opportunity that was creating a good policy environment. They believed that the government's commitment, attitude and support encouraged all stakeholders to be involved in these PPPs.

All (100%) eleven government respondents, all five (100%) PKSf respondents, all (100%) NGO executives, ten (83%) of the twelve field informants and the WFP representative believed that the design and the implementation strategies of the IGVD and the RMC were also important strengths that made these programmes successful. They believed that the design was friendly to the poor, and all the stakeholders were sincere in their efforts. As one respondent stated:

Project design is very poor-friendly. Project design is one of the most important factors for the success of these PPPs [Transcript from interview conducted on 27 April 2009].

Another respondent emphasised the design and implementation strategies, and mentioned that both were important to make these programme successful:

I think design and implementation are both important. If the design is good but implementation procedure is not good enough, then the programme will not be successful [Transcript from interview conducted on 23 April 2009].

Five (45%) of the eleven government respondents, all the PKSf executives, all NGO executives, and six (50%) of the twelve field informants believed that strong monitoring was another important enabling factor; if the monitoring in the field was not strong, the beneficiaries as well as the NGOs could not have received the benefits of the RMC PPP.

Two (40%) of five PKSf executives gave more emphasis to monitoring than the design aspect. Referring to the RMC PPP they said that if the monitoring system was not strong enough, then the implementation of the programme could not be very effective. One PKSf executive mentioned, for example:

Monitoring is very strong and effective in each level of the RMC programme. Even at field level monitoring is very effective and regular. So monitoring is another important factor to this success [Transcript from interview conducted on 22 May 2009].

Constraints on the PPPs

The respondents identified various constraints that were affecting the success and performance of PPPs. These were at policy design and implementation levels.

Constraints on Policy Design

The most common constraints on policy design were identified as high interest rates, lack of strong regulatory and monitoring frameworks, lack of uniform acts and laws to monitor NGOs, lack of continuity, the short duration of the IGVGD programme and the overlapping of similar RMC programmes.

Twelve (80%) of the fifteen government respondents, four (80%) of the five PKSF respondents, two (33%) of the six NGO executives, and nine (75%) of the twelve field informants identified the high interest rates of the NGOs' loan money as the most severe constraints of the PPPs. They believed that most poor people were not interested in taking loans from the NGOs due to these high rates of interest. Referring to the IGVGD PPP, ten of the twelve government respondents noted that this was the case for most IGVGD women since they were afraid that they could not repay loans. These women also believed that since they did not receive loans, they could not be in any self-employed work and could not earn. Thus, the expected outcomes of the IGVGD were hindered. As one respondent stated:

These women are not receiving loans, since they are afraid—the rate of interest is very high. It is from 12.5% to 15.5%. If they could not repay the loan, what they will do? [Transcript from interview conducted on 7 June 2009].

Another respondent stated:

They are afraid of taking loans from NGOs. They are afraid since they think that it will be very hard to pay weekly instalments. They are in very poor condition. They think that if they get some cash they will spend it at a time of need, and then it will be very hard to repay and refund their loan [Transcript from interview conducted on 11 June 2009].

Nine (60%) of the fifteen government respondents, four (80%) of the five PKSF respondents, two (33%) of the six NGO executives and ten (83%) of the twelve field informants believed that lack of strong regulatory and monitoring frameworks from the government was a critical constraint. For example, one respondent noted that there were many RMC PPPs throughout Bangladesh, but the government had no information on how many NGOs were involved in RMCs, and how they were operating and utilising money that they received from different donor agents. They thought that the government should have a strong regulatory framework to monitor all these PPPs. They also believed that although there were some guidelines, these were not followed properly. They mentioned that although NGOs were responsible for the follow-up to see whether IGVGD and RMC beneficiaries were utilising the training and

getting involved in the self-employed activities, most times the NGOs did not do so. As a result, the expected results of the PPPs were hindered. For example, one respondent stated:

NGOs sometimes do not follow-up on what are the beneficiaries doing. Are they utilising training or not? Or are they doing any [self-employed] activities for earning? Or are they utilising the loan money? And government have no proper guidelines for monitoring these activities [Transcript from interview conducted on 11 June 2009].

Twelve (80%) of the fifteen government respondents, all five PKSf respondents, all six NGO executives, and ten (83%) of the twelve field informants believed that the lack of uniform acts and laws to regulate and monitor NGOs was a constraint that hindered the success of the PPPs. Different types of rules and laws for monitoring NGO activities were hampering success and performance of the PPPs' activities. Various ministries and departments of the government were also responsible for monitoring NGOs' activities, which created difficulties for the NGOs and was also affecting the success of the PPPs. Table 6.1 presents the different constraints that were hindering the success and performance of the PPPs.

Table 6.1: Stakeholders views on constraints on the PPPs at policy design

	IGVGD	Common in Both	RMC
1	Faulty design <ul style="list-style-type: none"> • Short duration • Insufficient amount of money for transportation cost • Entitlement of only Tk.3,000/ as loan from NGOs that is insufficient to do any IG activity. 	Faulty design	Faulty design <ul style="list-style-type: none"> • Lack of feasibility studies • Favouritism • Improper stakeholders
2		<ul style="list-style-type: none"> • Lack of enabling policy for promoting PPPs 	
3		<ul style="list-style-type: none"> • Lack of intensive monitoring system 	

Eight (53%) of the fifteen government respondents, four of the five (80%) PKSf respondents, four (67%) of the six NGO executives, and ten (83%) of the twelve field informants identified lack of continuity of the programmes and the short duration of the IGVGD programmes as constraints. They stated that the government did not continue the PPPs for a long enough periods and, therefore, they were not bringing in sustainable development for the poor people. Referring to the IGVGD PPP, they noted that two years was a very short time to bring any changes, particularly for the poor who had no assets or no regular source of income. They also mentioned that after two years, no one took care of the IGVGD PPP participants, not even the NGOs. Therefore, they believed that the short duration of the PPPs was one of the most critical constraints. For example, one field informant said:

This programme is for two years and after two years we don't know what happened to them. These types of programme in fact cannot change the basic lifestyle. From my practical experiences, I can say that we see lots of positive things in papers and publications, but not in practical life.... This is only for two years, so no one feels ownership and does not like to take any liability for these temporary types of programmes. None thinks of those women. And I think this is one of the important reasons for failure of the IGVGD programme [Transcript from interview conducted on 7 June 2009].

Another field informant stated:

After two years they go back to the previous condition. In fact no development occurs to them. No sustainable improvement comes to their family within these two years, and if they do not involve in any regular IG activities [Transcript from interview conducted on 12 June 2009].

Eight (53%) of the fifteen government respondents, four of the five (80%) PKSF respondents, three (50%) of the six NGO executives, and nine (75%) of the twelve field informants identified financial constraints of the government as another critical factor. This was because they believed that the financial constraints meant that the government could not continue some PPPs for longer periods, thus such PPPs became unable to bring the desired results.

Referring to the IGVGD PPP, nine (75%) of twelve field informants mentioned several faults in the design of the IGVGD and they believed these constrained the IGVGD. They noted that an individual beneficiary could not receive, nor could any NGO provide more than Tk.3,000 as a loan to a beneficiary; this was insufficient to generate self-employed income. They further mentioned that the government provided a very small amount of money for loading/unloading and transporting food grains from the district headquarters to the UP. They saw this as a design fault. The actual carrying cost of food gains was very high, and sometimes it was four to five times more than the allocated money. The extra cost was basically borne by the UP chairman from his own pocket, which in some cases led to financial mismanagement. For example, one field informant stated:

It is said that the carrying charge will be maintained by selling the packing bags for the food grains which are made of jute, but it is not sufficient. Sometimes the food grains need to be carried in several vehicles at a time by road, then by boats and again by road. Then it costs more than the allocated money [Transcript from interview conducted on 14 June 2009].

Three (20%) of the fifteen government respondents and two (40%) of the five PKSF executives identified the gap in knowledge about PPPs within the bureaucracy as another constraint. For example, one respondent noted that when he asked one official about the PPPs, the officer mentioned that he had neither any theoretical knowledge nor practical knowledge of the PPPs, and did not know anything about them, so was working only with

general knowledge. Therefore, the respondent believed that that type of knowledge gap regarding PPPs could hamper the success and performance of the PPPs.

Four (27%) of the fifteen government respondents, four (80%) of the five PKSf executives and three (50%) of the six NGO executives identified the combination of a lack of feasibility study and favouritism at the policy design stage as a severe constraint on the PPPs. They believed that sometimes the government did not do proper feasibility studies in order to favour an individual or group before commencing a new PPP. Due to this favouritism it was thought people as well as the government often suffered since, after commencing, a PPP could face several problems such as insufficient income. One participant gave 'a hypothetical situation' referring to favouritism and its role in bringing failure:

Think there are two close friends. One is the chairman of the Power Development Board (PDB) and another is the chairman of a national public bank. The PDB chairman called his friend [the bank chairman] and requested for a bank branch in his local area [area of the countryside]. After a few months, one branch of the bank is opened. But no one is going to this bank because the people of that area in fact are so poor, they do not need to go to the bank. After a few months, the bank chairman called the PDB chairman and requested for arranging electricity supply to his local area, and electricity is supplied to that area within few months. But people of that are so poor that they could not bear the cost of electricity and thus they are not using any electricity. So, what happened, both the bank branch and the electricity are being unused and these are huge financial loss for the government. These kinds of story often happen in our country, and this is one of the reasons for failure of several PPPs [Transcript from interview conducted on 23 May 2009].

Five (33%) of the fifteen government respondents, four (80%) of the five PKSf executives and three (50%) of the six NGO executives identified improper stakeholders in PPPs and the lack of an enabling policy environment as two constraints. With regard to the improper stakeholders, they noted that sometimes NGOs involved in PPPs were more interested in doing business than poverty alleviation; some of them were even more interested in getting an office for social status rather than undertaking poverty alleviation. In such cases the performance of PPPs was hindered seriously.

The same respondent mentioned that the government had not yet introduced any policy for encouraging PPPs. There were no laws, rules or regulations for promoting PPPs and they believed the absence of specific laws and rules was hindering success. They mentioned further that there were several types of laws for monitoring NGOs, and several organisations were responsible for monitoring NGO activities. As a result, monitoring of NGO activities was difficult for the government since there was no cohesive rules and regulation. It was also difficult for the NGOs, since they have to follow different rules and regulations for different

departments. This was also affecting the performance of PPPs. These constraints are very common for most NGOs and micro-credit organisations in Bangladesh.

Constraints in Implementation of the PPPs

In this section, the views from key respondents from the IGVDG and the RMC on constraints are presented separately since the nature of implementation of the IGVDG and the RMC was different.

Constraints of the IGVDG

Ten (67%) of the fifteen government respondents, four (67%) of the six NGO executives and eight (67%) of the twelve field informants responded to questions on the constraints that affected the IGVDG. They were all directly involved at different stages of the IGVDG programme activities. The constraints they identified as affecting the success and performance of the IGVDG programme in implementation were corruption, the inefficiency of NGOs and the high interest rates of the NGO credit programmes.

Five (50%) of the ten government respondents, one (25%) of the four NGO executives and six (75%) of the eight field informants, including all four UNOs and two NGO supervisors (but not the two UP chairmen) identified corruption as a constraining factor in the implementation of the IGVDG. This includes political interference and political bias in the selection process, irregularities in maintaining the criteria used in selecting the IGVDG women and bribery. They believed that, in most cases, local political leaders interfered with the selection procedures and influenced the UP chairman and women members to select their preferred persons and families for the VGD cards. Further, since the UP chairmen and members were the elected representatives of the local people and were supported by a political party, they always favoured the supporters of their party. In other words, local officials did not maintain the set selection criteria but rather were biased in selecting participants among the poor women for the IGVDG PPP programme. One government respondent described the selection procedure as follows:

The IGVDG selection procedure of VGD women is not 100% fair. For example, sometimes less poor people are selected and getting VGD cards, while there are far more vulnerable people in the same areas. Sometimes, selection criteria are not maintained properly [Transcript from interview conducted on 4 June 2009].

All four (100%) UNO field informants noted that they often received complaints about bribery regarding the IGVD. Two of them mentioned that sometimes the IGVD women and their families gave cash, from Tk.3,000 to Tk.5,000 for getting a VGD card. They also mentioned that sometimes the UP chairmen and members did not distribute the food grains in proper amounts. One UNO explained his experience with the IGVD as follows:

Yes, we face some problems with corruption.... We have found that the selection procedure is not fair.... UP chairmen always try to select people from their party supporters. Not only that, a number of women have complained to the *Upazilla* committee that they paid taka 4,000 to two different members; two thousand taka each as bribes to get the VGD card, but they did not get a VGD card. But those members denied returning the money to those women. I sent them to jail and after that all other members who took money as bribes from these poor women returned the money to the women. I think this [type of corruption] is not common in 100% of the cases, but is common in 25% to 35% of the cases. Furthermore, in the food grain package, there should be 29 to 30 kg of food grains; but in most cases, UP chairmen supply only 22 to 25 kg [Transcript from interview conducted on 15 June 2009].

Six (60%) of the ten government respondents, and six (75%) of the eight field informants (including all four UNOs and the two UP chairmen but not the two NGO supervisors) identified inefficiencies in the NGOs, such as NGOs' lack of commitment in providing training and credit, as a constraint. They believed that NGOs sometimes did not provide any training at all, and even when they provided some IGA skills training, in some cases this was not conducted in a timely manner. However, the most important thing was that training modules were not well designed for poor women and the quality of training and trainer were not of a satisfactory standard. As a result, the IGVD women could not utilise the IGA skills training for generating any income, which ultimately affected the outcomes of the IGVD. For example, one respondent said:

Some of the [IGA skills] training designed for the IGVD programmes does not suit and fit these poor women. Training modules are not good enough and not updated according to the demands of time and poor women [Transcript from interview conducted on 11 June 2009].

Referring to the lack of commitment of the NGOs, another field informant stated:

We need more monitoring and support from assigned NGOs, they do not provide proper [IGA skills] training or monitor these women, but they should. NGOs should provide proper [IGA skills] training and linked with credit programmes. Now Jagarani Chakra [one NGO] is involved here with the IGVD, but they did not provide any [IGA skills] training and did not link any IGVD women with loan programmes, so how could these women be self developed? [Transcript from interview conducted on 14 June 2009].

The NGO supervisors did not volunteer information on their IGA skills training programmes, but when asked whether there was training provided during the 2007–08 IGVD PPP round, one NGO supervisor admitted that there was not, giving as a reason the schedules for the training being out of the time frame set by the government.

In relation to credit programmes, the same respondents mentioned a huge gap existing in linking the IGVGD women to the credit programmes of the NGOs. Sometimes some NGOs just did not provide credit to the IGVGD women; sometimes the IGVGD women simply were not interested in being involved in these credit programmes due to their high interest rates. Additionally mentioned was the fact that due to this gap, most IGVGD beneficiaries could not be involved in regular IGA. Thus, the outcomes of the IGVGD PPPs were hindered. For example, one respondent stated:

Some NGOs are not interested to give these poor women loans. And lots of women are not interested to take loans from the NGOs. They think they are not well off to pay weekly instalments. They think if they get hard cash they will spend it instead of doing anything for regular IG and ultimately they will be under pressure of debt [Transcript from interview conducted on 15 June 2009].

The same respondents also identified the non-cooperation of the NGOs as a constraint. Non-cooperation was described in terms of harassment in getting loans and in getting deposited money back from the NGOs. One respondent explained that according to the development package services, the IGVGD women would deposit some money every week with the specific NGO they were assigned to, and after the cycle the IGVGD beneficiary would get back that money from the NGOs. However, the IGVGD women were being harassed when attempting to get back their deposited money from that NGO. As a result, the women felt discouraged in savings with NGOs and thus the outcomes of the IGVGD were adversely affected. For example, one respondent stated his experiences as:

I practically saw in some programmes where a big NGO was involved in the IGVGD, as part of the savings management of the IGVGD, these women deposited some money with the NGO. After finishing the cycle, the NGO would return that deposited money to those women. But what happened was, these women often did not get back their money from the NGOs on time. The IGVGD beneficiary had to go to the *Upazilla* NGO office several times, and each time it cost them 200 to 400 taka or even more than that. After going two or three or four times they became upset and did not go again to get that money back. And these NGO people are strong and powerful, but rural poor women have no voice and no power. So, they cannot get back their deposited money from the NGOs. These types of factors sometimes discourage poor women in savings management, and even in taking loans after taking training from the NGOs [Transcript from interview conducted on 9 June 2009].

The same respondent also noted the lack of proper monitoring by NGOs as another constraint. They believed that NGOs did not monitor the IGVGD women properly, since they did not care whether the IGVGD women were involved in any regular IGA or were receiving credit and utilising IG training for any IGA. They therefore believed that the improper monitoring of the NGOs was another factor affecting the success of the IGVGD.

Constraints on the RMC

Seven (47%) of the fifteen government respondents, all (100%) five PKSf respondents, four (67%) of the six NGO executives and four (33%) of the twelve field informants identified constraints involving the RMC from their experience of direct involvement in different stages of the RMC.

Five (71%) of the seven government respondents, four of the five (80%) PKSf respondents, three (75%) of the four NGO executives and three (75%) of the four field informants identified repetition of similar RMC PPPs in the same areas as constraints. The respondents mentioned that several NGOs were operating similar types of programmes in the same areas, and particularly, several NGOs were working in areas that were close to main cities. They were not interested in working in the remote areas. As a result, people in remote areas did not have enough opportunities with the RMC PPPs. This repetition and competition among NGOs in city areas could not be a good result for development. One participant described the situation this way:

There is some overlapping of same programmes in the same area. For example, lots of NGOs are working in Gazipur, since it is closer to Dhaka [the capital city], but none is going to work in remote areas. And in some parts of the countryside some [NGOs] are not performing well [Transcript from interview conducted on 6 April 2009].

They believed that the government should introduce policies that could ensure the proper geographic distribution of PPPs so that all poor people could get an opportunity to benefit from the PPPs.

Four (57%) of the seven government respondents, two (40%) of the five PKSf respondents and two (50%) of the four NGO executives referred to the lack of commitment by NGOs as a constraint. Specifically, they mentioned the lack of intensive monitoring by the NGOs and lack of proper expertise within the NGOs. They believed that the NGOs sometimes did not monitor their beneficiaries properly. They did not follow up on what the beneficiaries were doing with the loan money, if a beneficiary was not doing well they did not suggest how she could do well. As a result, some RMC PPPs failed to bring any of the positive changes that were expected of them.

Five (71%) of the seven government respondents and three (60%) of the five PKSf respondents mentioned the gap between the paperwork and the work carried out in the field

by the NGOs as a constraint affecting the RMC PPPs. They believed that some NGOs did less work in practical matters in the field than they did in publishing papers and documents.

Five (71%) of the seven government respondents believed that the rates of interest of NGO loan were very high. They also believed that some NGOs were more interested in doing business in the RMC rather than engaging poverty alleviation. They also mentioned that although the NGOs were involved in the RMC as not-for-profit organisations, the reality was different. The government respondents mentioned that without a profit an NGO could not grow with big capital within a few years. This led them to believe that NGOs were more interested in doing business and earning profits from the RMC than in poverty alleviation, thus adversely affecting the outcomes of the RMC PPP. One respondent explained:

In the case of the NGOs, there are some gaps, between their paperwork... and their practical implementation. The NGOs say that they are ‘not-for-profit organisations’, but if you see the growth of the NGOs, particularly the bigger NGOs, you will see that they are growing very rapidly. If you look into the condition of an NGO ten years back and compare it with the present condition, you can see a huge difference. How are they growing without capital and other resources? From where are they getting these resources if they do not do any business? So...there is a big gap between their paperwork and practical work [Transcript from interview conducted on 9 June 2009].

Table 6.2 shows the different constraints that are affecting the success and performance of PPPs in the implementation stage.

Table 6.2: Stakeholders views on constraints on PPPs in the implementation stage

	IGVGD	Common in Both	RMC
1	Corruption <ul style="list-style-type: none"> • Political bias • Not maintaining beneficiary selection criteria • The poorest women are not selected • Bribery • Distribute less food than scheduled 	Corruption <ul style="list-style-type: none"> • Political interference 	
2	Inefficiency of NGO <ul style="list-style-type: none"> • Do not provide training on time • Do not link poor women with credit programme 	<ul style="list-style-type: none"> • Do not provide training 	
3	Lack of commitment of NGOs <ul style="list-style-type: none"> • Training is not well designed • Trainers are not well enough qualified • Do not link poor women with credit programme • Do not monitor IGVGD women after the cycle 	Lack of commitment of NGOs <ul style="list-style-type: none"> • Do not provide training 	Lack of commitment of NGOs <ul style="list-style-type: none"> • More interested to do business than poverty alleviation

4		High interest rates	
5			Repetition of similar programmes
6			Gaps between paper works and practical works in field

Views of the Beneficiaries on Constraints

Views of the IGVD Beneficiaries

Ten IGVD beneficiaries were interviewed to explore their views about the factors affecting the success and performance of the IGVD.

The ten beneficiaries identified the high interest rates of NGO loans as the most severe constraint on the performance of the IGVD. They noted that although they needed money for doing IG activities, they were afraid to receive any loan from the NGOs as the rates of interest were very high. They thought they would not be able to repay weekly instalments with the high interest. Moreover it might increase their financial burden. For example, one beneficiary said:

The rate of interest is high, so we are afraid to take loans. We are afraid of weekly instalments. If we could not pay, what will then happen? [Transcript from interview conducted on 12 June 2009].

Another beneficiary stated:

We need loans, but the interest rate is very high. We might not be able to pay weekly instalments, so we are not taking loans. If we take loans, it will increase our burden, so we are not interested in taking loans [Transcript from interview conducted on 13 June 2009].

Nine (90%) of the ten IGVD beneficiaries mentioned inefficiency and lack of commitment by the NGOs as a main constraint on the IGVD. Regarding the inefficiency of the NGOs, four (44%) of the nine beneficiaries mentioned that NGOs did not provide them with any training on IG activities. While undertaking this interview the relevant NGO supervisor was present and said that the NGO could not provide training since the cycle was phased out.

The same beneficiaries (four of the nine) mentioned that the NGOs did not provide them with loans, even though they were interested in receiving loans from the NGOs. They believed that the NGOs were not interested in linking the IGVD women with their regular credit programmes, since they thought that NGOs perceived them as being very poor and thus too

great a risk. Therefore, they believed, they could not do any IG activities and could not earn money.

Five (56%) of the nine beneficiaries mentioned that the NGOs provided them with some IGA skills training but not any loans. One beneficiary explained that:

This NGO [Jagarani Chakra] did not provide us with loans, although we were interested. So, I took loans from BRAC, and some beneficiaries took loans from Grameen Bank [Transcript from interview conducted on 14 June 2009].

Four (40%) of the ten beneficiaries mentioned the corruption in the process of selecting IGVGD women and distributing food grains since they paid money as bribes to UP chairmen and members. They said that they had paid three to four thousand taka for getting IGVGD cards. One participant explained the situation as follows:

Yes, sometimes we face problems from the local chairman or member. They ask for money. My husband paid Tk.4,000 for one card [Transcript from interview conducted on 15 June 2009].

Another beneficiary said:

I have to pay cash money as a bribe. My brother-in-law paid Tk.4,000 for this VGD card. As I know some other women also paid money as bribe [Transcript from interview conducted on 11 June 2009].

Three (30%) of the ten beneficiaries mentioned corruption in the distributing of food. They said that they received 20 packets of food grains instead of 24 packets.

Views of the RMC Beneficiaries

Eleven RMC beneficiaries were interviewed to explore their views on constraints on the performance of the RMC. The most common constraints mentioned by these people were the high interest rates of NGOs loans, the NGOs providing loans but not any training, the short grace period and the business orientation of the NGOs.

All eleven beneficiaries mentioned that the interest rate of NGO loan money was very high. However, two beneficiaries did not know the actual interest rates. They also said that the actual rate was higher than the advised or stated rate, since they paid a fixed flat rate of interest on the entire amount of the primary loan money. They repaid their primary loan money along with the interest every week and on the entire amount for the two-year period. As one beneficiary stated:

Yes, of course the rate of interest is high, it is 12.5%, but in practice the rate is higher than 12.5%, since we are paying interest on the entire amount of primary loan money, and we are also paying back the primary loan every week. So as we are paying the loan we believe that the primary loan should be reduced from the total amount of primary loans every week. Therefore, interest also should be

reduced. But in fact we have to pay interest on the whole money for the whole period. The interest rate is fixed at a flat rate. So I think the rate is higher than 12.5%, and it must be lower than the current rate [Transcript from interview conducted on 15 June 2009].

Four (36%) of the eleven beneficiaries said that the grace period between the day of receiving a loan from an NGO and the first day of payment of the weekly instalment was very short. They had to pay their weekly instalments two weeks after receiving a loan from the NGOs, which was not enough time to do any business, even to start business. They also said that no matter whether they made any profits or not, they had to pay their weekly instalments. In the words of one beneficiary:

We have to pay weekly instalments from the second week of taking loans, but within one week or two weeks we cannot do anything, not any business. This is not enough to make any improvement and to make any profit. We need some time to develop our business so that we can pay weekly instalments from our profit. We need some opportunities to build our business and then to pay weekly instalments. But NGOs do not give us any time. They are not interested to provide any scope for us. At least, they should give us minimum time to develop our business, so we can pay from our profit. But now, whatever we do, whether it is loss or profit, we have to pay our weekly instalments. Sometimes, it becomes very hard for us to pay weekly instalments [Transcript from interview conducted on 16 June 2009].

Six (56%) of the eleven beneficiaries mentioned the business attitude of the NGOs in collecting weekly instalments. They believed that the business-oriented activities hindered the success and development of individual participants of the RMC, since sometimes a participant could not make any profit from her business but still had to pay weekly instalments. Sometimes beneficiaries faced problems and went through severe hardship in managing money for weekly instalments, which harmed the well-being of the beneficiaries. As one beneficiary stated:

Last year we were in difficulty with the price hike of foods and other things. But I had to pay weekly instalments and I had to face severe hardship [Transcript from interview conducted on 26 May 2009].

Another beneficiary said similarly:

Sometimes it becomes harder for me to pay the weekly interest but I have no other way, I have to pay. NGOs have no sympathy and no mercy [Transcript from interview conducted on 19 May 2009].

Table 6.3 shows the constraints on the successful performance of the IGVGD and the RMC PPPs according to the views of the beneficiaries.

Table 6.3: Beneficiaries views on constraints on the PPPs for beneficiary development

IGVGD	Common	RMC
	High interest rates	
	NGOs do not provide training	
NGOs do not provide loans	-	Short grace period
Corruption in selecting VGD women	-	Business orientation of NGOs
Corruption in distributing food	-	-
IGVGD women afraid to receive loans	-	-

Other Constraints on the Success and Performance of the PPPs

Administrative Factors

Three (20%) of the fifteen government respondents and three (60%) of the five PKSF executives believed that very frequent changes of government officials was a constraint. They believed that if a government officer could continue in a particular position or at a particular station for at least three to four years, that officer would be able to better understand the PPPs and do his or her work properly. If a government officer was transferred frequently, he or she could lose his or her interest in working with PPPs since he or she was always dealing with the tension of transfers. Referring to the IGVGD PPPs, one respondent noted that if an UNO could not work at least two to three years in an *Upazilla*, it would be very hard for him to get an idea of the *Upazilla* and the condition of the poor of that *Upazilla*. The government should have a policy providing for postings of government officials. For example, he posed the question:

If an UNO serves in one station [an *Upazilla*] only for five or six months, then how could he or she do the list of the IGVGD women? How would he or she be able to identify the real poor women within that short time? [Transcript from interview conducted on 10 April 2009].

Conceptual Factor

Five (33%) of the fifteen government respondents, three (60%) of the five PKSF executives and three (50%) of the six NGO executives identified the knowledge gap about the PPPs among citizens and media as another constraint. The same respondents believed that the PPP was a very new concept in the country, so that most people, including the media, did not know much about the PPPs. Both the people and the media perceived the involvement of the

private sector with the government as the government escaping from its responsibilities; most people still thought that the government should provide all necessary services to the citizens as one of its core responsibilities. One respondent even felt that the government could not operate some of the community hospitals established under the PPPs due to the negative propaganda of the media. He stated:

Finally, the government has to stop these community hospitals, since several TV channels and other print media are reporting that government is avoiding its responsibilities and government is much dependent on NGOs for delivering health services. And the general people are also not taking this easily [Transcript from interview conducted on 6 April 2009].

Political and Social factors

Specific political and social factors were identified by three of (60%) of the five PKSF executives and two (33%) of the six NGO executives as very badly affecting the performance and therefore success of PPPs. These were the government's sudden decisions to get short-term political benefits rather than long-term economic benefits, political activities in order to get popularity cheaply and illegal activities in the border areas.

The above respondents mentioned the government's sudden decisions to get short-term political benefits rather than long-term economic benefits from the PPP activities. The respondents said that sometimes very sudden decisions of the government affected the PPPs. For example, often the government announces an excusing of the loan money for small farmers from different government banks as well as from the PKSF. This affects the moral values and culture of loan repayments, which has ultimately affected the success of the PPPs. If the beneficiaries got a chance not to pay back the loan money, and this happened often because the government would excuse them, it ruined their mental readiness for paying back the loan money. These usually made them psychologically weak as well as demolishing the culture of repayment. In the words of one respondent:

Our POs were collecting weekly instalments for at least 30 years and our beneficiaries were paying weekly instalments regularly for the last 30 years. Now it has been a culture. And you may say it is a good habit. But when the government makes announcements excusing loans repayments, then they [the government] do not think how it will affect our POs and how it is demolishing the culture of repayment and spoiling the beneficiaries against the habit of weekly instalments. The government usually does this to get some political favour from the poor people. You may call this to gain cheap popularity from the general people. There are in fact no good or long-term benefits to the economy. The PKSF and other organisations also have to obey this to be in the good book or good look of the government [Transcript from interview conducted on 23 May 2009].

About illegal activities in the border areas, the respondents mentioned that due to the unrestricted and open border with a neighbouring country, similar products to those produced

by the RMC beneficiaries, such as milk, were coming into Bangladesh and at a cheaper price. As a result, the RMC beneficiaries were not getting a fair price for their products, and this was hindering their production as well as the growth of the small industries and entrepreneurs in the country. One typical response explained clearly the effects of the illegal border activities:

Open border and unrestricted border with neighbouring countries is very seriously affecting our growing internal and home micro-enterprises or micro-industries under the PPPs. You may have seen in different newspapers and media that our farmers have thrown away cow's milk on roads because they are not getting proper prices, and they cannot supply their milk to city areas, since milk is coming through across the border from India to Bangladesh. The government is not protecting our border....the government should encourage our local industries that are owned by our poor people. Their development and livelihood depends on that income. These illegal activities are affecting their development very seriously [Transcript from interview conducted on 24 May 2009].

Conclusion

This chapter has reported the different stakeholders' views on the performance of PPPs for poverty alleviation obtained through semi-structured interviews questionnaires.

The findings reveal diverse results. For the IGVD, most government respondents and the WFP representative believed that the IGVD was successful, while the NGO executives, supervisors and the field level informants believed that the IGVD was mostly successful for ensuring food security for the programme periods. However, the findings on the performance of the RMC were very similar as most respondents' believe that the RMC was successful. However, the respondents did not have first-hand knowledge of the IGVD and RMC operations and their outcomes. These matters will be dealt with from the survey results of the beneficiaries based on their personal experiences.

The next two chapters will present the findings from the interviews of the key respondents' as well as the beneficiaries followed by the results of survey and observation of the beneficiaries on the practical changes in their life styles as effects of the IGVD and the RMC PPPs.

7. Effects of the IGVD PPPs on Poverty Alleviation

This chapter presents findings on the effects of the IGVD partnership programmes on poverty alleviation in Bangladesh. The findings from the interviews of the key informants and beneficiaries are presented first, followed by the findings from surveys of the beneficiaries of the IGVD PPPs on the programmes 'effects on their poverty.

Findings from Interviews

To explore the effects of the IGVD PPP on poverty alleviation this research employed semi-structured interviews with eight officials of the government of Bangladesh, four NGO executives, ten field-level informants, comprising four UNOs, two UP chairmen and four NGO supervisors, and ten IGVD beneficiaries. The respondents were asked whether they thought the IGVD PPP was effective for poverty alleviation and what changes in economic and social conditions among the beneficiaries were brought by the IGVD PPPs.

In response, four (50%) of the eight government respondents strongly believed that the IGVD had positive effects on poverty alleviation, although they did not have any data from evaluation of the IGVD. They referred to different surveys, such as the reports of the HIES 2005, that showed reduction of the national poverty rate and mentioned this as the indicator of the positive effects of the IGVD PPP. As one respondent said:

The overall statistics are good. Now lots of poor are moving out of poverty according to different national survey reports. Our national rate of poverty is reduced from 58% to 40%. So this is one of several indicators [Transcript from interview conducted on 9 April 2009].

Three (38%) of the eight government respondents mentioned that the IGVD was effective for poverty alleviation since the different evaluation reports of the WFP indicated the effectiveness of the IGVD programme.

However, the other three (38%) government respondents believed that the IGVD was not very effective for poverty alleviation. They said that the IGVD programmes could not change the basic lifestyle of a poor family within a two-year period. As one respondent explained:

This programme is for two years only and after two years we don't know what will happen to her [beneficiary]. These types of programmes in fact cannot change the basic lifestyle. From my practical

experiences I can say that we see lots of positive things in papers and publications, but not in practical life. Some publications are like day-dreaming, such as they will take two eggs a week. If one family has five members and if they want to eat two eggs per person in a week, then they will need ten eggs a week which will cost at least 50 taka [Bangladeshi currency], which is not possible to her, since where will she get 50 taka? If I think that she could manage 50 taka then would she buy only eggs, nothing else? She needs to buy rice, some veggies, oil and some other things for her family, but the question is where she will get money to buy all these things, if she buys only eggs with 50 taka [Bangladeshi currency] [Transcript from interview conducted on 6 April 2009].

The views of the NGO executives about the indicators of success were diverse. They mentioned several indicators of effectiveness of the IGVDG, which demonstrated several successes of the IGVDG PPP. All NGO executives believed that the IGVDG was effective and had several positive impacts on development for the beneficiaries. They said that the IGVDG beneficiaries achieved higher levels of both economic and social development. This included increased income, assets acquisition, better meals two times a day than before, increased awareness about children's education and immunisation, improved knowledge about some basic diseases and better awareness of their rights and basic legal issues. One typical response was:

There are several indicators of success. [The] Economic indicators are: income has increased and property and assets [attainment] have increased; indicators of social development are: they are conscious about their rights, and their children are going to school [Transcript from interview conducted on 16 June 2009].

Another respondent mentioned that:

[They are] taking meals at least two times a day, they know about the basic diseases and immunisation, they are conscious about the basic legal issues and their rights and the rate of poverty has been reduced. So these are the indicators of success of the programmes [Transcript from interview conducted on 11 May 2009].

Field informants such as the UNOs, the NGO supervisors and the UP chairmen expressed different views on the effects of the IGVDG PPP. All four UNOs who were directly involved in the IGVDG programme for more than four years in different *Upazillas* believed that the IGVDG was effective for ensuring food security only for the two-year period. However, it was not judged very effective by all the UNOs with regard to the development of the beneficiaries, since the NGOs did not provide appropriate IGA skills training on time and most of the IGVDG women did not get loans from the NGOs. Thus, the IGVDG beneficiaries were not able to create regular sources of income through IGA. For example, one UNO said:

However, in fact it [the IGVDG] has very insignificant influence on poverty reduction and especially for development [of the IGVDG beneficiaries]. The NGOs are not providing IGA skills training; and most of them are very relaxed in linking these women with their regular credit programmes [Transcript from interview conducted on 7 April 2009].

Similarly, another UNO mentioned:

In fact it [the IGVGD] is not very effective for the development of that group... It is not bringing any development for that vulnerable group as it is designed. In fact through this IGVGD programme, the development is not coming up to its expected level. It should be more [Transcript from interview conducted on 13 June 2009].

The views of the UP chairmen on the effectiveness of the IGVGD were completely different from the UNOs. All the UP chairmen believed that IGVGD was very effective since beneficiaries were getting food for two years and they were in a better economic position for that period than in previous years. This revealed that the UP chairmen looked at shorter-term gains compared to the UNOs.

Views of the NGO supervisors and field workers varied. Three (75%) of the four NGO supervisors thought that the IGVGD programme was very effective. They believed that the IGVGD women and their family members were using sanitary latrines, drinking safe water, wearing better clothes than before and involved in regular IGA. These were mentioned as the indicators of effective development. For example, one NGO supervisor stated:

I think these programmes are bringing at least some development to these women. We went to visit some IGVGD women who were in last year's cycle. We saw that now they are in better position than last year. They were using sanitary latrine, drinking tube-well water [safe drinking water] and wearing better clothes. They are involved in our regular credit programme. We visited five different women, and they are all getting better [Transcript from interview conducted on 12 June 2009].

The other NGO supervisor (25%) thought that the effects of the IGVGD were average. He judged that the IGVGD programme was bringing some developments, although gains were not at the desired level.

In response to the question as to whether there were any positive effects of the IGVGD, the views of the beneficiaries were diverse. One (10%) of the ten IGVGD participants did not answer this question. Five (50%) IGVGD participants said that there were a few positive impacts of the IGVGD programme on their livelihood, though these were not very significant.

Referring to the changes in their economic and social conditions for development, the beneficiaries provided both positive and negative responses. Several indicators of positive changes were mentioned by different participants. Three (30%) IGVGD participants mentioned their involvement in IGA and earning cash money. For example, one respondent who mentioned the increased income said:

When my hens give some eggs, if I get eight eggs, I sell four out of eight eggs. Now I am getting some cash money by selling these eggs [Transcript from interview conducted on 13 June 2009].

Another typical response that was explaining the economic improvement was as below:

I took training for poultry, now I am rearing poultry. I have five/six hens, they are giving eggs. I sell some and eat some of them. I can earn 200–300 taka per month [Transcript from interview conducted on 10 June 2009].

Five (50%) of the ten IGVDG participants believed that their condition was better than before. Among the five who mentioned economic improvement, three (30%) of them said that they were having improved meals twice a day, which indicated better food intake for their family.

Some said that their husbands were doing business and that some IGVDG participants were doing activities such as gardening and rearing poultry. For example, two participants (20%) said that they were rearing poultry, two (20%) others mentioned that they were doing gardening and had planted trees and one (10%) participant mentioned that her children were going to school. One participant explained:

I planted some wooden trees. I hope after few years, when these trees will be bigger, we will be able to get a good amount of money by selling these trees [Transcript from interview conducted on 16 June 2009].

Only one (10%) IGVDG participant mentioned attainment of assets, and she said that she had bought one rickshaw van (a tricycle used as a vehicle for business purposes) and had leased some agricultural land for cultivation. See the rickshaw van of that beneficiary in Figure 7.1 on the next page.

Figure 7.1: A tricycle (Rickshaw Van) of an IGVDG beneficiary



However, several participants said that there were no positive changes in their lifestyles. For example, four (40%) of the ten IGVDG participants said that there was no improvement in their social and economic conditions and they mentioned several reasons for this. They said that because they were very poor, whatever they earned was not enough to cover all the costs of the family. Therefore, they could not save money for further development in business, or for any IGA, which also affected their family welfare. The other three (30%) of the ten IGVDG beneficiaries said that there was not much change in their economic and social conditions. One (10%) participant mentioned that there was not as yet any positive impact. However, she hoped that her economic condition would be better in the near future.

The findings from the interviews of the sample beneficiaries indicated that the IGVDG PPP was not very effective for the development of the beneficiaries. Although 50% of the beneficiaries' responses mentioned some positive indicators of development, 40% of them did not find it very effective.

Findings from Survey and Observations

This section outlines the findings from the survey of beneficiaries and from observation of the effects of the IGVDG PPP on poverty alleviation in Bangladesh. The survey questionnaire was developed on the basis of the expected outcomes of the IGVDG partnership programmes, which were found in the documents of MWCA and DWA. Some questions were included from the report of the HIES 2005 questionnaire of 2005 of the government of Bangladesh (HIES 2005).

The survey questionnaire included several questions on the economic and social well-being of the participants. The survey questionnaire addressed such matters as the average monthly income and expenditures for the FY2007–08 and FY2008–09, expenditure on food, changes in food intake, IGA skills training, loan-receiving behaviour, changes in capacity to buy assets, savings patterns and changes in ownership of cultivatable and residential housing land. Other questions covered school enrolment of participants' children and health issues such as the immunisation status of their children, knowledge of common diseases, sources of safe drinking water and sanitation conditions. There were also questions on the rates of interest of the received loans. The survey questionnaire also recorded demographic characteristics, such as household size, occupation of the members of households, age, marital status and educational qualifications (see Appendix B for the survey questionnaire).

To explore the effects of the IGVDG PPPs on poverty alleviation five districts out of seventeen, and fifteen unions from these five districts were selected randomly. Sixty-six women-headed households were selected randomly for this survey from these fifteen unions. Households were selected from those that had already completed the 2007–08 cycle of the IGVDG programme. The survey data were collected from February to July 2009 and processed using SPSS software.

The researcher was also involved in observation while collecting survey data. Data gathered this way included how training was provided to the beneficiaries, day-to-day interaction between the NGO field workers and the beneficiaries. The researcher also observed, first-hand, the situations of the beneficiaries such as housing conditions, sources of safe drinking water, sanitation conditions and the IGA of the beneficiaries.

Characteristics of Sample Households

The IGVDG activity is targeted at extremely poor households. According to the selection criteria, the IGVDG beneficiaries should be women-headed households with a maximum land holding of 0.15 acres of land or landless, between 18 and 49 years of age, having no regular sources of income, and/or being day labourers, and having no productive assets (MWCA 2002).

Table 7.1: Characteristics of sample IGVDG households

1	Demographic Items	Household Size in Persons
	Average household size	4.67
2	Main Occupations/ Sources of Income	Percentage of Households
	Agricultural Activities	44.8
	Day labourer/Maid	25.8
	Self-employed	24.2
	Others	2.2
	No job	3.0

The survey results (see Table 7.1) reveal that the average household size among the sample households was 4.67 persons, which was slightly smaller than the national average of 4.89 persons in rural areas in 2005 (HIES 2005). It also showed agricultural activities as the leading occupation, accounting for 44.8% of sample households, while 25.8% were day labourers/maids, 24.2% were self-employed (engaged in different small businesses) and 3.0% had no jobs.

Characteristics of Sample IGVDG Participants

The majority of the sample IGVDG participants (56.1%) were in the 31–45 years age range, although significant numbers (30%) were younger, between 18 and 30 years of age. Most (77.3%) were married, but 21.2% were divorced, widowed or separated. Educational levels were low, with 62.1% of the sample participants having no formal education, while another 31.8% had not moved beyond primary level. Table 7.2 shows the age level, marital status and the educational status of the sample IGVDG participants, while Figure 7.2 is a photo of a typical group of IGVDG beneficiaries.

Table 7.2: Characteristics of sample IGVGD participants

Demographic Characteristics	Measure/Criteria	Percentage of Participants
Age	18–30 years	30.0
	31–45 years	56.1
	More than 45 years	13.6
Marital status	Unmarried	1.50
	Married	77.3
	Divorced/widowed/deserted/separated	21.2
Educational qualification	None	62.1
	Primary	31.8
	Secondary	4.50
	Higher Secondary	1.50

Figure 7.2: A group of IGVGD beneficiaries



Number of Regular Income Earning Members of the Sample IGVD Households

The survey found that 63.6% of the sample IGVD households had only one regular earning member, while 18.2% of households had no regular earning members (see Table 7.3) in FY2008–09. It was also found that in 39.4% of sample households, the IGVD participant herself was the only regular earning person, and in the case of 25.8% of households, the IGVD participant's husband was the only earning person. In case of 15.2% of households, the participant and her husband both earned, while in 19.7% of households, other persons, such as the participants' father, brothers and sons also earned for the family.

Table 7.3: Income earning members of the IGVD households in FY2008–09

Number of Earning Members	Number of Households	Percentage of Households	Earning Persons	Number of Households	Percentage of Households
1 person	42	63.6	Participant only	26	39.4
2 persons	11	16.7	Participant's husband only	17	25.8
3 persons	1	1.5	Participant and her husband	10	15.2
None	12	18.2	Others: Father/Brothers/Sons of the Participant	13	19.7

Development Status of the Sample IGVD Households

The survey investigated the development status of the sample households, including their social and economic development, and health consciousness after involvement in the IGVD programme in 2007. The survey thus looked at the IGVD beneficiaries' household income, expenditure, expenditure on food and changes in food intake, children's school enrolment, health and hygienic issues, savings and assets acquisition.

Income and Expenditure

Monthly Average Income

The survey compared the monthly average incomes of the households for FY2007–08 and FY2008–09. A small improvement in monthly average income was found among the sample households. Table 7.4 shows that the proportion of households with an average monthly income of less than Tk.3,000 decreased from 47.0% in FY2007–08 to 34.8% in FY2008–09,

the proportion of households with an average monthly income between Tk.3,000 and Tk.5,000 increased from 34.8% in FY2007–08 to 47.0% in FY2008–09 and the proportion with an average monthly income between Tk.5,001 and Tk.7,000 increased from 16% in FY2007–08 to 16.7% in FY2008–09. These figures indicate a slight improvement in monthly average income among the sample IGVD households in FY2008–09 after involvement in the IGVD in 2007.

Table 7.4: Monthly average income of the sample IGVD households in FY2007–08 and FY2008–09

Monthly Average Income	Percentage of Sample Households in FY2007–08	Percentage of Sample Households in FY2008–09
Less than Tk.3,000	47.0	34.8
Tk.3,000 to 5,000	34.8	47.0
Tk.5,001 to 7,000	16.0	16.7
Tk.7,001 to 10,000	2.2	1.5

Per-Capita Daily Income

The survey also examined the per-capita daily income in US dollars to see whether the IGVD PPP had any effect on it and to compare their level of income with the international poverty line, which was set US\$1 a day. Table 7.5 shows a comparison of the per-capita daily average income in US dollars. Though there was an improvement in income for most cases, the per-capita daily income was lower than US\$1 for all of the sample households in both financial years.

Table 7.5: Per-capita daily income in US\$ of the sample IGVD households in FY2007–08 and FY2008–09

Amount in Taka (Monthly Average Income)	FY2007–08 Percentage of Households (N=66)	Daily income in US\$ in FY2007–08 ⁷	FY2008–09 Percentage of Households (N=66)	Daily income in US\$ in FY2008–09 ⁸
Less than Tk.500	63.6	Less than 0.24	45.5	Less than 0.24
Tk.500 to 1,000	34.8	0.24 - \$ 0.48	50.0	0.24 - 0.49
Tk.1,001 to 1,500	1.5	0.48 - \$ 0.72	4.5	0.49 - 0.73

⁷ The exchange rate in July 2007 was US\$1 = 69.86 taka; source: www.worldbank.org.bd/bds

⁸ The exchange rate in July 2008 was US\$1 = 68.57 taka; source: www.worldbank.org.bd/bds

It was found that 45.5% of households had a daily per-capita income less than US\$0.24 in FY2008–09, compared to 63.6% of households in FY2007–08 and 50% of households had a daily per-capita income between US\$0.24 and US\$0.49, compared to 34.8% of households in FY2007–08. These findings also showed that 100% of the sample IGVD households lived below the established poverty line and were in extreme poverty in both FY2007–08 and FY2008–09.

Monthly Average Expenditure

To explore the relationship between the level of income and expenditure, the survey investigated the average monthly expenditure in FY2008–09 of the sample IGVD households. The survey results in Table 7.6 show that the monthly average expenditure of the households varied from their monthly average income.

Table 7.6: Comparison of monthly average income and expenditure of the sample IGVD households in FY2008–09

Amount in Taka	Average Monthly Income in FY2008–09 Percentage of Households	Average Monthly Expenditure in FY2008–09 Percentage of Households
Less than Tk.3,000	34.8	34.8
Tk.3,000 to 5,000	47.0	40.9
Tk.5,001 to 7,000	16.7	22.7
Tk.7,001 to 10,000	1.50	1.50

It shows that 34.8% of sample households had monthly average income and expenditure less than Tk.3,000 and the majority of sample households (47.0%) had monthly average income between Tk.3,000 and Tk.5,000 in FY2008–09, which was the average expenditure for 40.9% of households. It also reveals that 16.7% of households had an average monthly income between Tk.5,000 and Tk.7,000, while 22.7% of the sample households had the same average monthly expenditure in FY2008–09, which indicated that at least 5% of the households had higher average monthly expenditure than the average monthly income in that particular category.

Food Security

One expected outcome of the IGVD was the assurance of food security for ultra-poor families. To explore this aspect, the survey looked into the households' average monthly food

expenditure and changes in food intake in FY2007–08 and FY2008–09 among the IGVDG households to identify changes in circumstances and behaviour.

Food Expenditure

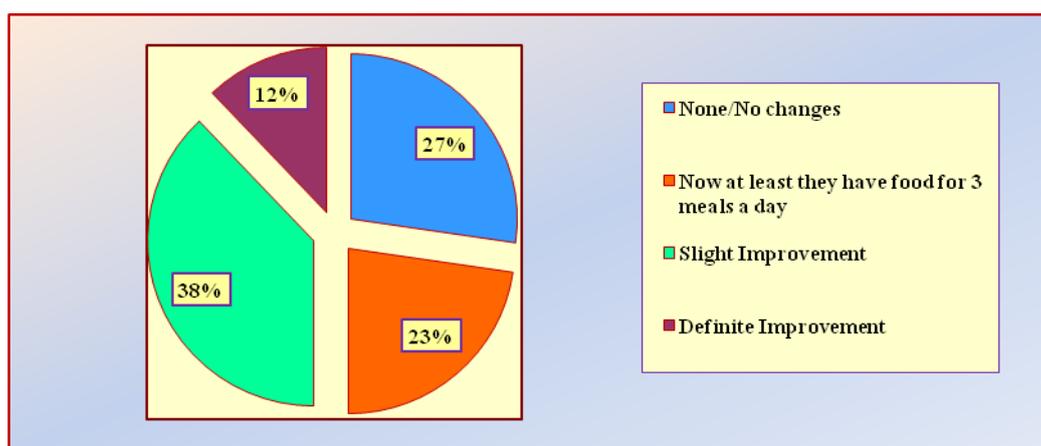
The survey results in Table 7.7 reveal that expenditure on food increased slightly between FY2007–08 and FY2008–09, since the percentage of households decreased in two lower categories of food expenditure and the percentage of households increased in one higher category. It was found that 28.8% of the sample households spent less than Tk.2,000 for food per month in FY2008–09, compared to 33.4% in FY2007–08, and 48.5% households spent Tk.2,000 to 4,000 in FY2008–09, compared to 50% in FY2007–08. Further, the percentage of households increased in the higher category of food expenditure between Tk.4,001 and Tk.6,000 in 19.7% in FY2008–09 from 13.6% in FY2007–08, which reveals a slight increase in expenditure on food for $(19.7-13.6)=6.1\%$ households. Food expenditure between Tk.6,001 and Tk.8,000 was only 3.0% in both financial years.

Table 7.7: Average monthly household food expenditure in FY2007–08 and FY2008–09

Amount of Food Expenditure in FY2007–08		Amount of Food Expenditure in FY2008–09	
Amount of Taka Spent on Food	Percentage of Households	Amount of Taka Spent on Food	Percentage of Households
Less than Tk.2,000	33.4	Less than Tk.2,000	28.8
Tk.2,000 - 4,000	50	Tk.2,000 - 4,000	48.5
Tk.4,001 - 6,000	13.6	Tk.4,001 - 6,000	19.7
Tk.6,001 - 8,000	3.0	Tk.6,001 - 8,000	3.0

Changes in food intake

The survey asked about the changes in food intake after involvement in the IGVDG programme. Figure 7.3 shows the details of changes in food security resulting from the IGVDG programme in FY2008–09. There were no perceived changes in 27.0% of the sample households. However, 23.0% said that while they did not have enough food security for three meals a day before involvement in the IGVDG programme, they now had food for 3 meals a day. Slight improvement was reported in 38.0% of households and even definite improvement reported in 12.0% of households. In total, the results reveal that there was a positive impact on food intake in 73.0% of sample households.

Figure 7.3: Changes in food intake in the sample IGVGD households during FY2008–09

IGA Skills Training

The IGVGD is designed to provide IGA skills training to the IGVGD beneficiaries with an expectation that with the skills gained, the IGVGD beneficiaries would become involved in regular IGA that may help to move them out of poverty. Table 7.8 shows the types of IGA skills training undertaken by the sample IGVGD households. The survey found that 33.2% of the sample IGVGD households did not undertake any IGA skills training.

Table 7.8: IGA skills training undertaken in the IGVGD programme during FY2007–08

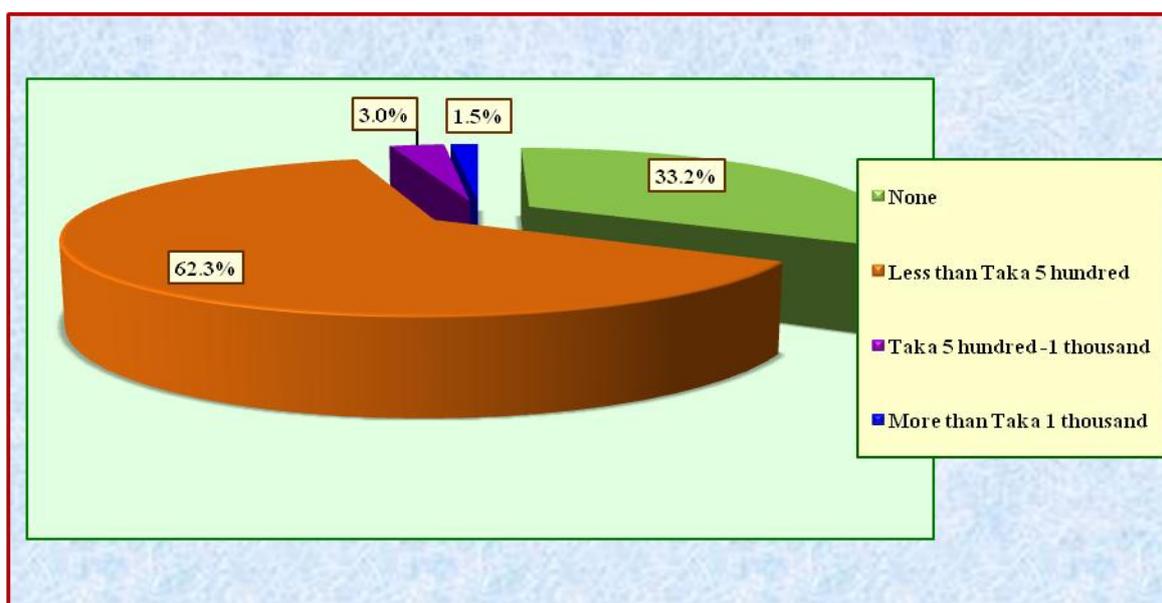
Types of Training	Number of Participants	Percentage of Participants
None	22	33.2
Poultry raising	31	47
Sewing	1	1.5
Vegetable gardening	5	7.6
Goat/Cow rearing	2	3.1
Two Trainings: Vegetable gardening + Poultry/ Goat/Cow rearing	5	7.6

Of those that did undertake IGA skills training, most took training on poultry raising (47% of the sample households). Other types of training included sewing, vegetable gardening, goat and cow rearing, but collectively accounted only for 19.8% of the households.

The survey also investigated how much the IGVGD beneficiaries earned monthly in FY2008–09 by utilising the skills and knowledge gained from the IGA skills training they undertook that year. The survey found that 33.2% of the sample IGVGD households did not

earn anything, since they did not undertake any skills training. Most (62.3%) households earned monthly less than Tk.500. 3% of sample households earned monthly between Tk.500 and Tk.1,000 and only 1.5% of sample households earned monthly more than Tk.1,000 in FY2008–09. Figure 7.4 shows the amount of taka earned monthly in FY2008–09 by the sample IGVGD households with the IGA skills they learned. The result also revealed that those that did earn mainly received very small amounts.

Figure 7.4: Monthly income earned in FY2008–09 by the IGVGD households utilising IGA skills training



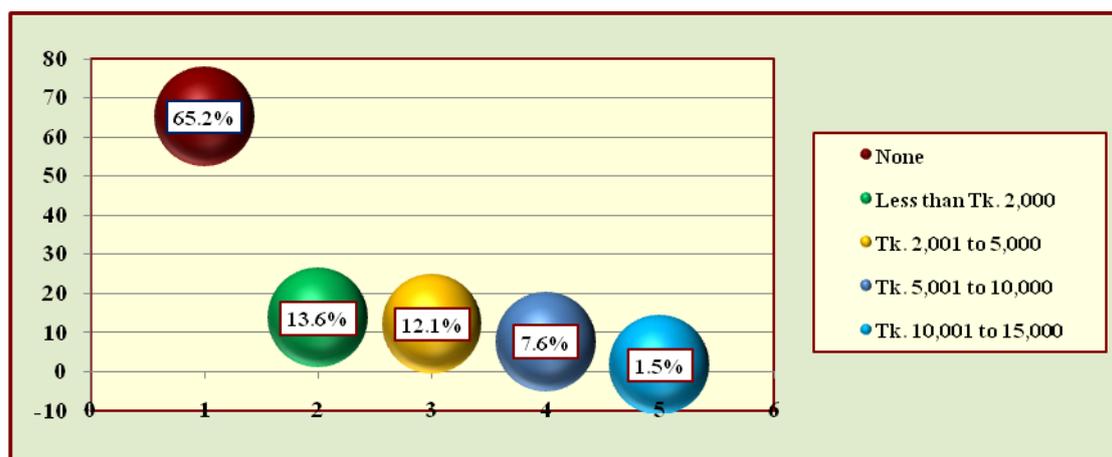
Savings and Assets Acquisition

One of the expected outcomes of the IGVGD PPP was that the beneficiaries would save money and acquire assets. The survey investigated saving patterns and assets acquisition of the sample IGVGD households.

Savings

The survey discovered an insignificant improvement in savings and assets acquisition (see Figure 7.5). It was found that 65.2% of the sample IGVGD households had no savings in FY2008–09, 13.6% had savings less than Tk.2,000, 12.1% had savings between Tk.2,000 to Tk.5,000, while 7.6% had savings between Tk.5,000 and Tk.10,000 and only 1.5% had saving of more than Tk.10,000.

Figure 7.5: Savings of the sample IGVGD households in FY2008–09



Assets Acquisition

The acquisition of assets in FY2008–09 after involvement in the IGVGD in 2007 was investigated. The survey results revealed that most of the sample households did not acquire any assets. Table 7.9 shows the bought assets and valuable household items by the sample households in FY2008–09 after involvement in the IGVGD in 2007. It was found that 92.5% of sample households did not buy either any assets (other than land) or any valuable household items.

Table 7.9: Assets and valuable items bought by the sample IGVGD households in FY2008–09

Amount	Bought Any Assets Percentage of Sample Households (n=66)	Bought Valuable Household Items Percentage of Sample Households (n=66)
None	92.5	92.5
Less than Tk.5,000	4.5	3.0
Tk.5,000 to Tk.10,000	1.5	4.5
More than Tk.10,000	1.5	0.0

It was also found that 98.5% of the sample households did not buy any land, while only 1.5% of the sample households leased some land for one year. One participant of the IGVGD who leased some land for one year said she was doing well with vegetable gardening in her land (see Figure 7.6 on the next page).

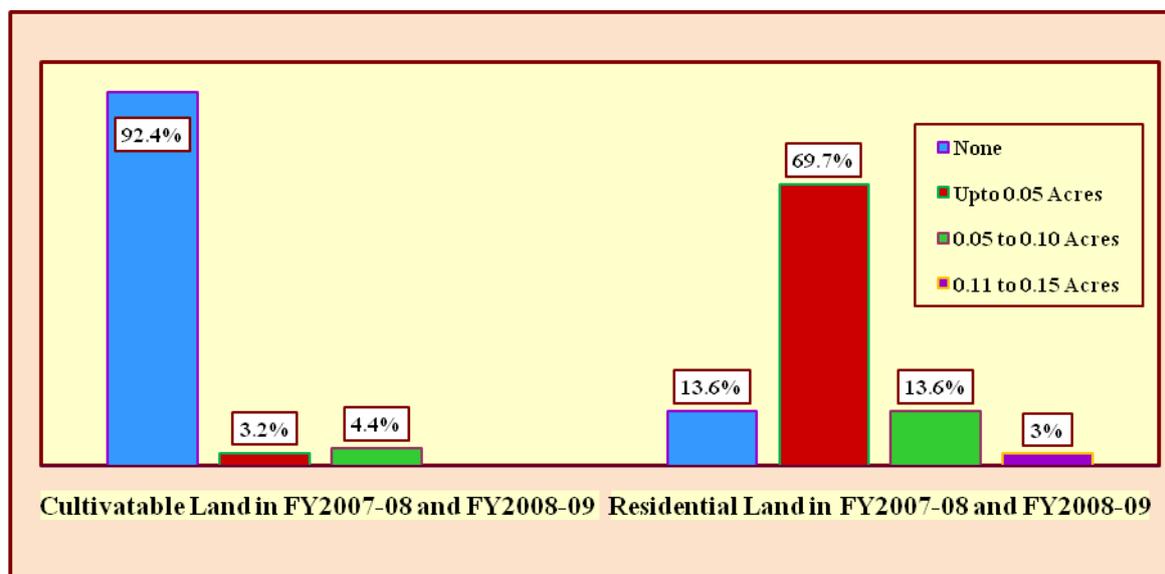
Figure 7.6: A well-off IGVGD participant in her vegetable garden



Land Ownership

The survey looked at the total cultivatable and residential lands possessed by the sample households in FY2008–09 after involvement in the IGVGD programme in 2007. The results, as shown in Figure 7.7, found that 92.4% of sample households owned no cultivatable land and only 7.6 (3.2+4.4) % owned cultivatable land between 0.01 and 0.10 acres. It was also found that 13.6% of the sample IGVGD households owned no residential land, 69.7% had up to 0.05 acres of residential land, 13.6 % owned of residential land between 0.05 and 0.10 acres and only 3.0% owned residential land between 0.11 and 0.15 acres. As Figure 7.7 shows, the sample IGVGD households had the same profile of ownership of cultivatable and residential land before involvement in the IGVGD programme in 2007.

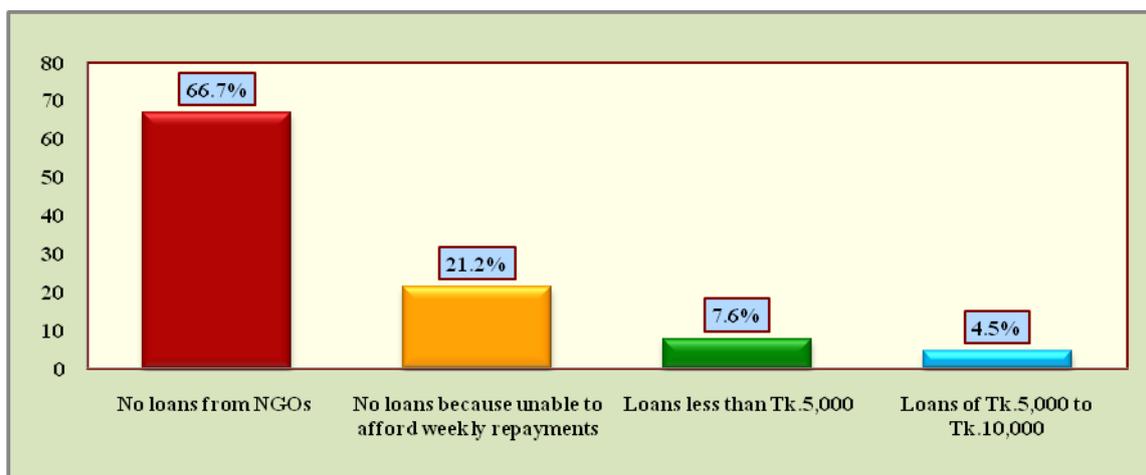
Figure 7.7: Ownership of cultivatable and residential land by the IGVDG households in both FY2007–08 and FY2008–09



Loans

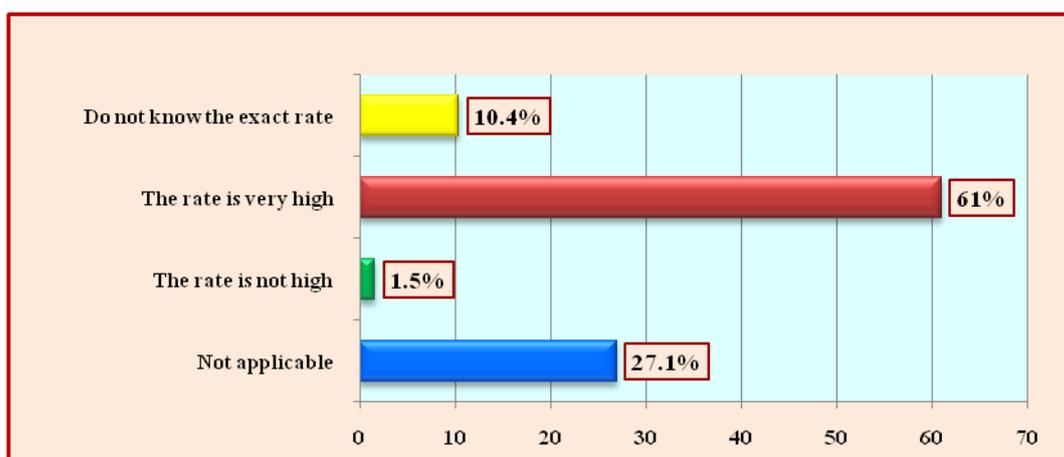
It was expected that the IGVDG participants would be able to come out of their poverty cycle by joining the NGOs regular credit programme and make repayment out of regular earnings from loan investment. Participants were asked whether they received loans from the NGOs. Figure 7.8 shows the survey results. It was found that 87.9 (66.7+21.2) % of IGVDG participants did not receive any loans from the NGOs. Among them, 66.7% of the participants said that the NGOs did not provide them with any loans, although NGOs had to provide access to credit according to the criteria of the IGVDG PPP and the IGVDG participants were interested in receiving loans from the NGOs. Some 21.2% said that they did not receive loans because they were very poor and they would not be able to afford weekly repayments given the high interest rates attaching to the loans. The survey found that only 12.1 (7.6+4.5) % of the sample IGVDG participants took loans from the NGOs, and among them 7.6% received less than Tk.5,000 and only 4.5% received loans between Tk.5,000 to Tk.10,000.

Figure 7.8: Loans received from the NGOs by the sample IGVDG participants during FY2008–09



The survey investigated the views of the participants on loan interest rates, as there might be a connection between the rates of interest and their reluctance to take out loans. The survey found that 27.1% of the sample IGVDG households did not answer this question as they did not take any loans, 10.4% of the sample households did not know the exact rate of interest, though they knew that the rate of interest was high, and 61% of the IGVDG households said that the rate was very high. Figure 7.9 shows the perception of the sample IGVDG households on the rate of interest of the NGOs' loan money.

Figure 7.9: Perception of the sample IGVDG beneficiaries on the rate of interest of the NGOs' loans



In response to the question on what they thought and what should be done about the rates of interest (see Table 7.10), the survey found that 13.8% of the sample IGVDG beneficiaries did not answer as they did not take loans, due to being unable to afford the weekly repayments,

84.6% of the sample IGVD beneficiaries said the rate should be reduced and only 1.6% of the sample IGVD beneficiaries said that the rate should be as it was.

Table 7.10: IGVD beneficiaries' views on the rates of interest of NGOs loan

Did not Answer (Percentage of Beneficiaries)	Should be Reduced (Percentage of Beneficiaries)	Should Remain as It Is (Percentage of Beneficiaries)
13.8	84.6	1.6

The findings relating to loans reveal that the NGOs were not interested in providing loans to the IGVD participants, although a majority (66.7%) of the beneficiaries were interested in receiving loans. Further, the high rates of interest of loans discouraged the IGVD participants from obtaining loans. They thought that the rates should be lower.

Human and Social Development

To investigate the improvement in human and social awareness, the survey considered issues such as whether the children of the sample households were enrolled in schools, either primary or secondary, and whether they were going regularly. Health matters were also examined, including immunisation of the children, knowledge on common diseases, sources of drinking water and sanitation conditions of the sample households. These results reveal welfare gains for the sample IGVD beneficiaries.

School Enrolment and Immunisation

Table 7.11 shows the school enrolment and immunisation conditions of the sample IGVD households' children in 2008 and 2009.

Table 7.11: School enrolment in 2008 and 2009 and immunisation conditions in FY2007–08 and FY2008–09 of the sample IGVD households' children

Level	School Enrolment in 2008 (Percentage of Households) n=66	School Enrolment in 2009 (Percentage of Households) n=66	Immunisation in FY2007–08 (Percentage of Households) n=66	Immunisation in FY2008–09 (Percentage of Households) n=66
No	21	17.5	6.1	3.0
Yes	79	82.5	93.9	97.0

The survey found that the children of 82.5% of the households with school age children were sending those children to school in 2009, compared to 79% in 2008. The survey also found that 97% of the sample households' children were immunised in FY2008–09, compared to the 93.9% in FY2007–08.

Knowledge on Common Diseases

Table 7.12: shows the survey results on knowledge on common diseases. It was found that in 97% of the sample participants knew about the general treatments for diarrhoea in FY2008–09, as compared to 84% in FY2007–08 and 72% knew about the general treatments for tuberculosis in FY2008–09 as compared to 61% in FY2007–08.

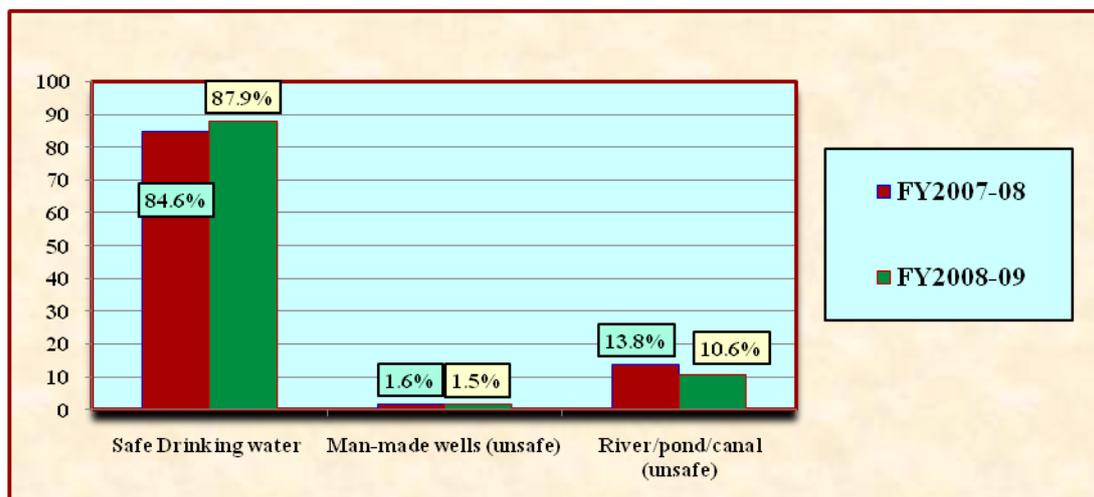
Table 7.12: IGVGD participants' knowledge on general treatments for diarrhoea and tuberculosis in FY2007–08 and FY2008–09

Level of knowledge	Participants Knowledge on General Treatments for Diarrhoea (Percentage of Participants) (n=66)		Participants Knowledge on General Treatments for Tuberculosis (Percentage of Participants) (n=66)	
	FY2007–08	FY2008–09	FY2007–08	FY2008–09
Did not know	16.0	3.0	39.0	28.0
Knew	84.0	97.0	61.0	72.0

Access to Safe Drinking Water and Sanitation Conditions

Figure 7.9 shows the survey results on sources of drinking water of the sample IGVGD households in FY2007–08 and FY2008–09. The survey found that 87.9% of the sample IGVGD households had access to safe drinking water in FY2008–09, which was slightly higher than the 84.6% in FY2007–08.

Figure 7.10: Source of drinking water of the IGVGD households in FY2007–08 and FY2008–09



The survey also found that 12.1% of the sample households used unsafe water for drinking from man-made wells and from other natural sources such as rivers, canals and ponds in FY2008–09, compared to 15.4% in FY2007–08.

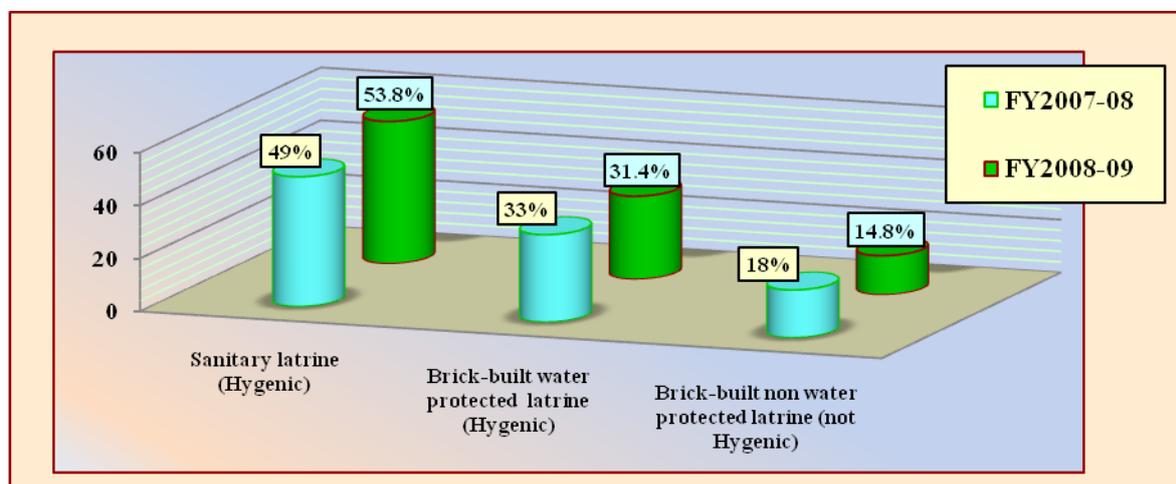
From the observation of houses of IGVGD beneficiaries during interviews it was also found that most beneficiaries had access to safe drinking water. Figure 7.11 on the next page shows the surroundings of the house of an IGVGD beneficiary, featuring a tube well for drinking water and vegetable gardening.

Figure 7.11: Housing and surroundings of an IGVGD beneficiary



Figure 7.12 shows the sanitation conditions of the sample IGVGD households in FY2007–08 and FY2008–09. The survey results report that 85.2 (53.8+31.4) % of the sample households used hygienic toilets in FY2008–09 compared to 82% in FY2007–08.

Figure 7.12: Sanitation conditions of the sample IGVGD households in FY2007–08 and FY2008–09



From observations of NGO activities in the IGVDG programme during field studies, as an observer, the researcher found that the NGOs provided IGVDG participants with training on some social issues such as health and family planning. Figure 7.13 shows an NGO trainer providing training on family planning.

Figure 7.13: An NGO's training session to the IGVDG beneficiaries on family planning



Figure 7.14 shows a poster for the training on family planning. It has the story of a small family and the happiness of that small family, especially as compared to a big family. The poster was made and supplied by the WFP.

Figure 7.14: A training poster on family planning



Photo: N. A. Khanom (2009)

Conclusion

This chapter has described the effects of the IGVD PPP on poverty alleviation particularly using data gathered from beneficiaries. The main findings reveal that the IGVD was effective in ensuring food security for participants during the programme periods and for human and social development. However, the IGVD had insignificant effects in enhancing income, savings and assets. In the next chapter, attention turns to the RMC to discover what effects it had on poverty alleviation.

8. Effects of the PPPs on Poverty Alleviation in Bangladesh: Evidence from the RMC

This chapter presents the findings on the effects of the RMC partnership programmes on poverty alleviation in Bangladesh. The findings are from interviews of the key informants and beneficiaries first, followed by findings from written responses to survey questionnaires provided by the beneficiaries of the RMC, and the finding from the observations on the effects of the RMC PPPs on poverty alleviation in Bangladesh.

Findings from the Interviews

To explore the effects of the PPPs on poverty alleviation semi-structured interviews with eight officials of the government of Bangladesh, five PKSf executives, four NGO executives, four field level informants, and eleven RMC beneficiaries were employed. The questions asked were whether the respondents thought that the RMC PPP was effective in poverty alleviation of the beneficiaries and what the changes were in economic and social conditions among the beneficiaries due to the RMC PPP.

In response to these questions, five (63%) of the eight government respondents strongly believed that the RMC programmes had positive effects on poverty alleviation, although they did not have data from studies of the RMC. They believed that, according to different surveys such as the HIES 2005, the overall national poverty rate was reducing and this was an indicator of the positive effects of the RMC PPP. One typical response was:

The overall statistics are good. Now lots of poor are moving out of poverty according to different national survey reports. Our national rate of poverty has reduced from 58% to 40%. So this is one of several indicators [Transcript from interview conducted on 19 April 2009].

Four (50%) of the eight government respondents also believed that the RMC was effective for poverty alleviation. They pointed to several indicators of success, such as the beneficiaries of the RMC becoming capable of generating more income. The beneficiaries were earning more than before and there were several positive changes in their lifestyles, according to several performance measurement tools of the PKSf. For example, according to the different evaluation reports on the RMC programmes of the PKSf, beneficiaries were

found to be earning more money, wearing better clothes, using shoes, drinking safe water and using hygienic toilets.

All PKSf respondents who dealt with the RMC believed that the RMC was effective for poverty alleviation. Indicators they mentioned as leading them to this view were that the numbers of beneficiaries were increasing, the amounts of loans to individual borrowers (beneficiaries) were rising and the demands for loans to POs and beneficiaries from different RMC projects were rising. The PKSf respondents also mentioned that their regular research and evaluation of the different RMC projects also showed the success of the RMC. One typical response that indicated the increasing demands for loans was as below:

Demand for loans is also rising. Our beneficiary starts with Tk.2,000 to Tk.5,000, but the same person is now taking more loans of Tk.50,000 to 100,000, and even Tk.300,000. So we can say that the demand is increasing, and so these [RMC] are successful and effective for development of our beneficiaries [Transcript from interview conducted on 24 May 2009].

Another PKSf executive said:

They [POs] are taking increasing amounts in their loans from us [PKSf]. Now they [POs] are taking loans from ten thousand to three crore (30 million) taka. They [POs] are investing more money in the field; the beneficiaries are taking more amounts of loans, so I can say that they are doing well [Transcript from interview conducted on 28 May 2009].

The views of the NGO executives about the effectiveness of the RMC were diverse. Three (75%) of the four NGO executives who were involved in the RMC believed that the RMC was effective. They believed that the RMC beneficiaries had attained new and higher levels of development, for example, increased income, better housing condition, increased access to different services such as health and nutrition and increased awareness about child education. These were considered indicators of the economic and social development of the beneficiaries and so the effectiveness of the RMC PPP. One respondent stated:

We can see that the level of income has increased. They [beneficiaries] were sleeping on the floor, now they have cots. One beneficiary has changed the roof of her house, now she is well off, healthy and these are due to the success of [the RMC] programmes [Transcript from interview conducted on 10 June 2009].

However, one (25%) of the four NGO executives did not mention any indicator of effectiveness of the RMC PPPs. He believed that such micro-finance which was provided by the RMC should not be considered as the only tool of poverty reduction; it should be only one of several tools. An individual beneficiary needed additional support such as better education and basic health services along with the financial support from the RMC, since the

limited amount of loan money that was usually provided in the RMC programme was not enough to reduce poverty.

The NGO supervisors who were directly involved in implementation of the RMC believed the RMC to be effective. Three (75%) of the four NGO supervisors saw positive changes among the beneficiaries from the additional flow of money into rural areas and the improved social and health consciousness among the RMC participants. The NGO supervisors mentioned that the income of the participants had increased; the participants had better access to safe drinking water, hygienic sanitation and they were also eating better food. They also thought that the RMC had been a significant influence in empowering women, since the women had acquired a voice and were more valued in their families. One respondent explained:

These [RMC] activities have empowered our women, our poor women. Our poor women were very much neglected in their families. Now their family members consider them as important members of their families and consider their opinion in decision-making. Now they have some voice and value in their families [Transcript from interview conducted on 18 June 2009].

Another NGO supervisor mentioned health consciousness. He stated:

Now these poor people are health conscious. For example, most of our poor beneficiaries are using sanitary latrines and drinking tube well water [safe drinking water]. These are the indicators of development. The RMC is the pioneer of these developments [Transcript from interview conducted on 20 June 2009].

The RMC beneficiaries' views on RMC effectiveness were diverse. One (9.1%) of the eleven RMC beneficiaries said that there was no positive impact from of this programme as far as her development was concerned. Another (9.1%) RMC beneficiary reported insignificant effects of the RMC PPP, as she said that although the conditions for her family were better than before, the change was not significant. However, nine (81.8%) of the eleven RMC participants said that there were several positive impacts of this programme for their development. These participants mentioned increased income, better economic and social conditions and the building of new houses. Most participants mentioned that they had experienced economic development, such as that they were earning more money than before and/or had regular earnings.

One participant indicated social as well as economic development. She stated:

With my loans from the [RMC] NGO my husband and sons are operating one small shop in our local area and they are selling tea, biscuits and other items. We are earning better than before from this shop. It increased my income [Transcript from interview conducted on 19 June 2009].

Another participant mentioned that she had no worries about her family expenditure because of the improved income from the RMC.

The findings from the interviews regarding the effects of the RMC mostly reveal positive effects, although a few of beneficiaries mentioned that the effects were not significant to their development.

Findings from Survey and Observations

This section outlines findings from the survey of beneficiaries on the effects of the RMC PPP for poverty alleviation in Bangladesh. Five out of 64 districts and 18 unions from these five districts were selected randomly. From these 18 unions, 62 women-headed households were selected randomly for the survey.

The survey questionnaire included questions on the economic and social well-being of the households, addressing such matters the average monthly income and expenditures for the FY2007–08 and FY2008–09, expenditure on food, changes in food intake, IGA skills training, loan-receiving behaviour, changes in capacity to buy assets and savings patterns. Other questions covered school enrolment of participants' children and health issues, such as the immunisation status of their children, knowledge of common diseases, sources of safe drinking water and sanitation conditions. There were also questions on the duration of the programmes in which beneficiaries were involved and on the rates of interest of the received loans. Demographic characteristics such as the size of households, the occupations of the members, age and marital status and educational qualifications were also recorded (see Appendix B for the survey questionnaire).

The researcher was also involved in participant observation while collecting the survey data. Data gathered this way included day-to-day interaction between the NGO field workers and the beneficiaries. The researcher also observed, first-hand, the situations of the beneficiaries, such as their sources of safe drinking water, sanitation conditions and the IGA.

The RMC is targeted at women-headed poor households. According to the selection criteria an RMC beneficiary should be landless and assetless, owning less than 0.50 acres of cultivable land or having total assets valued less than the value of one acre of land in the locality, between 18 and 49 years of age and poverty stricken.

Characteristics of the Sample RMC Households

The average household size was 5.1 persons, which was slightly larger than the national average, which was 4.85 persons at the national level and 4.89 persons in rural areas in 2005 (HIES 2005). The survey found small business as the leading occupation for 64.5% of the sample RMC households, 28.7% were involved in agriculture, 1.6% were day-labourers and 3.2% were involved in other paid activities. The survey also found that 64.5% of the households were involved in two or more earning activities. Thus, 24.2 % of households were involved in both agriculture and small business and 40.3% households were involved in both small business. Of the sample households, 35.5% were involved in single earning activities. Of these, 6.5% were involved only in agricultural activities, 25.8% were involved only in small business and only 3.2% were involved in a paid job. Table 8.1 shows the average household size, the main occupations and sources of income of the sample RMC beneficiaries during the FY2008–09.

Table 8.1: Characteristics of the sample RMC households

	Demographic Items	Household Size (in persons)
1.	Average household size	5.1
	Main occupation in FY2008–09	Percentage of Households
1.	Agriculture	28.7
2.	Small business	64.5
3.	Day-labourer	1.6
4.	Others	3.2
	Sources of Income in FY2008–09	Percentage of Total Households
1.	Only agriculture	6.5
2.	Only small business	25.8
3.	Agriculture and small business	24.2
4.	Small business and other activities	40.3
5.	Others	3.2

The survey found that 50% of the RMC beneficiaries were in the 31–45 year age range, although a significant proportion (41.9%) were younger, between 18–30 years and a much smaller group (8.1%) were in the 46–60 year age range. Most (95.2%) of the sample beneficiaries were married, although 1.6% were unmarried and 3.2% were widowed. Table 8.2 shows the details of the age, marital status and educational qualifications of the sample

RMC beneficiaries. Educational levels of the beneficiaries were generally low, with the largest group (41.9%) having no formal education, 37.1% having primary education and only 21.0% having undertaken secondary education.

Table 8.2: Characteristics of the sample RMC beneficiaries

Respondents' Age	Age Limit	Number of Participants	Percentage of Participants
	18–30	26	41.9
	31–45	31	50.0
	46–60	5	8.1
	Total	62	100.0
Respondents' Marital Status	Marital Status	Number of Participants	Percentage of Participants
	Unmarried	1	1.6
	Married	59	95.2
	Widow	2	3.2
	Total	62	100.0
Educational Qualification	Qualifications	Number of Participants	Percentage of Participants
	None	26	41.9
	Primary	23	37.1
	Secondary	13	21.0
	Total	62	100.0

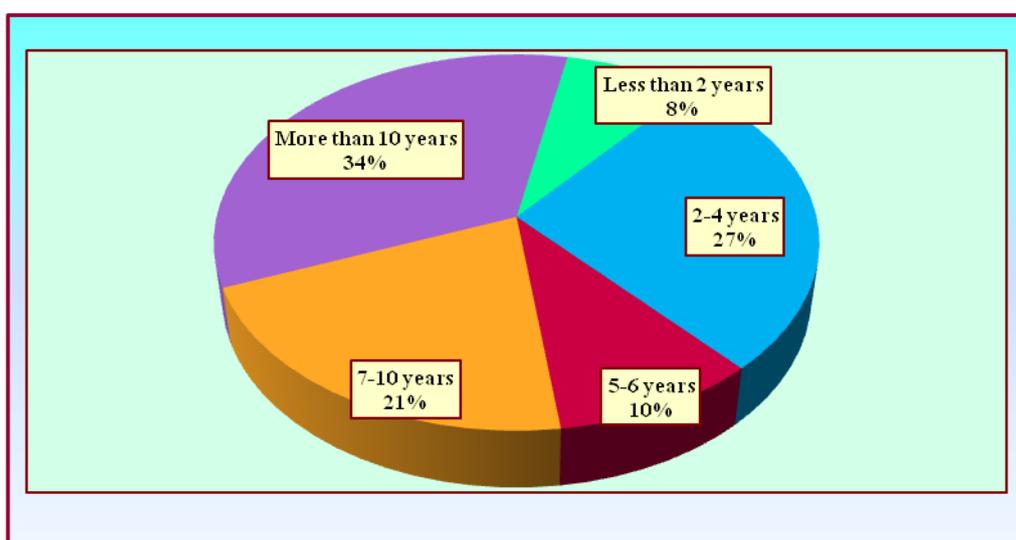
A group of RMC beneficiaries is presented in Figure 8.1 with the researcher on the next page.

Figure 8.1: A group of RMC beneficiaries



Number of Years of Enrolment in the RMC

The survey investigated the number of years of enrolment in the RMC. The majority of the sample RMC beneficiaries (92%) had been enrolled for more than two years. Among them, 27% had been involved for two to four years, 10% for five to six years and 21% had been for seven to ten years. The largest group of the sample beneficiaries (34%) had been enrolled in the RMC for more than ten years (see Figure 8.2) and only 8% of them had been involved in the RMC for less than two years.

Figure 8.2: Number of years of enrolment in the RMC by its beneficiaries

Number of Regular Earning Members of the Sample RMC Households

The survey investigated the number of regular earning members living in the sample RMC households. It was found that the sample RMC households had at least one to four regular earning members in their family. Table 8.3 shows the details of the number and identity of regular earning members in the sample RMC household in the FY2008–09.

Table 8.3: Earning members in the sample RMC households

Number of Earning Members	Earning Persons	Percentage of Households
1 person	Participant's husband only	58.1
2 persons	Participant and her husband	27.4
3 persons	Participant's husband and her sons	9.7
More than 3 persons	Participant's husband and others family members such as father, brothers and sons	4.8

It was found that 58.1% of the sample RMC households had only one regular earning member, and this was the RMC participant's husband, while 27.4% had two regular earning members, namely the female participant and her husband. It was also found that 9.7% of the sample households had three members, such as the participant's husband and her sons, and 4.8% had four members, such as the participant's husband, father, brothers and sons, as the regular earning persons in the households.

Development Status of the Sample RMC Households

The aim of the RMC partnership programme was to bring sustainable development to the lives of the poor women-headed households by increasing income and earnings. The survey investigated the development status of the sample RMC households, including their social and economic welfare and health consciousness both before and after involvement in the RMC PPP programme. The survey looked at income and expenditure patterns, expenditure on food and changes in food intake, school enrolment, health and hygiene issues and the acquisition of assets of the households.

Income and Expenditure

Monthly Average Income

The survey compared the average monthly income of the sample RMC households in the FY2007–08 and FY2008–09. An improvement was found in most cases. Table 8.4 shows a comparison of average monthly income in FY2007–08 and FY2008–09 among the sample RMC households. The largest proportion (30.6%) of the sample households with an average monthly income between Tk.5,001 and Tk.7,000 did not have any change between FY2007–08 and FY2008–09. There was a slight increase in the percentage of households in the higher income levels such as Tk.7,001 to Tk.10,000; Tk.15,001 to Tk.20,000 and more than TK.20,000.

Table 8.4: Monthly average income of the sample RMC households in FY2007–08 and FY2008–09

Amount in Taka	FY2007–08 (Percentage of Households)	FY2008–09 (Percentage of Households)
Less than Tk.5,000	27.4	19.3
Tk.5,001 to 7,000	30.6	30.6
Tk.7,001 to 10,000	17.7	22.6
Tk.10,001 to 15,000	17.7	16.1
Tk.15,001 to 20,000	4.8	6.5
More than Tk.20,000	1.6	4.8

It was found that the percentage of households with an average monthly income between Tk.7,001 and Tk.10,000 increased from 17.7% in FY2007–08 to 22.6% in FY2008–09, the

percentage of households with an average monthly income between Tk.15,001 and Tk.20,000 increased from 4.8% in FY2007–08 to 6.5% in FY2008–09 and the percentage with an average monthly income more than Tk.20,000 increased to 4.8% in FY2008–09 from 1.6% in FY2007–08. However, the percentage of households with an average monthly income less than Tk.5,000 decreased in 19.3% in FY2008–09 from 27.4% in FY2007–08 and the percentage of households with an average monthly income between Tk.10,001 and Tk.15,000 decreased in 16.1% in FY2008–09 from 17.7% in FY2007–08.

Daily Per-Capita Income

The survey investigated daily per-capita income of the sample households in US dollar to compare their level of income with the international poverty line, which was set US\$1 a day. The survey found that the majority of the households had a per-capita income of less than US\$1 a day in both financial years (see Table 8.5). It was found that $(29+51.7) = 80.7\%$ of the sample households had a per-capita income less than US\$0.96 in FY2007–08, and $(27.4+37.1) = 64.5\%$ of them had a per-capita income less than US\$0.97 in FY2008–09. These indicated that the majority of the sample households had a per-capita income below the US\$1 a day international poverty line in FY2007–08 and FY2008–09.

Table 8.5: Per-capita daily income in US\$ in FY2007–08 and FY2008–09

Amount in Taka (Monthly Income)	FY2007–08		FY2008–09	
	Per-capita daily income in US\$ in FY2007–08 ⁹	Percentages of Households	Per-capita daily income in US\$ in FY2008–09 ¹⁰	Percentage of Households
Less than Tk.1000	0.48	29	0.49	27.4
Tk.1,001 to Tk.2,000	0.48–0.96	51.7	0.49–0.97	37.1
Tk.2,001 to Tk.3,000	0.96–1.43	8	0.97–1.46	16.1
More than Tk.3000	More than 1.43	11.3	More than 1.46	19.4

The survey also found that 8% of the sample households had a per-capita income of between US\$0.96 and US\$1.43 a day, and 11.3% had a per-capita income more than US\$1.43 a day in FY2007–08. It was also revealed that 16.1% had a per-capita income between US\$0.97 and US\$1.46 a day and only 19.4% households had a per-capita income more than US\$1.46 a day

⁹ The exchange rate in July 2007 was US\$1 = 69.86 taka; Source: (www.wrldbank.org.bd/bds)

¹⁰ The exchange rate in July 2008 was US\$1 = 68.575 taka; Source: (www.worldbank.org.bd/bds)

in FY2008–09. These also indicate that a minority had income above the international poverty line and that was also found to be increasing.

Average Monthly Expenditure

The survey also recorded the average monthly expenditure of the sample RMC households for FY2008–09. The survey results in Table 8.6 show that income and expenditure was a close match, but there were some minor variations. For example, there was a big proportion of households (24.2%) with expenditure below the Tk.5,000 and had the same income category for 19.3% of households, and 54.8% of households with expenditure between the Tk.5,001 and Tk.10,000 category that was income for 53.2% of households in FY2008–09. However, there were lower proportions of the sample households in the three higher expenditure groups for those amounts.

Table 8.6: Comparison of the monthly income and expenditure in FY2008–09 of the sample RMC households

Amount in Taka	Income in FY2008–09	Expenditure in FY2008–09
	Percentage of Households	Percentage of Households
Less than Tk.5,000	19.3	24.2
Tk.5,001 to 10,000	53.2	54.8
Tk.10,001 to 15,000	16.1	12.9
Tk.15,001 to 20,000	6.5	4.8
More than Tk.20,000	4.8	3.2

For example, the proportion of households with an average monthly expenditure between Tk.10,001 and Tk.15,000 was 12.9%, which was the average income for 16.1% of households and the proportion of households was 4.8% with an average expenditure between Tk.15,001 and Tk.20,000, and that was the average income for 6.5% of households. The proportion of households with an average expenditure more than Tk.20,000 was 3.2%, which was income for 4.8% of households in FY2008–09. These indicate variations in monthly average income and expenditure in FY2008–09.

IGA Skills Training

The RMC programme was designed to provide loans to its participants. It also provided some IGA skills training, although this was not compulsory. The survey asked the sample RMC

beneficiaries whether they had received any IGA skills training and of what types. It was found that most participants (54.8%) did not receive any IGA skills training, while 24.2% received training on goat/cow rearing and 8.1% received training on poultry raising. 12.9% of the sample beneficiaries received two kinds of training, among them 4.8% received training on both vegetable gardening and goat/cow rearing and 8.1% received training on both poultry raising and goat/cow rearing. Figure 8.3 shows the details of training received by the sample RMC participants through their involvement in the RMC.

Figure 8.3: Percentages of the sample RMC participants who received IGA skills training from the NGOs

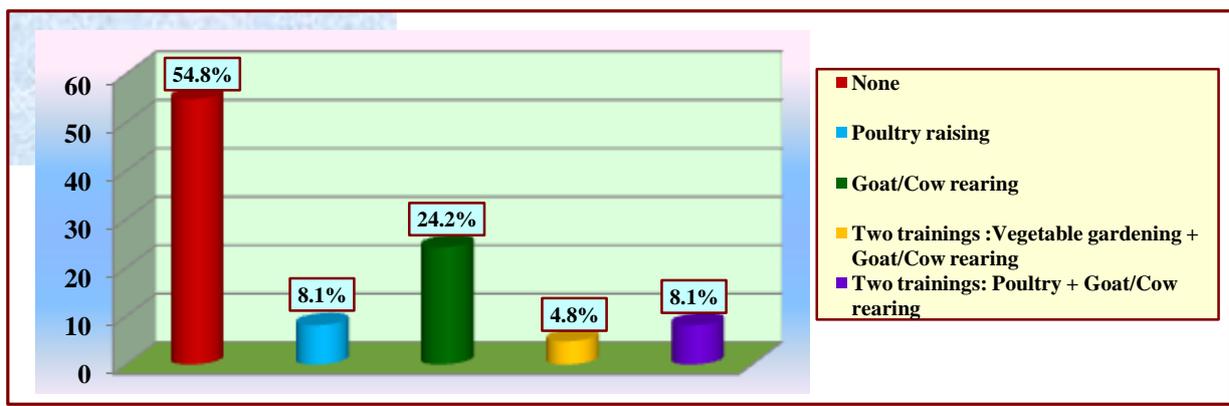


Figure 8.4 on next page shows a photo of an RMC beneficiary in her poultry farm.

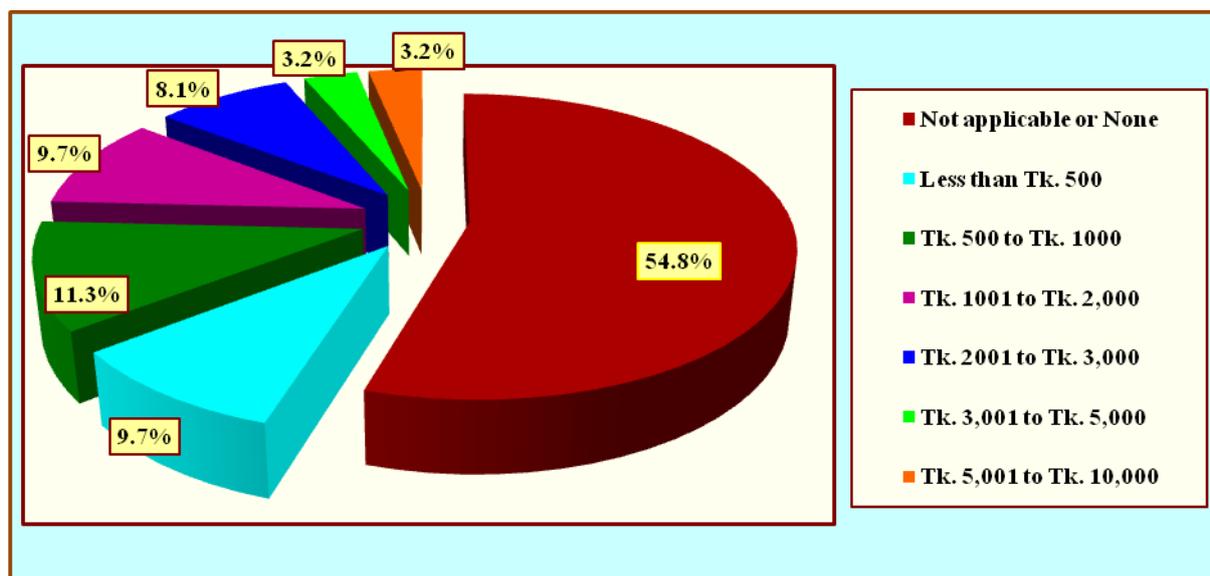
Figure 8.4: An RMC beneficiary in her poultry farm.



Photo: N. A. Khanom (2009)

The survey investigated monthly income utilising IGA skills training of the sample RMC households in FY2008–09. It was found that over the half (54.8%) of the sample households derived no income from those activities, since they did not receive any skills training, while another 45.2% earned different amounts of money, between Tk.500 and Tk.10,000 per month, from different activities utilising IGA skills training (see Figure 8.5).

Figure 8.5: Monthly income utilising IGA skills training of the sample RMC households in FY2008–09



It was also revealed that 9.7% of the sample RMC households earned less than Tk.500 per month, 11.3% earned between Tk.500 and Tk.1,000 per month, 9.7% earned between Tk.1,001 and Tk.2,000 per month, 8.1% earned between Tk.2,001 and Tk.3,000 per month, 3.2 % earned between Tk.3,001 and Tk.5,000 per month. The higher amount was earned by only 3.2% of sample households, that was between Tk.5,001 and Tk.10,000 per month.

Food Security

Food Expenditure

The survey investigated the average monthly food expenditure of the sample RMC households for FY2007–08 and FY2008–09 (see Table 8.7). The survey results reveal an increase in the percentage of households, with two higher categories of food expenditures in FY2008–09 compared to FY2007–08.

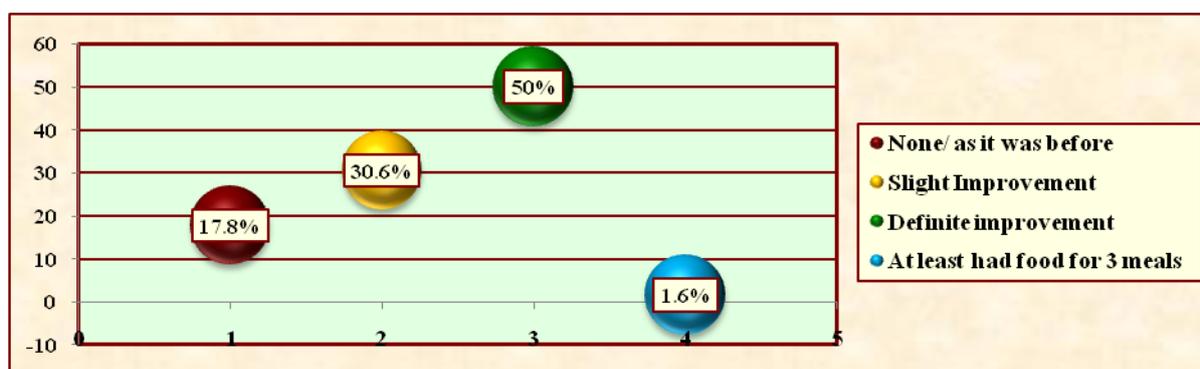
Table 8.7: Monthly food expenditure of the sample RMC households in FY2007–08 and FY2008–09

Average Monthly Food Expenditure in FY2007–08		Average Monthly Food Expenditure in FY2008–09	
Amount in Taka	Percentages of Households	Amount in Taka	Percentages of Households
Less than Tk.4,000	42	Less than Tk.4,000	31.6
Tk.4,001 to Tk.8,000	50	Tk.4,001 to Tk.8,000	58.8
Tk.8,001 to Tk.12,000	6.4	Tk.8,001 to Tk.12,000	8
More than Tk.12,000	1.6	More than Tk.12,000	1.6

It was found that half the sample household had an average monthly food expenditure of between Tk.4,000 and Tk.8,000 in FY2007–08. The proportion of households in this category increased to 58.8% in FY2008–09 from 50% in FY2007–08. Further, there was a small increase in the proportion of households in the Tk.8,001 and Tk.12,000 category of food expenditure, from 6.4% in FY2007–08 to 8% in FY2008–09. The proportion of households with average food expenditure of less than Tk.4,000 decreased from 42% in FY2007–08 to 31.6% in FY2008–09. Only 1.6% of the sample households had food expenditure higher than Tk.12,000 in both financial years.

Changes in Food Intake

The survey also investigated the changes in food intake among the sample RMC households. The results show an improvement for the majority (82.2%) of the sample RMC households in food intake in FY2008–09, as compared to FY2007–08 (see Figure 8.6). While 17.8% of households saw no changes in their food intake, 30.6% of households reported a slight improvement and 50.0% of households reported a definite improvement in their food intake.

Figure 8.6: Changes in food intake among the sample RMC households in FY2008–09 compared to FY2007–08

The survey also found that 1.6% of the sample households did not have enough food for three meals a day before, but they could have three meals every day after being involved with the RMC.

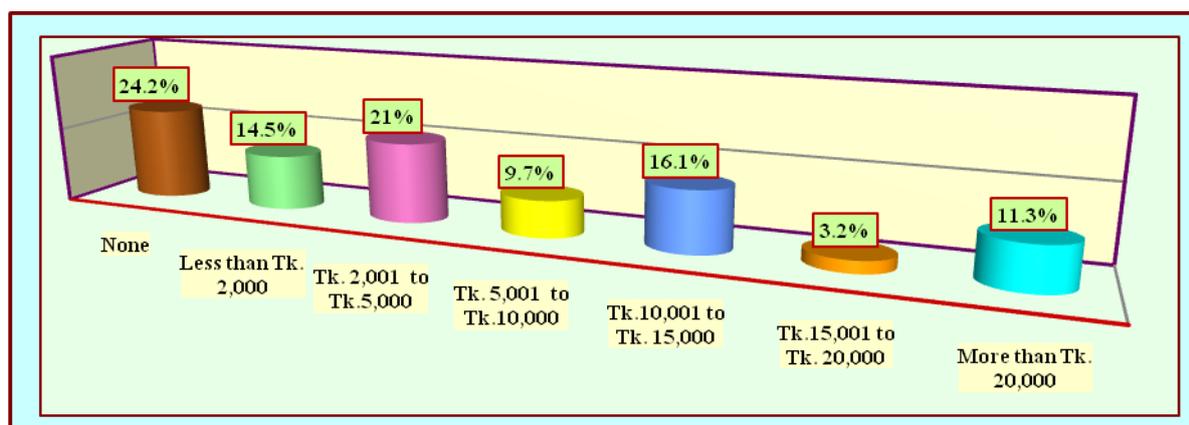
Savings and Assets Acquisitions

Two anticipated outcomes of the RMC PPP were that the beneficiaries would be able save money and would acquire assets for their development. The survey investigated the amount of savings and assets acquisition of the sample RMC households for FY2008–09 as an indicator of the effects of the RMC PPP. The survey results showed an insignificant improvement in savings and assets acquisition.

Savings

It was found that in FY2008–09 the largest group (24.2%) of the sample households had no savings at all, while 14.5% had savings less than Tk.2,000, 21% had savings between Tk.2,001 and Tk.5,000, 9.7% had savings between Tk.5,001 and Tk.10,000, 16.1% had savings between Tk.10,001 and Tk.15,000; 3.2% had between Tk.15,001 and Tk.20,000 and only 11.3% had savings more than Tk.20,000. Figure 8.7 shows the reported amount of saving of the sample RMC households in FY2008–09. The survey results reveal that most households had some savings derived from the RMC PPP, although the amount was not very significant.

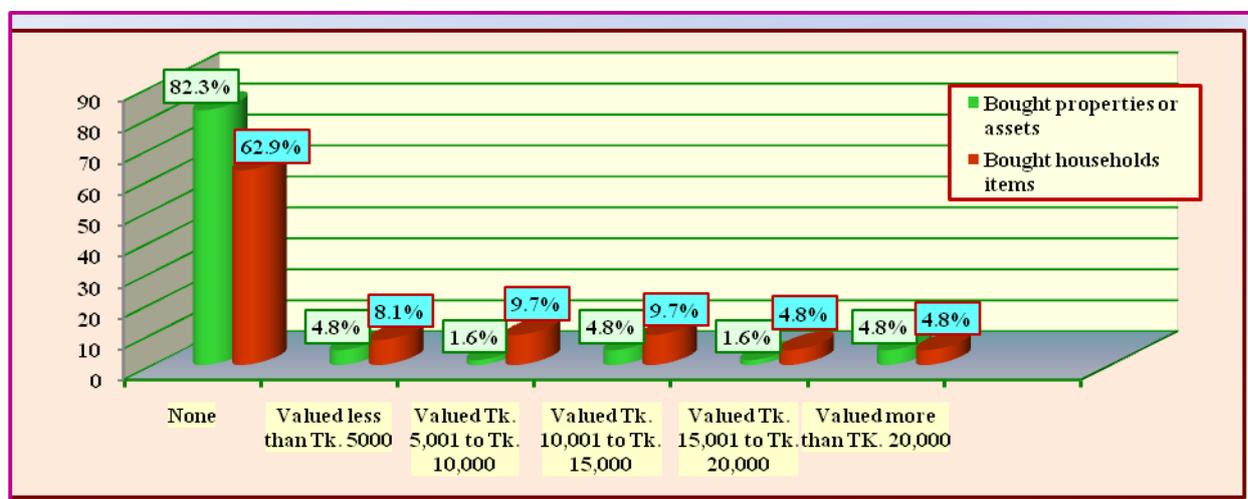
Figure 8.7: Amount of savings of the sample RMC households in FY2008–09



Assets Acquisition

Regarding assets acquisition patterns of the sample RMC households in FY2008–09, it was discovered that most households did not obtain property or assets through their involvement in the RMC PPP. The survey found that 82.3% of the sample RMC households did not buy any property or any land at all. Only 4.8% bought property valued less than Tk.5,000, 1.6% bought property valued Tk.5,000 to Tk.10,000, 4.8% bought property valued Tk.10,001 to Tk.15,000, 1.6% bought property valued Tk.15,001 to Tk.20,000 and only 4.8% bought property valued more than Tk.20,000 (see Figure 8.8).

Figure 8.8: Properties/assets and valuable household items bought by the sample RMC households in FY2008–09

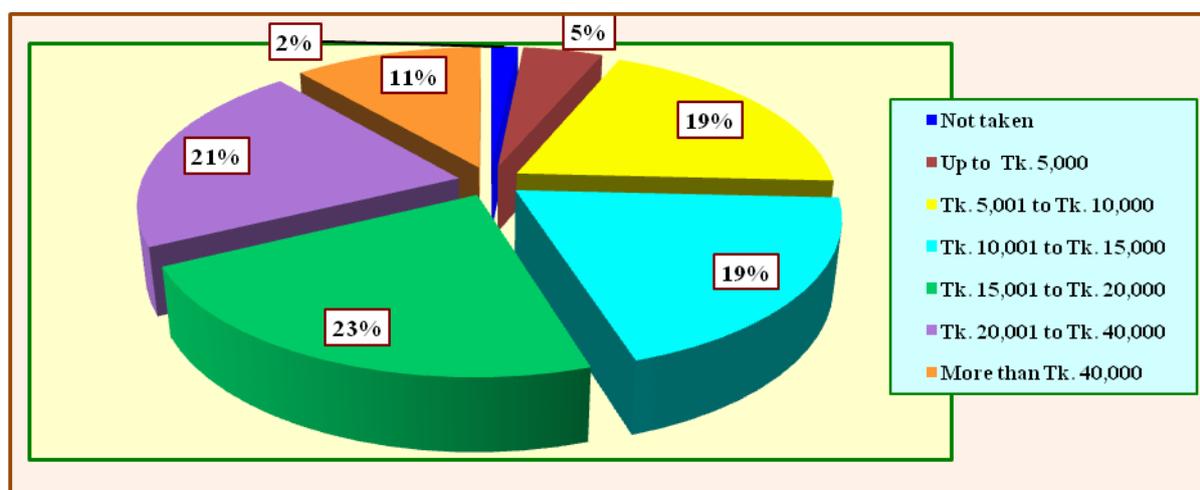


As shown in the Figure 8.8, it was also found that 62.9% of the sample RMC households bought neither assets (other than land) nor valuable household items. However, 8.1% of the sample households bought household items valued less than Tk.5,000, 9.7% bought household items valued Tk.5,001 to Tk.10,000, another 9.7% bought household items valued Tk.10,001 to Tk.15,000, 4.8% bought household items valued Tk.15,001 to Tk.20,000 and another 4.8% of the sample RMC households bought household items valued more than Tk.20,000. The survey results reveal that, although most of the sample households did not obtain any property or assets, there were some modest positive effects in gaining assets since 17.7% of the sample households acquired properties and 37.1% obtained some valuable items in FY2008–09.

Loans

The RMC was designed to provide loans in different amounts to poor rural women through different partner NGOs (POs) of the PKSF as a means of increasing the income of rural poor women-headed families. However, sometimes the RMC participants did not take loans but saved some money with the NGOs. Figure 8.9 shows the loan-receiving behaviour of the sample RMC households in FY2008–09.

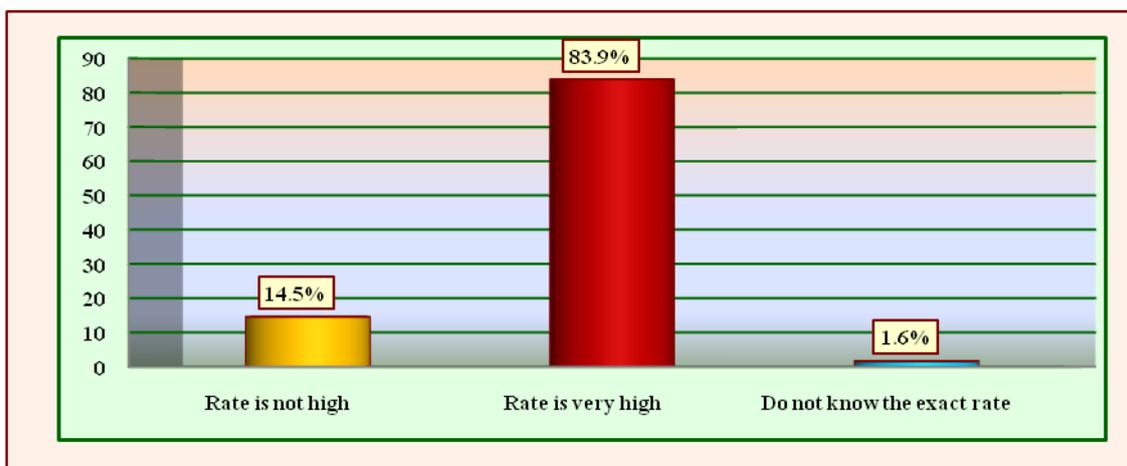
Figure 8.9: Loan-receiving behaviour of the sample RMC households in FY2008–09



The survey found that the amount of loans received by the beneficiaries varied from person to person. Most (63%) of the RMC participants received loans between Tk.15,001 to more than Tk.40,000. Of the sample beneficiaries, 23% received loans from Tk.15,001 to Tk.20,000, 21% received loans from Tk.20,001 to Tk.40,000 and 11% received loans of more than Tk.40,000. Smaller loans were taken by several beneficiaries, with 19% receiving loans from Tk.5,001 to Tk.10,000 and 5% receiving loans below Tk.5,000. However, 2% of the sample beneficiaries did not receive any loans from the NGOs.

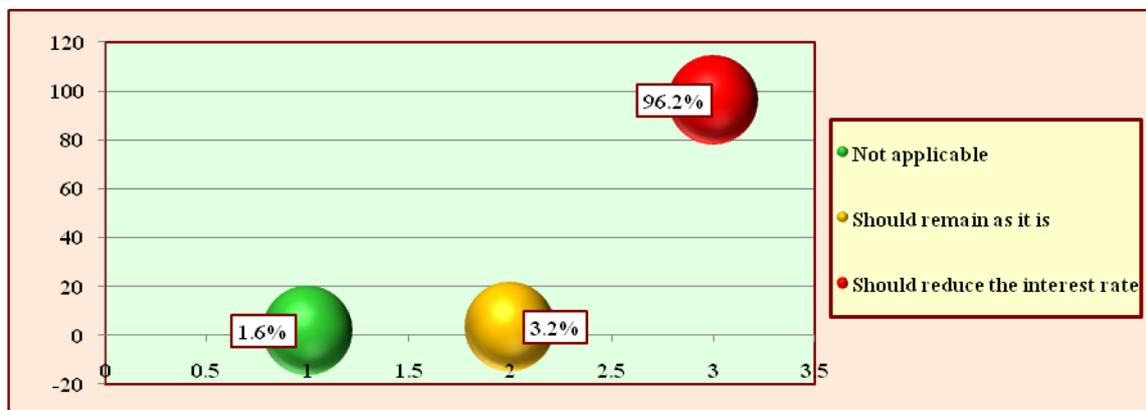
For those in the RMC programme, the NGOs imposed a fixed rate of interest on loans. The rates varied from 12.5% to 15.0%, according to which NGO was involved. The RMC participants were asked whether they considered the interest rate to be very high. Three different views (see Figure 8.10) were offered. The largest group of participants (83.9%) believed that the rates of interest were very high, while only 14.5% believed that the rates of interest were not very high. Of the sample beneficiaries, 1.6% did not know the exact rate of interest of the NGO loans.

Figure 8.10: Beneficiaries’ views on the interest rates of the NGO loans of the sample RMC households



The survey asked the sample RMC beneficiaries what should be done about the rates of interest. Three different opinions were identified (see Figure 8.11). The overwhelming majority of the participants (96.2%) believed that the rate should be reduced, while 3.2% thought that the interest rates should remain as they were. However, 1.6% of the sample beneficiaries did not provide any answers, as they had not received any loans from NGOs.

Figure 8.11: RMC beneficiaries’ views on the rates of interest of the NGO loans



Amount of Debts

While Figure 8.8 shows that the RMC beneficiaries had different amounts of savings, at the same time they also had debts with the NGOs. The RMC was designed to disburse loans to the beneficiaries and any beneficiary could revolve that loan for as many years as the beneficiary desired. As a result, most RMC beneficiaries revolved their loans and so always had loans. The amount of debt of the sample RMC households with the NGOs was examined to see the burden of debts of those households (see Table 8.8).

Table 8.8: Amount of debts of the sample RMC beneficiaries in FY2008–09

Amount of Debt in Taka	Percentages of Beneficiaries
None	21.0
Tk.2,000 to Tk.5,000	9.7
Tk.5,001 to Tk.10,000	11.3
Tk.10,001 to Tk.15,000	22.6
Tk.15,001 to Tk.20,000	17.7
More than Tk.20,000	17.7

The survey revealed that most (79%) households had debts with NGOs, but they were in different amounts. It was found that the largest group (22.6%) in the sample of RMC beneficiaries had debts between Tk.10,001 and Tk.15,000, a second group (17.7%) had debts between Tk.15,001 and Tk.20,000 and another group (17.7%) had debts more than Tk.20,000. It was also found that 21% of the sample RMC households had no debts. The different levels of debts reflect different levels of incomes of the beneficiaries, which will be discussed in the next chapter.

Human and Social Development

To investigate the improvement in social awareness and development, the survey considered issues such as school enrolment and health matters including immunisation of the children, knowledge on common diseases, sources of drinking water and sanitation conditions of the sample households. The results were intended to reveal information on whether the sample RMC beneficiaries were enjoying welfare gains in these fields.

School Enrolment and Immunisation

The survey found that the children of 96.0% of the eligible households (since some households had no school-age children) were regularly going to school in 2009, compared to 94.2% in 2008.

It was also found that 98.4% of the sample households' children were immunised in FY2008–09, compared to 98.3% in FY2007–08.

Table 8.9 shows the details of school enrolment in 2008 and 2009 and immunisation conditions of the eligible children in FY2007–08 and FY2008–09 of the sample RMC households.

Table 8.9: School enrolment in 2008 and 2009 and immunisation conditions in FY2007–08 and FY2008–09 of the sample RMC households' children

Level	School Enrolment (Percentage of Children for Eligible Households)		Immunisation Conditions (Percentage of Children for Eligible Households)	
	2008	2009	FY2007–08	FY2008–09
No	5.8	3.8	1.7	1.6
Yes	94.2	96.2	98.3	98.4

Although the difference between the two years was not great, it indicates a satisfactory development in health consciousness, at least in part, since it was believed by the stakeholders of the RMC PPP to be an effect of the social awareness training provided by the NGOs in the RMC programme.

Knowledge on Common Diseases

The survey investigated the RMC participants' knowledge of protection and general treatments of some common diseases in Bangladesh. Table 8.10 shows the survey results on the knowledge on diarrhoea and tuberculosis.

Table 8.10: Comparison of RMC beneficiaries' knowledge on general treatments for diarrhoea and tuberculosis in FY2007–08 and FY2008–09

Level of Knowledge	Knowledge on General Treatments of Diarrhoea (n=62)		Knowledge on General Treatments of Tuberculosis (n=62)	
	FY2007–08	FY2008–09	FY2007–08	FY2008–09
Did not know	6.0	0.0	29.0	18.0
Knew	94.0	100.0	71.0	82.0

The results reveal that 100% of the sample RMC households knew about the general treatment of diarrhoea in FY2008–09 compared to 94% in FY2007–08. Among the sample households, 82.0% households knew about the general treatment of tuberculosis in FY2008–09 compared to 71.0% in FY2007–08.

Access to Safe Drinking Water and Sanitation Conditions

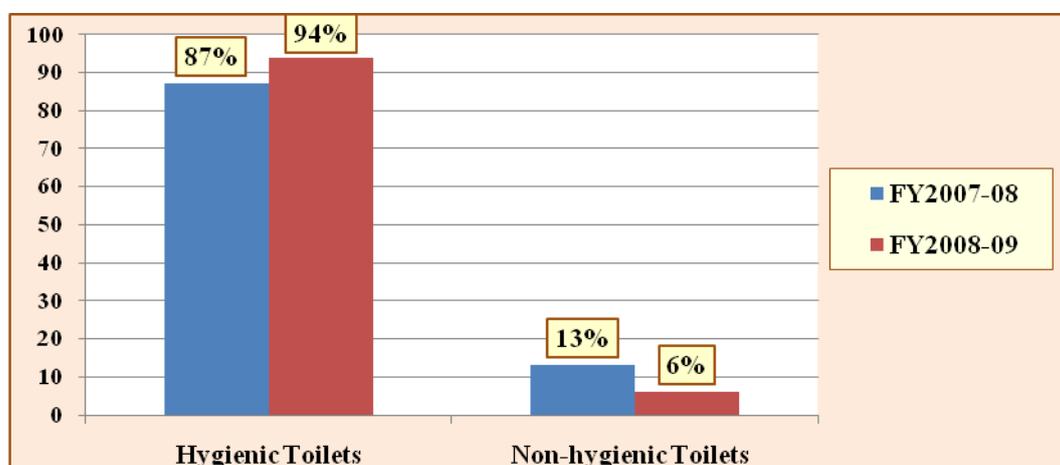
The survey results also reveal that 100% of the sample RMC households had access to safe drinking water in FY2008–09, compared to 95% in FY2007–08 (see Table 8.11).

Table 8.11: Access of RMC sample households to safe drinking water in FY2007–08 and FY2008–09

Level of Access	Percentage of Households in FY2007–08	Percentage of Households in FY2008–09
Yes	95	100
No	5	0

It was also the case that 94% of the sample RMC households used hygienic toilets in FY2008–09 compared to 87% in FY2007–08 (see Figure 8.12).

Figure 8.12: Sanitation conditions of the sample RMC households in FY2007–08 and FY2008–09



Conclusion

This chapter has presented the findings on the effects of the RMC PPP on poverty alleviation paying particular attention to data gathered from beneficiaries. The findings reveal that the RMC was effective in ensuring mostly human and social development. However, the RMC was not very effective in enhancing income and savings. The data also revealed the negative views of beneficiaries on the interest rates of NGO loans. With the effects of the two case

study PPPs covered we can now move on to the suggestions of stakeholders on how the PPP programmes for poverty alleviation in Bangladesh could be made more effective.

9. Ways to Improve the PPPs for Poverty Alleviation in Bangladesh

This chapter presents interview findings on how the PPP programmes for poverty alleviation in Bangladesh could be made more effective. To do this, semi-structured interviews were conducted with fifteen officials of the government of Bangladesh, five PKSF executives, six NGO executives, one WFP executive, two experts and twelve field level informants. Ten IGVD and eleven RMC beneficiaries were also interviewed. The respondents were first asked how different stakeholders could improve the performance and make the PPPs more effective for poverty alleviation and next, whether they had any suggestions relating to the PPPs. This chapter presents the findings on the IGVD, followed by the RMC. It also presents suggestions from the beneficiaries for each programme separately and suggestions on other issues relating to both the IGVD and the RMC PPPs.

Ways to Improve the IGVD

In response to the request to provide suggestions on how different stakeholders could improve performance and make the PPPs more effective for poverty alleviation, and whether they had any suggestions relating to the PPPs, respondents mentioned issues on policy as well as the implementation strategies of the IGVD. Ten of the fifteen public servant respondents, one expert, four of the six NGO executives, four UNOs, two UP chairmen, four NGO supervisors and all ten beneficiaries responded on the IGVD. They mainly commented and provided suggestions on the rates of interest, duration of the IGVD, monitoring system, commitment of stakeholders, corruption, cooperation among different stakeholders and research and evaluation.

In relation to the rate of interest, eight (80%) of the ten government respondents, all UNOs, and UP chairmen believed that the rates of interest of the NGO loan money should be lower. They thought that if the rate of interest was lower, then more poor people would take loans and so benefit more from them. For example, one respondent said:

The rate of interest of loans should be reduced, so that the ultimate borrower can get more help from that loan [Transcript from interview conducted on 10 April 2009].

All four UNOs believed that the interest rates of the NGO loans were very high. Although the NGOs claimed that the rate was 12.5% to 15%, in practice the rate was about 24%. The

UNOs recommended that government should provide loans with low interest rates to all IGVGD women. The loans should come through different government departments, such as from the DWA and Department of Social Services (DSS), since these departments provided loans with only a 4% rate of interest. For example, one typical response was:

IGVGD women should be linked with credit programmes through government departments, such as credit programmes that are provided by the DWA, and the DSS since the rate of interest of these credit programmes is very low, it is only 4%. However, the rate of interest of NGO credit programmes is very high. It is said that the rate is 12% to 15%. In fact it is more than that rate. The rate is about 24%. I believe due to the high interest rate IGVGD women are not interested to take loans from NGOs [Transcript from interview conducted on 24 June 2009].

Furthermore, six (60%) of the ten government respondents suggested that the government should provide loans with lower rates of interest to the ultra-poor families through the Department of Social Welfare instead of through NGOs, since they believed that NGOs charged higher interest and were more concerned with collecting weekly repayment than addressing the poverty situation of vulnerable people.

The respondents mentioned the duration of the IGVGD programme. Six (60%) of the ten government respondents, all (100%) UNOs and two (50%) of the four NGO executives were concerned about the duration of the IGVGD programme. They believed that the two-year cycle was too short a period for bringing any sustainable development. Therefore, the IGVGD programme should be for a continuous duration of five to six, or even eight to ten years. They also recommended that the government should take care of the IGVGD participants through different government officials such as UNOs. One respondent said:

This programme should continue and be implemented for at least five to six or eight to ten consecutive years if we really want to see any positive changes in poor people's lifestyles. It should be implemented under a permanent set-up of the government. At the same time these poor people need intensive monitoring [Transcript from interview conducted on 18 June 2009].

Referring to the duration of the IGVGD, two (50%) of the four NGO executives mentioned the need for an integrated design for the IGVGD partnership programme. They believed that the current design of the IGVGD was not good enough to alleviate poverty. It needed modification in several ways. For example, they suggested that the duration of the IGVGD needed to be longer, since the current IGVGD programme was too short and not able to bring sustainable development to poor people. As one NGO executive explained:

We need more integrated design of PPPs [of the IGVGD] for real poverty alleviation. At present the IGVGD is only for two years, but is it not enough. If the government is really interested in alleviating the poverty of that group of people and really wants to bring any sustainable development in their lives through the IGVGD, then it should be at least for five to six years or even for ten years [Transcript from interview conducted on 12 June 2009].

The respondents mentioned monitoring the implementation process with respect to the IGVDG, though their responses were diverse on this matter. For example, half of the government respondents recommended that government should introduce strong guidelines for monitoring the different implementation stages of the IGVDG in the belief the IGVDG programmes and their beneficiaries were not properly monitored by the government. They recommended strict guidelines for monitoring the NGOs' implementation activities, suspecting that NGOs were not sincere in providing proper IGA skills training and loans to the IGVDG participants, and in monitoring whether the beneficiaries were utilising the IGA skills training and loans from the NGOs.

While the public servants respondents emphasised more monitoring of the NGO implementation activities, three (75%) of the four NGO executives mentioned that NGOs required more intensive monitoring from the government. They believed that due to the lack of monitoring, at times some NGOs did not use their budgets properly for the poverty alleviation programme and they also misused their funds. For example, one NGO executive said:

We need more monitoring of NGOs by the government, so that NGOs cannot waste money, and will use money properly for poverty alleviation activities [Transcript from interview conducted on 8 June 2009].

All four UNOs showed similar thinking, recommending that monitoring of the IGVDG should be more intensive and generally of improved quality. They mentioned two types of monitoring: monitoring of the IGVDG participants and monitoring of the NGOs activities. They believed that the IGVDG participants should be monitored for a longer period after completing the cycle of the IGVDG, to see whether the participants were utilising their IGA skills training and the loans from the NGOs for their sustainable development. The four UNOs believed that poor women sometimes were unable to utilise loans money properly and needed some guidance. They also mentioned that the government agencies should monitor NGO activities to make sure whether NGOs were providing IGA skills training and linking the IGVDG participants with their credit programmes. The four UNOs believed that NGOs did not provide IGA skills training in a timely manner, that they did not updated their training modules, and that in most cases they did not provide loans to the IGVDG participants. They also mentioned that NGOs should monitor the IGVDG participants to see how they were utilising the IGA skills training and loans money. For example, one UNO said:

The IGVDG programme needs intensive monitoring. Monitoring of these women to make sure that these families have been sustained with some regular income or employment...IGA skills training

must be provided to all IGVD women by NGOs. And NGOs should provide proper IGA skills training and must link them [IGVD participants] with their savings and credit programmes [Transcript from interview conducted on 22 June 2009].

While all UNOs were concerned about the monitoring of the NGOs, all UP chairmen said that the IGVD programme needed more intensive monitoring by UNOs, and from the NGOs. This would determine whether the beneficiaries received IGA skills training and loans from NGOs, and how they were utilising the training and loans. All UP chairmen believed that NGOs did not monitor the IGVD participants in the utilisation of loans and utilisation of the IGA skills training for income generation activities. For example, one UP chairman observed:

Although NGOs sometimes provide loans, they do not monitor, how they [IGVD participants] are utilising those loans, whether they are involved in any IGA, whether they are earning from those loans. NGOs should monitor more how they are utilising their loan money and skills training [Transcript from interview conducted on 24 June 2009].

Another UP chairman explained his experience:

NGOs sometimes provide loans, but they [NGOs] are interested more in collecting their weekly instalment of the provided loan. A few women [IGVD participants] have had to sell their house or residential land to pay back their loans. It is because NGOs did not monitor those women properly, whether and how the women were using their loan money. Those poor women [IGVD participants] would not have needed to sell their land, if they could have managed to earn and could have been involved in some IGA [Transcript from interview conducted on 18 June 2009].

There were some variations on these themes. Two (50%) of the four NGO supervisors mentioned that the IGVD needed more monitoring by the central government and local government officials. They also suggested that everything should be done in a timely manner. Sometimes NGOs were selected at the last moment, and consequently NGOs could not provide training on time. One NGO supervisor agreed with this when saying:

We could not provide any IGA skills training in the last cycle [of the IGVD] due to time constraints. We were out of the time frame [Transcript from interview conducted on 19 June 2009].

The WFP executive and one (50%) of two experts also believed that the total IGVD programme should be monitored more intensively since sometimes NGOs were not committed enough and sometimes the selection of the IGVD participants was not neutral.

Different respondents mentioned the commitment of the different stakeholders in the implementation process, particularly the commitment of the NGOs. For example, six (60%) of the ten government officials suggested that each person involved in the IGVD, including the government officials, the NGO workers and local UP chairmen and members, should be more committed and sincere regarding their responsibilities. They believed that NGOs were

not transparent and sincere in maintaining the project accounting systems, in providing training and particularly in providing loans to the IGVGD participants. For example, one public servant thought:

NGOs should be more transparent and sincere in their accounting systems. I heard that some NGOs maintain two different types of account books; one for the government and donors and another for their own use [Transcript from interview conducted on 10 April 2009].

The public servant respondents also recommended that NGOs should provide appropriate IGA skills training in a timely manner. Further, the NGOs needed to link the IGVGD participants with their regular credit programmes. The respondents had found from their experience that sometimes the NGOs' training modules were not updated, IGA skills training were not provided in a timely manner and that NGOs did not link the IGVGD participants with their regular credit programmes.

Referring to the commitment of stakeholders, four (40%) of the ten government respondents remarked about the time management of different stages of the IGVGD. They said that, in general, the NGOs' selection procedures were not completed in a timely manner. There was a tendency to do these things in a rush. They also expressed the same sentiments regarding the government officials although in slightly different words:

Government officials should be more committed to their job and also to poverty reduction programmes. They [government officials] sometimes do not like to be involved in poverty reduction programmes and to work with poor people [Transcript from interview conducted on 12 April 2009].

The field informants were concerned about the commitment of the NGOs to the implementation of the IGVGD, particularly in providing training and loans. All UNOs and all UP chairmen believed that most times NGOs did not provide IGA skills training in a timely manner and did not provide loans to the IGVGD participants. Therefore, they recommended that NGOs should provide IGA skills training using modules that suit the participants, carry out these IGA skills training in a timely manner and make loans available to the IGVGD participants.

All UP chairmen believed that NGOs should be more supportive, sincere and committed in providing IGA skills training and linking the IGVGD participants to the regular credit programmes of NGOs. The UP chairmen strongly believed that the NGOs did not provide appropriate IGA skills training, nor did they provide training in a timely manner, and mostly NGOs did not provide loans to the IGVGD participants. For example, one UP chairman said:

NGOs should be more supportive, and their training programmes should be more elaborate. They must link these IGVGD women with their regular credit programmes and should monitor IG

activities. But currently NGOs are not doing their job properly. I can say this, as I know they do not provide any loans to the IGVGD women [Transcript from interview conducted on 19 June 2009].

The WFP representative and one (50%) of the two experts similarly mentioned that all stakeholders should be more committed in performing their responsibilities.

The public servants referred to the commitment of politicians. For example, three (60%) of five government respondents believed that the elected politicians should be more committed. They believed that the politicians mostly focused on vocal commitment rather than on actual activities in the field. While the public servant respondents commented on the commitment of the elected politicians in general, three (60%) of the five NGO executives mentioned that local politicians, especially the UP chairmen and members, could help in identifying the real poor and their specific needs for different poverty alleviation programmes, since it was local politicians who had the best knowledge about local populations and their needs.

Several correspondents contradicted this statement mentioning corruption related to the IGVGD, particularly corruption among the local politicians in the selection procedure. Seven (70%) of the ten of public servants said that local UP chairmen and UP members did not follow the guidelines when selecting the IGVGD participants. The respondents had heard complaints about this from several IGVGD participants and their families. They believed that local political representatives, such as the UP chairmen and members, and local MPs should be more honest and sincere. They strongly believed that UP chairmen and members must be transparent in selecting the IGVGD participants and in carrying out other implementation activities to make the IGVGD more effective for poverty alleviation. They also believed that the IGVGD participants should be selected from the real poor without considering their political affiliation, as against the current practice whereby VGD cards were distributed to people according to the political attachment of that family. Sometimes, this deprived the real poor from participating in the IGVGD programme. For example, one respondent mentioned:

Local political persons, especially the local UP chairmen/members, should be corruption free. MPs also should be honest and IGVGD/VGD cards should be properly distributed to targeted poor people without considering any political affiliation [Transcript from interview conducted on 19 June 2009].

All the UNOs also reported receiving complaints about UP chairmen and members regarding corruption and strongly recommended that UP chairmen and members be corruption free. The UNOs mentioned receiving complaints from IGVGD participants regarding bribery in the distribution of VGD cards. They also believed that UP chairmen and members should be more objective in selecting IGVGD participants, since the selection was currently influenced

by the local politicians and political affiliation. They emphasised that sometimes the less vulnerable poor were selected while the more vulnerable poor were deprived from becoming IGVD beneficiaries due to political bias. Therefore, the UNO respondents strongly recommended that the selection of the IGVD participants should be impartial and non-political. They also mentioned that non-political persons such as civil servants should verify the final selection. Thus, one UNO said:

Local government people [UP chairmen and members] should be more neutral and corruption free. They should not always think politically. What usually happens, when they are involved in any programme, they want to involve their political supporters and politically affiliated persons more in these programmes rather than real poor people. Furthermore, they are always interested to get some financial benefits from the participants such as cash as bribes. However, real poverty alleviation and development programmes should not be so political and they [UP chairmen and members] should be neutral and should think about the benefit for real poor people, not about their own benefits [Transcript from interview conducted on 23 June 2009].

Similarly, two (50%) of the four NGO supervisors mentioned the corruption of the UP chairmen and members. They reported that UP chairmen and members should be corruption free and impartial in selecting the IGVD participants and in distributing VGD cards and food grains. They believed that UP chairmen and members were after personal gain and were politically biased.

The public servant respondents also mentioned some other issues, such as cooperation among different stakeholders, continuation of PPPs and research and evaluation of the IGVD. Six (60%) of the ten public servant respondents mentioned cooperation among different stakeholders as an important issue. They said that cooperation among the UP chairmen and members, NGOs and UNO in the implementation of the IGVD should be more intensive, since, in some cases, they did not cooperate enough with each other. In such instances the IGVD participants did not get proper services from the IGVD. For example, they mentioned that sometimes UNOs did not get updated reports from the NGOs on their activities and sometimes NGOs did not get help from the UP chairmen and UNOs in providing IGA skills training to the IGVD participants.

Suggestions from the IGVD Beneficiaries

When asked for suggestions on improvements for PPPs, the IGVD beneficiaries particularly mentioned the high rates of interest of the NGOs' loan money, loan-providing behaviour of the NGOs, corruption of local UP chairmen and members, as well as the duration of the IGVD programme. Nine (90%) of the ten IGVD beneficiaries believed that the rate of

interest of the NGO loan money was too high. They strongly believed that as poor people, they should be provided loans at lower interest rates to make the IGVD more effective. They also mentioned that they were afraid of taking loans due to the high rates of interest. For example, one participant expressed her anxiety:

If we could get loans at a low rate then we could take loans. We could do some things for the business with my son and husband with the loans. Now, the rate of interest is very high, so we are afraid to take loans, we are afraid of the weekly instalment. If we could not pay then what would happen [Transcript from interview conducted on 19 June 2009].

Six (60%) of the ten IGVD beneficiaries mentioned the loan-providing behaviour of the NGOs, specifically that NGOs were not interested in providing them with loans. They believed NGOs were not inclined towards providing loans to the poor perceiving their behaviour as too risky.

Four (40%) of the ten IGVD beneficiaries mentioned the corruption of the UP chairmen. They said that they paid money to the UP chairmen for getting the VGD card. They also mentioned that they received only 20 packets of food grains, although according to the rules they should have received 24 packets. They believed that, as they were poor, they should get the proper quantity of IGVD food. They also said that the local politicians should not be involved in corruption. No corruption, they said, would make the IGVD PPPs more effective.

Four (40%) of the ten IGVD beneficiaries believed that the duration of the IGVD was too short. They suggested that the IGVD programme be for a longer period—at least for 5 to 6 years—in order to bring some sustainable development to their lives.

The Ways to Improve the RMC

In response to the request to make recommendations on how different stakeholders could improve performance and make the PPPs more effective for poverty alleviation, six of the fifteen public servant respondents, all five PKSF executives, one expert, four of the six NGO executives, three of the four NGO supervisors and all eleven beneficiaries also responded to the RMC. Various respondents mentioned several issues such as overlapping of the RMC programmes, the monitoring system, the design of the RMC, marketing facilities, human resources in the RMCs, proper stakeholders, policy guidelines of the RMC and the working styles of the NGOs.

Five (83%) of the six government respondents noted the overlapping of RMC programmes in the same geographic areas and suggested that the government should monitor these programmes more to avoid such overlapping. The government should also provide guidelines to relocate the RMCs to different areas. They believed that the RMC programme overlaps were occurring mostly in city areas. As a result, the RMC programmes were providing more opportunities to city peoples, meanwhile depriving the rural poor in remote areas. For example, one respondent said:

We need to work more with NGOs on how to avoid overlapping; and guiding NGOs to work in remote areas. We need to relocate NGOs with their RMC programmes, since we can see huge numbers of NGOs are working in city areas, such as in Gazipure and some other districts which are closer to Dhaka, but we cannot see any RMC activities of the NGOs in *Char* (island) areas [Transcript from interview conducted on 6 April 2009].

Two (50%) of the four NGO executives also thought that the RMCs needed to avoid overlapping programmes in the same areas. They said that the government should introduce rules and regulations to avoid overlapping of similar RMCs by different NGOs in the same areas.

Four (66%) of the six government respondents recommended that the government and the PKSF both increase their monitoring of the NGOs' activities to make them more effective. They mentioned that, as PKSF was responsible for the management of all RMC programmes, it should increase its monitoring of NGO activities, such as NGOs' accounting management systems and other implementation processes. Four (66%) of the six government respondents believed that some NGOs did not maintain proper accounting systems, did not take care of their beneficiaries to see whether they were doing well in their small business or income generating activities and did not provide proper skills training to the RMC beneficiaries. The respondent also mentioned that the government should supervise all the activities of the NGOs to ensure they were properly utilising the resources provided by the government and the PKSF for poverty alleviation. The four government respondents thought NGOs should be more committed to their activities, since it seemed that some NGOs were more interested in doing business and collecting weekly instalments from the beneficiaries rather than alleviating poverty.

All PKSF executives mentioned that the government should introduce some macro-policies to bring products of micro-enterprises to the national market. As an example, they suggested that the government should take initiatives to collect all the milk and milk products from the micro-level farms and create a marketing process for these products throughout the country.

They strongly believed that developing such marketing would help to reduce the poverty of micro-level RMC beneficiaries and strengthen the national economy.

All PKSf executives agreed that the government should introduce policy guidelines for monitoring NGOs and their activities such as what NGOs were doing, whether they were utilising their funds properly for poverty alleviation and how they were maintaining their account management systems. They also mentioned that the PKSf should intensively monitor the NGO activities of the RMCs. In addition, all PKSf executives thought that the PKSf should monitor the different management activities of the NGOs involved in the RMCs, since it was believed that without intensive monitoring of NGO activities as well as of beneficiaries it might be hard to get the expected outcomes for poverty alleviation from the RMCs. They further believed that the PKSf should monitor the financial management of the NGOs, as some NGOs had inadequate experience in financial and accounting management systems and did not have personnel experienced with new financial management software.

Four (80%) of the five PKSf executives, three (50%) of the six NGO executives and three (75%) of the four NGO supervisors recommended that the government should provide more technological support and marketing facilities to the RMC beneficiaries in rural areas. They believed that the government should provide marketing opportunities for the small-scale industries of the RMC beneficiaries. They mentioned that, most times, the RMC beneficiaries could not find a market for selling their products, thus discouraging the RMC beneficiaries from being involved in RMC activities relating to small industries. Therefore, the government should introduce comprehensive planning for marketing facilities for all small-scale industries. For example, one respondent said as follows:

When a beneficiary could not sell her or his milk in the market, he or she feels discouraged. They do not want to rear 5–6 cows at a time, they prefer 1–2 cows, since when they produce more milk they do not get a proper price in the local market. However, if they could produce more milk and could get proper prices, that would be helpful for both the beneficiaries and for local people, and for the whole country. But no one thinks like that. The government should think with a broader vision [Transcript from interview conducted on 22 May 2009].

Four (66%) of the six government respondents believed that the government, the PKSf and the NGOs should work together and should design new and innovative programmes for the RMCs, since the current RMCs were standardised and did not satisfy the variable needs and demands of people. They believed that PKSf and NGOs should provide new designs for RMCs, which would enable them to be sustainable, using new technology as technologies were changing very rapidly in different sectors, especially in agriculture and fisheries. Three

(75%) of the four NGO supervisors also reported on the design of the RMC Programme. They mentioned that government should take initiatives to introduce a comprehensive design, including different development sectors such as agriculture, poultry and fisheries in the PPPs.

Three (60%) of the five PKSf executives pointed to the need for new policy guidelines for the growing number of NGOs and industries funded by micro-credits. They believed that the number of NGOs that were running programmes with micro-credit, and number of employees and beneficiaries involved with these NGOs were growing rapidly. However, the government and the PKSf did not know the exact number of the NGOs and employees involved in micro-credit industries. They were not concerned about the future of these micro-credit industries. Furthermore, they thought that although the micro-credit industry was growing, the human resources were not developing according to the new demands of the beneficiaries involved in those industries. Therefore, they worried about the sustainability of the NGOs, their employees and beneficiaries of micro-credit industries, and suggested that the government should introduce new policies for the sustainability of the growing micro-credit industries and their employees.

Four (66%) of the six government respondents and three (60%) of the five PKSf executives thought that the government should introduce an inclusive research policy for evaluating and developing further RMCs. They believed that there was not enough research for evaluating the RMCs, especially their impact on poverty alleviation. The PKSf respondents reported that although there had been a few impact studies, these had been conducted irregularly. They recommended that the government and the PKSf improve the design of the RMCs based on regular impact studies.

All PKSf executives recommended hiring expert personnel with up-to-date technological knowledge for the PKSf and the NGOs involved in the PPPs, since technology was constantly changing. There were not enough employees at the PKSf with the appropriate technological knowledge. For example, they mentioned that the PKSf had to maintain different financial and accounting systems. However, neither the PKSf nor the NGOs had personnel with the necessary knowledge to maintain these financial and accounting services and relevant software.

Four (80%) of the five PKSf executives thought that NGOs should change their working patterns of delivering social services. NGOs should be more professional in their financial

management than they were in their previous social service activities, since the RMCs were not only social services but mostly involved with financial services. They believed that the NGOs needed more experts with financial and accounting management systems knowledge for maintaining the financial and accounting management of the RMC accurately. For example, one PKSf executive mentioned:

Now, NGOs are working with finance. They are now working with new financial programmes. Before that their relationship with the beneficiaries was soft, only for social service delivery. But now they are involved in financial services as well as social service delivery. So, now they need to be more professional. Financial service is a very hard job. Now, this [financial services] is the biggest job of these NGOs and this is a one-way track programme. They cannot come back or turn about from these programmes. If they want to turn about they have to give up and lose a huge amount of money. It will cause big damage. Therefore, they have to be more professional [Transcript from interview conducted on 23 May 2009].

Four (80%) of the five PKSf executives further suggested that the government and the PKSf should be very careful in selecting the stakeholders in PPPs. They believed that if a stakeholder did not want to work on poverty, and did not have the interest, knowledge and commitment to working for poverty reduction, then their programmes for reducing poverty would not be successful. One PKSf executive expressed his views as follows:

For successful implementation of PPPs in poverty alleviation, genuine stakeholders should be involved in these programmes. When I say 'genuine stakeholders' that means those whose profession is like that, who always think about poverty reduction, and who have some imagination and ideas on these works. For example, there are some professional persons in Bangladesh, who always think about poverty alleviation and rural development. And I think and believe these types of stakeholders should be involved in these PPPs for poverty alleviation programmes. In the PKSf, for example, we have such stakeholders, as Dr. Mohammad Younus and Dr. Wahid Uddin Mahmud, involved with our organisation [Transcript from interview conducted on 24 May 2009].

Three (60%) of the five PKSf executives mentioned that the PKSf should raise its own resources and not depend on government. They thought that the government should provide opportunities to the PKSf and other NGOs for creating their own resources. For example, the government should provide permission to the PKSf for selling a company's shares to the open market in order to raise its own resources.

All PKSf executives stressed that the PKSf should retain its political neutrality. They said that the PKSf was a development-oriented organisation and should be without political affiliations. They strongly believed that the PKSf performed best in poverty alleviation without political interference from the government and political parties.

One (50%) of the two experts said that all stakeholders needed to be more committed to their activities to make the RMC more effective for poverty alleviation.

Two (40%) of the five NGO executives wanted the government and other stakeholders to share their knowledge, expertise and other resources to make PPPs more effective. Different stakeholders had different types of knowledge, expertise and resources and if each stakeholder shared their resources, PPP activities would be more effective in poverty alleviation.

Suggestions from the RMC Beneficiaries

When asked for suggestions on improvements for PPPs, ten (91%) of the eleven RMC beneficiaries believed that the interest rates of the NGO loans were too high. They believed that the rates should be lower to make the RMC more effective for poverty alleviation. They would be able to take more loans if the rate of interest was lower. A typical response was:

Interest rate is high. It should be lower. It would be better if we could get loans at low interest rates. Then we could take more loans and could do more business and other IG work for our development [Transcript from interview conducted on 17 June 2009].

Three (28%) of the eleven RMC beneficiaries mentioned that the rate of interest was in fact higher than the officially stated rate of 12.5%. They explained that although they were paying the interest, including the primary loans every week, the primary loan was reducing and thus the primary loan money should be deducted from the total amount of loan every week. And after deduction of the paid amount of the primary loans, the interest should be recalculated on the rest of primary loan money every week. Therefore, they strongly believed that NGOs were taking more interest than the stated rate of 12.5%. For example, one respondent stated:

We are paying our primary loan money every week with interest, so I think the amount of primary loan money is reducing in every week; however, we are paying interest for the whole amount of primary loan money. So, I believe the rate of interest is higher than the said 12.5%. It should be lower [Transcript from interview conducted on 19 June 2009].

Four (36%) of the eleven RMC beneficiaries mentioned the matter of paying weekly instalments during natural disasters. They said that almost every year they had to face natural disasters like floods and cyclones. They also said that during severe natural disasters it was very hard to repay the weekly instalments of the NGOs' loan money, since there was no work and they could not earn or do any business. They said that NGOs did not like to consider participants' problems when collecting their weekly instalments. They strongly believed that NGOs should be more considerate in collecting their weekly instalments particularly during natural disasters. For example, one respondent said:

It would be better if we could get some time during natural disasters. Mostly in every year we face floods. Sometimes they are severe. Last year [in 2008] it was difficult for us to make weekly payment

of loans due to floods. At that time the prices of essentials were very high. However, still we had to pay our weekly instalment. It would be better if we could get some more time during a natural disaster, like a flood or cyclone, for repayment [Transcript from interview conducted on 18 June 2009].

Three (28%) of the eleven beneficiaries mentioned training. They believed that the NGOs should provide some basic IGA skills training. They also believed that if they received some skills training, it would be better for their development. One respondent said, for example:

It would be better if we can get some skills training, some IGA skills training or some training on cow rearing, poultry and others [Transcript from interview conducted on 19 June 2009].

Three (28%) of the eleven beneficiaries mentioned the grace period of weekly repayments. They had to start their weekly repayments from the second week of taking a loan from the NGOs. However, they believed that it was not possible to start any business or to earn any profit from any IGA within a week. Therefore, they strongly believed that the grace period of repayment should be delayed. They needed more time to develop their business and this would help them to make weekly instalments regularly. For example, one respondent said:

We have to pay weekly instalments from the second week of taking a loan, but within one week or two weeks we can't do anything, we can't do any business. This is not enough time to make any improvement and to make any profit. We need some more time to develop our business so that we can pay weekly instalments from our profit. We need some opportunity to build our business and then to pay weekly instalments. But the NGOs do not give us any time, and they are not interested to provide any scope for us. At least they should give us minimum time, for example, one or two months to develop our business, and then take weekly instalments, so we can pay from our profit [Transcript from interview conducted on 19 June 2009].

Suggestions on Some Common Issues of the PPPs

Policy Design

The respondents provided different suggestions regarding policy design of the PPPs. Firstly, nine (60%) of the fifteen public servants respondents, four (80%) of the five PKSf executives and four (67%) of the NGO executives believed that PPP policy should be designed with a focus on the poor and poverty alleviation. They also believed that the government, including all relevant ministries and departments, should have comprehensive policies for poverty alleviation.

Secondly, six (60%) of the ten government respondents, all five of the PKSf respondents and four (67%) of the six NGO executives, all UNOs and all NGO supervisors suggested that the government should continue the PPPs for poverty alleviation for a longer time. However, the respondents observed that in Bangladesh, governments did not continue projects introduced by previous governments of rival parties.

Thirdly, all the five PKSf respondents and four (67%) of the six NGO executives provided suggestions on participation in the PPP policy formulation process. They believed that to create a better policy environment, all stakeholders should participate in the policy formulation process. Therefore, they suggested that the government should formulate all acts, rules and regulations concerning the PPPs only after discussion with all stakeholders. They further suggested proper implementation of all legal frameworks such as rules and regulations and that all stakeholders should be sincere in implementing these rules and regulations.

Fourthly, seven (47%) of the fifteen government respondents, three (60%) of the five PKSf respondents, three (50%) of the six NGO executives and all UNOs believed that the government should identify the poverty level of each person separately and then set priorities about the programmes on poverty alleviation according to a poor person's needs. For example, the government should examine a poor person's income-generation capacity, education and health status, and then establish the priority activities for that person. Therefore, they suggested that the government should identify the sectors in which PPPs could bring more benefits to poor people and then design PPPs accordingly. They also said that establishing the level of poverty and the priority list of demands and needs of poor people should be done at the *Upazilla* level.

Finally, five (30%) of the fifteen government respondents, all PKSf respondents and four (67%) of the six NGO executives believed there should be more institutions like PKSf working on health and education PPPs. They also said the government should encourage more private sector organisations to be involved in pro-poor PPPs.

Implementation and Management

Respondents mentioned issues relating to implementation and management of the PPPs. First, six (40%) of the fifteen government respondents, three (60%) of the five PKSf respondents and all UNOs mentioned IGA skills training and suggested that all skills training should be designed according to the demands of the beneficiaries and should be up-to-date in terms of technology. They also suggested that NGOs should put more emphasis on the needs of the poor in designing the training modules, and that the trainers should be better qualified.

Second, nine (60%) of the fifteen government respondents, four (80%) PKSf respondents, four (67%) of the six NGO executives and all UNOs believed that the rate of interest of PPP

programmes differed between the NGOs; this seemed illogical to the beneficiaries. They suggested that the government fix a uniform rate of interest for all NGOs.

Third, seven (47%) of the fifteen government respondents, three (60%) of the five PKSf respondents and all UNOs believed that there were many problems with the accounting management system of NGOs involved in the PPPs. They said there should be transparent methods of accounting in every NGO, so it was apparent how funding from the government and the PKSf was utilised and whether these funds were properly used in poverty reduction programmes.

Research and Development

The respondents mentioned the research and development of the PPPs. First, four (30%) of the ten government respondents, four (80%) of the five PKSf respondents and four (67%) of the six NGO executives recommended that the PPP projects should be investigated regularly to see their impact on poverty alleviation. They believed that there were not enough studies for evaluating the effects of PPPs on poverty alleviation. Referring to the RMCs, the PKSf respondents reported that although there were a few impact studies done by the PKSf, these were irregular studies. They recommended that the government should provide opportunities to do more research on pro-poor PPP projects for further development. They also suggested that the government should allocate finance for doing regular research and should introduce an inclusive policy for research on evaluating and developing PPPs based on evaluation reports. They also recommended that the government and the PKSf should improve the design of the pro-poor PPPs based on impact studies.

Finally, six (40%) of the fifteen government respondents, three (60%) of the five PKSf respondents and three (50%) of the six NGO executives suggested they that both the government and NGOs had some limitations in areas such as financial resources, human resources and other administrative capacities. Therefore, the government should identify limitations of both the government and NGOs through research and then take initiatives to overcome these limitations.

Act, Law, Rules and Regulations

Six (40%) of the fifteen government respondents, all five (100%) PKSf respondents and four (67%) of the six NGO executives mentioned acts, laws, rules and regulations relating to

NGOs that were not uniform. They believed that some of the acts and laws relating to NGOs should be updated. In this regard, they suggested that a comprehensive law for NGO regulation should be introduced by the government, that uniform micro-credit and micro-finance regulatory acts should be introduced to control all NGOs and finally, that legal frameworks for the PPPs should be introduced soon, since there were no acts and laws for the PPPs.

All NGO executives believed that there were some clauses in the *Micro-finance Regulatory Authority ACT 2006* that could have some negative effects on NGO activities and so required modification. They suggested that the *Micro-finance Regulatory Authority Act 2006* needed some changes and modifications.

Political Issues

All five PKSf respondents and all six NGO executives mentioned political issues and the democratic environment of the country. They believed that political continuity and democratic government were essential for uninterrupted development and better outcomes of the PPPs. They suggested that all political parties should try to maintain a democratic environment and a democratic form of government. They further suggested that all political parties and politicians should be more committed to the continuation of PPP projects for poverty alleviation.

Social Issues

The respondents provided some suggestions related to social issues. Firstly, six (40%) of the fifteen government respondents, four (80%) PKSf respondents and four (67%) of the six NGO executives and all UNOs mentioned that they believed the rural poor needed more social consciousness about their own development. They suggested that poor people should be more organised to bargain with powerful authorities.

All UNOs also believed that the people needed to change their traditional beliefs about the incapacity of women to undertake business. They suggested that the people of Bangladesh needed motivation to build a positive attitude towards women and respect for them, thus acknowledging their capability for doing any jobs, particularly conducting a business.

All UNOs, referring to the IGVGD PPP, believed that food grains should not be provided to poor people without any labour, since free food was making the IGVGD participants morally

disrespectful to work and psychologically lazy; this was interpreted as being a kind of moral breakdown. Therefore, they believed that the food grains should be provided in exchange for some kinds of formal work, even if only for a few hours.

Other Issues

Five (30%) of the fifteen government respondents, three (60%) of the five PKSF respondents and three (50%) of the six NGO executives mentioned the lack of conceptual knowledge of PPPs affected the PPP policies in Bangladesh. They believed that the government should arrange for government officials, the media and the general public to learn more about the concept and practice of PPPs. The four government respondents believed PPP was a new concept in Bangladesh, and that most officials involved in the PPP projects had gaps in their conceptual and practical knowledge on PPPs. One respondent said, for example:

Different policies, rules and regulations on PPPs are not updated. We have gaps in knowledge about PPPs. For example, I talked with one officer who is involved in one PPP policy-making process. He said that he did this using his own knowledge and common sense, without having any theoretical and conceptual knowledge. He did this based on his own work experiences, and nothing was based on any PPP experiences, either theoretical or practical [Transcript from interview conducted on 6 April 2009].

A few government respondents mentioned the high administrative costs of some NGOs. For example, three (30%) of the ten government respondents believed that in most cases the administrative costs of NGOs were higher than those of government offices. They also believed that the NGOs spent more money on administrative costs than on poverty reduction activities. They strongly believed that the NGOs should spend more money for poverty reduction activities. For example, one government respondent believed that in different poverty alleviation projects, the NGOs usually spent almost 80% of their total budget for employee salaries and other administrative activities and only 20% was spent on poverty alleviation activities. They also believed that NGOs were very powerful, and that sometimes government officials could not protest against such behaviour of the NGOs. One respondent expressed his experiences as:

What do we see in these [PPP] projects? In the case of 99% of these projects, 80% of project money is spent for employees' salaries and some other administrative costs. Only 20% of total project money is spent on actual poverty reduction. From the government level we cannot say anything, and we cannot raise this issue in an official meeting in front of different NGOs and donor agents, since NGOs do not like to discuss these issues openly in front of donors. NGOs are very powerful and strong. Sometimes influential political persons are involved in some NGOs, and they are beneficiaries of these projects, so they do not like to talk on this issue. They are even not interested to listen about the high administrative costs. We [government officials] have lots of limitations [Transcript from interview conducted on 4 June 2009].

Thus, they suggested that the NGOs who were involved in the PPPs should spend more money on poverty reduction activities than for administrative costs.

Conclusion

This chapter has reported the findings on how the PPP programmes for poverty alleviation in Bangladesh could be made more effective using data gathered from interviews with key respondents. The main findings reveal that the IGVGD programmes should be continued for at least for five to eight years, efforts should be made to make the selection process corruption free, and the rates of interest of NGO loans should be lower than at present for both the IGVGD and the RMC programmes. This chapter concludes the presentation of the interview and survey data. The next chapter looks to make sense of these data and analyses them using the model of PPPs for poverty alleviation in Bangladesh and the literature reviewed in Chapter 2.

10. Analysis and Discussion

This chapter analyses the empirical findings of this study using the model of PPPs for poverty alleviation in Bangladesh and the literature presented in Chapters 2 and 3. This chapter deals with the rationale, features and mechanisms of PPPs and then the performance and effects of the IGVD and RMC PPPs. Finally, it offers suggestions on how to improve PPP programmes for poverty alleviation in Bangladesh and to become more effective, referring to the opportunities and constraints on these PPPs identified by the respondents.

Rationale for the PPPs

As shown in the model of the PPP for poverty alleviation in Bangladesh in Chapter 2, and specifically in Figure 2.1, the rationale of the new style PPPs is to overcome the limitations of a single stakeholder and to maximise the benefits of pooling the strengths of different stakeholders. The model conforms to the general features and rationale of PPPs for poverty alleviation as set out by the ADBI (2000) and the World Bank (1999). Additionally, the model of PPP operates as a tool in the development process, especially because PPPs are seen to be able to use limited resources efficiently (Lewis 1997) and enhance general efficiency (Brinkerhoff 2002; Brinkerhoff & Brinkerhoff 2002). It was also found that NGOs in PPPs for poverty alleviation have additional strengths, such as the ability to involve communities and grassroots organisations more effectively than the traditional approach (World Bank 1991, p. 136).

The interviewees identified several rationales for PPPs. As shown in Table 5.1, the most common rationales were to overcome government limitations, to ensure better service delivery, to take advantage of NGOs' strengths, to reduce government expenditure and to increase the efficiency of development initiatives. Fewer respondents identified other rationales. For example, 33% of the NGO executives mentioned just one rationale, such as to recognise the strengths of the private sector.

The responses were diverse and not all respondents mentioned all rationales. For example, 75% of the government respondents, all PKSF respondents and 50% of the NGO executives believed the most important rationale was to overcome government limitations in organisational capacity. The government responses clearly acknowledged the limitations of

government in poverty alleviation and saw distinct advantages in utilising NGOs. Most of the other rationales mentioned by the government officials involved the matter of efficient resource acquisition and utilisation. The PKSf responses were unanimous in their view that the leading rationale for the PPPs was to overcome government limitations. In contrast to the government respondents, a very high percentage of the PKSf respondents also identified improvements to service delivery as a key rationale. The reduction of financial involvement and the question of cost effectiveness were also prominent in PKSf responses, certainly more prominent than among government officials' responses. The NGO responses demonstrated a different pattern again, with opinions divided regarding the rationale for the PPPs. Some familiar rationales were mentioned, but NGO respondents pointed to several rationales not noted by other respondents such as to share quality services of the NGOs, to overcome government inability to reduce poverty and to recognise the strengths of the private sector. These responses tended to reflect the claimed strengths of NGOs. The two expert interviewees each only mentioned one rationale, and notably neither had been mentioned by the other respondents. However, they did reflect the views found in development literature on Bangladesh; namely, problems with bureaucratic procedures and the need to improve policy implementation. In summary there was a varied but familiar group of rationales with different types of respondents giving different emphases in a somewhat predictable manner. There are several reasons for these diverse responses. The different groups of respondents considered their own strengths and limitations while considering the rationales of the IGVGD and the RMC PPPs. For example, the government respondents might think their financial limitations and the PKSf respondents considered their service delivery as strengths and thus provided their views from their personal points of views.

Defining Features of the IGVGD and the RMC PPPs

As shown in the model of the PPP in Figure 2.1, the defining features of the PPPs are contractual agreement and/or joint implementation, all stakeholders contribute resources such as financial resources, human resources, political resources and political support, share expertise, experience and knowledge, and work towards common aims of poverty alleviation and the development of poor people of the country. The features of the model of PPPs are similar to the general features of PPPs identified in the literature review in Chapter 2 by authors such as Broadbent & Leughlin (2003, p. 332), Carr (1998, p. 1), Bovaird (2004, p. 199) and ADBI (2000, p. 42).

For the IGVGD PPP, as shown in Table 5.3, the most common features were joint implementation, common aims and objectives, sharing of resources, expertise and knowledge, contracts and mutual responsibility. Common commitments were mentioned by fewer respondents as being a feature of the IGVGD PPP.

Although all groups of respondents mentioned the common features the pattern was different for government respondents. For example, most government respondents emphasised joint implementation, common aims and objectives and contracts compared to sharing of resources, expertise and knowledge, mutual responsibility and common goals. However, the NGO respondents, the WFP respondent and one of the experts emphasised all of these common features equally.

As shown in Table 5.3, the most common features of the RMC PPP were shared aims and objectives, the sharing of resources, expertise and knowledge, the types of contract, a common commitment, caring for each other, cooperation and mutual understanding.

Although the responses were very similar, the government respondents gave more emphasis to common aims and objectives, contracts, common commitment and cooperation than sharing of resources, expertise and knowledge, caring for each other and mutual understanding. The responses of the PKSf interviewees were very similar for most features with acceptance of a common goal being mentioned by 60% of the PKSf respondents.

The NGO responses demonstrated a different pattern, since each NGO respondent did not confirm all the features of the RMC PPP. All of the NGO executives emphasised common aims, objectives, and sharing of resources, expertise and knowledge. However, they did not include contracts, common commitment, cooperation and mutual understanding.

Most of the defining features of the IGVGD and the RMC PPP mentioned by the respondents are in accord with the literature. However, while some authors (Van Ham & Koppenjan 2001, p. 598; Klijn & Teisman 2000, 2002, 2005) have emphasised the sharing of risk, this research found the sharing of resources had a higher profile than risks and profits. This supports the idea that pro-poor PPPs are not designed for profit making by the stakeholders that are involved in implementation, but rather for the benefit of the poor (UNESCAP 2004). Moreover, caring for resources was another feature of the RMC PPPs, which was not mentioned in most literature, especially that on infrastructure in rich countries.

The Partnership Mechanisms of the IGVGD and the RMC

This research explored the partnership mechanisms of the IGVGD and RMC PPPs including the types of partnership arrangement, the stakeholders involved in the IGVGD and the RMC, the roles of the stakeholders and how the IGVGD and the RMC PPPs shared resources, the duration of PPPs and the risks involved in running the PPPs.

Types of Partnerships Arrangements

As explained in the model (see Figure 2.1) of the PPP for poverty alleviation in Bangladesh, the partnership arrangements are operated through contracts and joint implementations. These contracts may be service contracts and/or management contracts or sub-contracts. Furthermore, two or more stakeholders can take part in the implementation of the contracts. From the responses of interviewees (see Table 5.4), the research found that the implementation of the partnership arrangement of the IGVGD was both by contract and jointly. The RMC was the result of an agreement signed under a MoU between the FD of the MoF, the Government of Bangladesh and the PKSf. Furthermore, the field activities of the RMC were based on sub-contracts between the PKSf and its partner NGOs. All the RMC related respondents gave the same responses, since these were specified in written documents in the programme design. The model conforms to the general features of PPP arrangements for poverty alleviation, as mentioned by UNESCAP (2004), United Nations (2005a) and ADB (2006).

The Stakeholders Involved in the IGVGD and the RMC

The model for PPPs for poverty alleviation in Bangladesh identifies three sets of stakeholders. The first is the public sector organisations, such as government ministries/departments/agencies or other public sector organisations who work under the rules and regulations of the Government of Bangladesh. The second set of stakeholders includes different private organisations such as NGOs, who are registered with the NGO Affairs Bureau of the Government of Bangladesh, community-based organisations that work on humanitarian projects and for social services and then the donor agents, who may be national and/or international. Donors are included in the category of private organisations, since they are not government organisations and are not part of any specific country or

territory, although different governments are involved with, and members of different international and multinational organisations. The third set of stakeholders is comprised of beneficiaries. For this research, the beneficiaries were the poor households for which the PPPs were designed. The model is mostly in line with the literature that confirmed the need for involvement of both public and private organisations as stakeholders in PPPs (Van Ham & Koppenjan 2001; Klijn & Teisman 2000, 2005; Teisman & Klijn 2002; Broadbent & Leoughlin 2003; Carr 1998; Bovaird 2004), which was demonstrated in Chapter 2. Though the literature cited above does not confirm whether NGOs are a part of the private organisation sector, Stratton (1989) and Salamon (1995) put ‘business and non-profit sectors’ together as stakeholders in PPPs and the Commission on PPPs, UK (2001, p. 2) included voluntary sectors as private stakeholder in PPPs. Moreover, the World Bank and other international organisations acknowledged the presence of NGOs and international donor agents as stakeholders in PPPs for poverty alleviation (World Bank 1999 and United Nations 2005a). Thus, the model constructed in this research (see Figure 2.1) for PPPs for poverty alleviation in Bangladesh conforms to the prescriptions of the literature.

The research identified different stakeholders involved in the IGVDG and the RMC PPPs (see Table 5.5). In the IGVDG, the stakeholders were the government ministries and departments, such as MWCA and DWA, local government, the WFP, the NGOs and poor women beneficiaries. In the RMC, the main stakeholders were the FD of the MoF, the PKSF and the NGOs. The other important stakeholders were poor women. The findings thus conformed to the model (see Figure 2.1) since both public and private organisations were involved in these PPPs and poor women were one of the important stakeholders. There was no disagreement about the stakeholders, since these were specified in programme design and implementation and were specified in different documents from the MWCA, the DWA and the PKSF.

The beneficiaries were not specified as stakeholders in much of the literature in Chapter 2 since the majority is often derived from rich countries and infrastructure PPPs. Furthermore, although there was some literature presented about developing country PPPs, not all identified beneficiaries as stakeholders. Some of these PPPs were for infrastructures while some of the earlier studies of pro-poor PPPs gave little attention to the beneficiaries (United Nations 2005a).

Sharing of Resources in the IGVGD and the RMC PPPs

The model of the PPP for poverty alleviation in Bangladesh presented in Figure 2.1 shows that all stakeholders involved in PPPs contribute resources, such as financial resources, human resources and political resources, as well as share expertise, experience and knowledge. For example, different stakeholders can share the government training institutions and trainers for instructing beneficiaries and other stakeholders. The model conforms to the general literature of PPPs as set out in Chapter 2, where PPPs are described as a ‘tool of governance or management’ and a ‘tool of financial arrangements’. This literature emphasises the sharing of risks and resources; for example, sharing risks, costs, resources, profit, utilities and most importantly investments (Collin 1998; Collin & Hansson 2000; Klijn & Teisman 2000, 2002, 2005; Van Ham & Koppenjan 2001; Commission on PPP, UK 2001).

From the interviews of the respondents, the research identified different resources that were shared in the IGVGD and RMC PPPs. The most common resources shared in the IGVGD and RMC PPPs were administrative support, official setups, financial and technical resources, political support, knowledge and expertise. These were specified in programme design and supported by documents.

These findings are in line of the model of the PPP presented in the Chapter 2. However, most literature discussed in Chapter 2 emphasised sharing of financial risks and benefits. Perhaps this literature is derived from infrastructures and for-profit PPPs of the rich countries. However, the pro-poor PPPs emphasise more on resource sharing than financial risks and benefits, since the pro-poor PPPs are not designed for the financial benefits of business stakeholders, but for the direct benefit of the poor (UNESCAP 2004).

Decision-Making Process in the PPPs

This thesis’s model of PPP for poverty alleviation in Bangladesh (see Figure 2.1) proposes that all stakeholders participate in the decision-making process. This conforms to the decision-making processes in PPPs as set out by the World Bank (1999), which emphasise participation of different actors in the decision-making process. In Chapter 5, this research explored the contribution of different stakeholders to the decision-making processes of the IGVGD and RMC PPPs. The views of the different groups of respondents were diverse, even

within some categories of interviewee. For example, 67% of the government respondents believed that the different stakeholders could contribute to the decision-making processes through committees involving multiple stakeholders at different levels in policy design and implementation.

Referring to the higher levels of decision-making power, majority of the government respondents believed that, although opinion was sought from different stakeholders, in most cases higher-level officials such as the secretaries and the joint secretaries of the ministries and departments, and other higher-level stakeholders such as BRAC, Grameen Bank and other eminent NGOs were involved in the decision-making committees in policy design. Half of the government respondents believed that other stakeholders had very little opportunity to contribute to decision-making in policy design; there was no need to take part in the decision-making process since most PPPs' implementation were guided by rules and regulations of the government.

Referring to the lower-level of decision-making in the IGVGD and the RMC, most government respondents mentioned that authority for field-level implementation came through contracts with the respective NGOs and the PKSf. Although NGOs could make their own decisions regarding matters of implementation, half of the government respondents believed that, at the base level, field-level supervisors and beneficiaries had no opportunity to share in the decision-making process, even in implementation.

While the responses of government officials were diverse, the PKSf respondents were unanimous in their view that the PKSf always followed a participatory approach in decision-making processes, both in policy design and implementation. However, 20% of the PKSf respondents said that sometimes they made their own decisions without asking their POs when matters were very urgent. All PKSf respondents acknowledged that the government always discussed and took suggestions from the PKSf when taking decisions about the policy design and implementation of new projects.

While the government respondents and the PKSf respondents mentioned that the decision-making process in policy design and implementation relating to the IGVGD and RMC PPPs was participatory, the NGO respondents did not mention all other stakeholders. The majority of the NGO executives mentioned the PKSf, half of them mentioned only their own organisations, and one third of them failed to mention anything at all about the government.

The NGO respondents' views about the government were mixed. Half of the NGO executives who mentioned the government believed that while working with the government in PPPs some stakeholders actually had no role in decision-making, particularly regarding policy design, since the government took the main and final decisions. However, referring to the IGVD, another half NGO executives thought that the government valued their opinions at different levels for both policy design and implementation. Half of the NGO executives only mentioned their own organisations and said that they had participatory approaches at every stage of the decision-making process within their organisations, even at the base levels. Although the NGO executives had different views about the government, they had positive views about the decision-making process of the PKSf, with most of the NGO respondents believing that the PKSf always followed participatory approaches in taking decisions on policy design and implementation.

The views of the two experts were very similar and mentioned only the NGOs. The experts believed that the NGOs contributed little to the decision-making procedures when they were involved with government in PPPs particularly in policy design. The rationale was that the government considered NGOs as service providers for the implementation of policy. For policy design, the government and some of the high-level stakeholders took the main decisions, even though NGOs were called in for meetings. These observations indicated that NGOs were engaged in a weak form of participation in the high-level decision-making process. The views of the NGOs and the experts did not match the literature, which advocated joint decision-making processes rather than having a principal-agent relationship with the government (World Bank 1999; Teiseman & Klijn 2002; ADBI 2000). The decision-making process in this research further indicated power-centred characteristics of the developing country's government and bureaucracy.

Risks in PPPs

The thesis's model (see Figure 2.1) for PPPs for poverty alleviation in Bangladesh identified the influence of several external factors particularly in Bangladesh. These include bureaucracy, corruption, political culture and environment, including natural environment and international environments. The influences of these factors are common in developing countries like Bangladesh and could be positive or negative. These external factors can produce several risks, for example, an inefficient bureaucracy can cause management risk, an

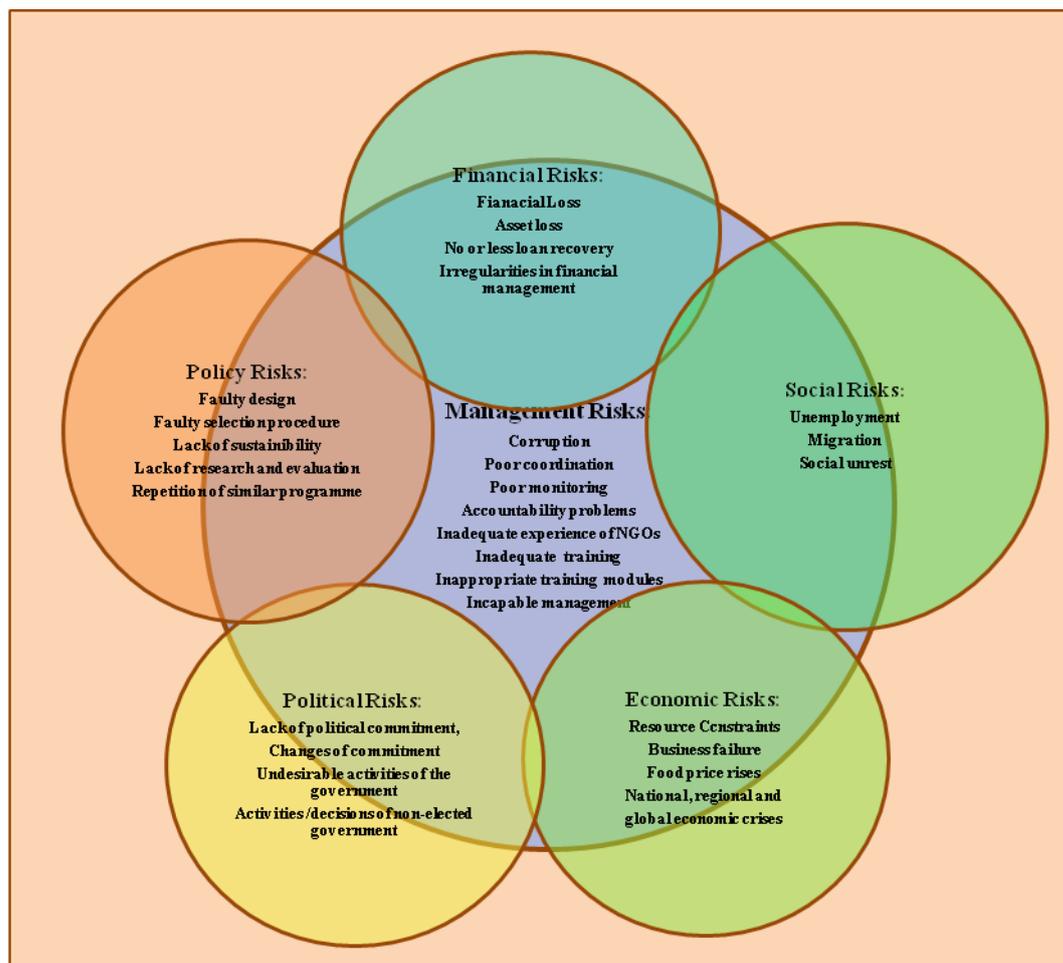
ineffective political environment may cause policy risks and corruption, while an international/regional financial crisis may cause economic risks and irregularities in financial management can produce financial risks. Furthermore, management and political risks may both cause financial risks. The literature discussion in Chapter 2 reviewed the risk-sharing behaviour of PPPs, particularly the financial risk of PPPs (Klijn & Teisman 2000, 2002, 2005; Van Ham & Koppenjan 2001; Collin 1998; Collin & Hansson 2000; Commission on PPPs, UK 2001).

This research explored different risks involved in the PPPs (see Table 5.9). The risks identified by respondents were political risks, policy risks, economic risks, management risks, financial risks, natural risks and personal risks. Political risks included items such as lack of political commitment of the government and the undesirable activities of undemocratic or non-elected governments. Corruption, lack of coordination, accountability problems, inadequate experience of NGOs and incapable management structures of NGOs were identified as management risks.

The natural risks were identified as being flood, cyclone and other natural disasters, since these types of natural disaster had an effect on the outcomes of the PPPs. Personal and family problems and physical sickness of individual beneficiaries were identified as personal risks for the PPPs in poverty alleviation.

The findings also indicated that each risk overlapped and interrelated with other risks in the pro-poor PPPs. As mentioned by the majority of respondents, when a financial risk appeared, the PPP also faced economic risk and financial risk also resulted from management risk. Furthermore, management risk and financial risk resulted from corruption and corruption brought both political risk and policy risk. Figure 10.1 illustrates diagrammatically the risks involved in PPPs in poverty alleviation. It shows overlapping and interconnected relationships between different risks in PPPs for poverty alleviation. These also show the relationship of different risks in surrounding circles to a central risk in the central circle.

Figure: 10.1 Risk in PPPs in poverty alleviation



The text in the central circle identifies the central risk and the text in the surrounding circles corresponds to the particular risks of each of these circles. These central and surrounding risks overlap and interconnect with the central risk as well as with other surrounding risks. For example, (see Figure 10.1) as mentioned by the majority of the respondents, when the management risks circle was in the centre, it was overlapped by and interconnected with other surrounding risks such as financial risks, policy risks, political risks, economic risks and social risks. Different surrounding risks also interconnected with and influenced by each other.

Different literature on PPPs (see Chapter 2) commonly failed to mention the impact of different risks which this research has identified, such as policy risks, management risks, natural risks, social risks and personal risks. These are additional risks for pro-poor PPPs.

While some of the financial and other risks identified in rich countries are not appropriate for poor countries and PPPs for poverty alleviation.

Performance and Effects of the PPPs

This research explored the views of stakeholders regarding how far the IGVD and RMC PPPs were perceived to be successful. It also examined the effects of these PPPs by surveying households. This part of the analysis of the performance and effects of the IGVD and RMC PPPs refers to the interviews and survey results reported in Chapters 6, 7 and 8.

Performance of the IGVD PPP

As explained in the model of PPPs created for this research (see Figure 2.1), the aims and objectives of the PPPs are to alleviate poverty and bring sustainable development to poor people. Thus, the expected outcomes of the IGVD (see Chapter 3) were to ensure food security for a 24-month period, to improve the level of income of the poor and to allow the IGVD families to escape, and be permanently protected from, the vicious cycle of poverty (MWCA 2002).

The views of respondents on the performance of the IGVD were mixed. For example, 75% of the government respondents believed that the IGVD was successful. Among them, 50% believed that it was very successful, while 50% were not sure about the degree of success, since there were no impact studies to evaluate the performance of the IGVD. While the government responses showed mixed results on performance, the WFP respondent believed that it was '70% successful' as indicated in the evaluation report of the WFP (2007). The data gathered in this research reveals difference in opinions on the performance of the IGVD but how can we account for these contrasting interpretations. One strong possibility is that most government respondents did not have any specific information on the impacts of the IGVD programme. This was mentioned in the interviews. Therefore, they made their judgement based on the overall national poverty situation and its progress as recorded in different government reports. They also referred to WFP reports rather than specific performance data from the IGVD sites.

The field responses also produced very mixed views on the performance of the IGVGD PPP. All the field informants perceived the IGVGD as successful, mostly for ensuring food security. However, they were not sure about the effect in bringing sustainable development into the lifestyles of the poor. For example, all UNOs were unanimous in this interpretation of the IGVGD PPP. They provided some reasons for their opinions, such as that the NGOs did not provide the necessary skills training and loans and thus the IGVGD participants could not improve their income. Other field respondents, particularly the UP chairmen, provided diverse views. For example, all UP chairmen believed that the IGVGD was in fact successful since the participants were in better condition than before. The NGO supervisors' views were also mixed. While two-third of the NGO supervisors believed the IGVGD was successful, one-third thought the performance was average. Thus, the respondents generally believed that the aims and objectives of the PPPs and the expected outcomes of the IGVGD did not actually eventuate. There are several possible reasons. As the IGVGD participants were very poor with irregular income and earnings and most of them did not receive appropriate skills trainings and loans, they had few opportunities for self-employment to increase their income. Furthermore, although some of them received loans, the amounts were insufficient to enable them to engage in regular income-earning activities and savings. Moreover, though the IGVGD was successful for ensuring food security, it was only for a two-year period, and after two years most beneficiaries returned to their previous condition of food and income insecurity. These issues are discussed in the latter part of this chapter.

Performance of the RMC PPP

In the model of the PPPs (see Figure 2.1) for poverty alleviation, it was explained that the aims and objectives of these partnership were poverty alleviation and development for poor people in Bangladesh. The RMC PPP promised social and economic development for their beneficiaries. The participants would be able to enhance their economic conditions, and human and social wellbeing through training and the loans of the NGOs. Referring to the PPPs for poverty alleviation, the World Bank noted that PPPs should bring a variety of both qualitative and quantitative gains, such as improved education for poor children, more income and better health (World Bank 1999).

This research gathered respondents' views on the performance of the RMC PPPs. All of the government and PKSf respondents believed that the RMC was successful. Referring to the different research and evaluation reports on the RMC, they said that the RMC was very

successful, though 40% of the PKSf respondents said that the RMC should be more successful.

Three quarters of field informants also perceived the RMC successful, since they believed that the RMC PPP created a flow of money into rural areas and had a significant influence in empowering women and developing social and health consciousness. They also believed that the RMC PPP should have been more successful. The findings on the views of performance indicated that the RMC was seen to bring some positive economic and social changes. This is in line with the model of PPP and with the literature. The research also explored the different economic and social effects of the IGVD and the RMC households and this is discussed in the next section.

Effects of PPPs

As described in the model of PPPs for poverty alleviation in Bangladesh in Chapter 2, the PPPs' aim was to alleviate poverty and develop the poor. This development included any kind of improvements in economic, social and human wellbeing and thus incorporated development in income, expenditure, food intake, education and health. This part of the analysis focuses on whether the IGVD and the RMC PPPs had such effects.

Income and Expenditure

IGVD

As mentioned in Chapter 3, one important expected outcome of the IGVD PPP was that the IGVD participants would be able to improve their level of income through utilising skills training and loans. This research explored whether there had been any changes in the average monthly income, per-capita daily income and the average monthly expenditure of the sample IGVD households, as income increase would indicate success.

There was a slight improvement in monthly average income of the sample IGVD households in FY2008–09 compared to FY2007–08 (see Table 7.4). However, it was evident that although the household incomes had increased slightly, the average monthly income was

significantly lower for 81.8% of the households in both FY2007–08 and FY2008–09 than the average national rural household monthly income (HIES 2005)¹¹. These statistics indicated that the IGVDG PPP had not produced the expected outcome of increasing household income.

As shown in Table 7.5, although the research found a slight improvement in per-capita daily average income of the sample IGVDG households in US dollars, the per-capita daily income was lower than the international poverty benchmark of US\$1 for 100% of the sample IGVDG households and this was the case in both FY2007–08 and FY2008–09. Earlier findings on per-capita income of the IGVDG households were similar, with 96.8% of the sample IGVDG households having a per-capita income less than US\$1 per day after completing the IGVDG 2005–06 cycle (WFP 2007). The findings on the income patterns of the IGVDG households indicated the low impact of the IGVDG PPP in enhancing income. Moreover, these statistics indicated that as the entire IGVDG sample of households lived below national and international poverty lines, the IGVDG PPP had failed to lift beneficiaries above these lines and out of poverty.

As shown in Table 7.6, the monthly average expenditure was close to the average income of beneficiaries and the proportion of households for expenditure was higher in some categories than their income. For example, one large group (34.8%) of the sample households had the same income and expenditure that was less than Tk.3000, although it varied for another proportion. The proportion of households with an average monthly expenditure between Tk.5001 and Tk.7000 was 22.7% in FY2008–09; however, the proportion was 16.7% in that income category in FY2008–09. The research also found that the average monthly household expenditure in FY2008–09 was lower for 75.7% of the sample IGVDG households than the national rural average monthly household expenditure in 2005 (HIES 2005).

These findings indicated inconsistency between amounts of income and expenditure. Several possible reasons for these findings are that the IGVDG participants were very poor (ultra-poor) with no regular income or irregular income and earnings and they were poorer than the RMC participants were. Furthermore, they could not increase their income for several reasons. For example, they could not utilise skills training, since the available training mostly

¹¹ National Survey Data on monthly income and expenditure for Bangladesh is not available after 2005.

did not suit them. Loans were not available to them; when available, they believed loan interest rates were too high, and the small amounts available were insufficient for any income-earning purpose. Finally, the IGVGD lifespan was too short, which meant that it was not possible to expect any major change within only two years.

However, the higher level of expenditure than income could be the effect of national economic crisis during that period. It was reported by the government of Bangladesh that due to a price hike and the global economic crisis, the incidence of poverty was higher in FY2008–09 in Bangladesh than in 2000 to 2005 (GoB 2009). This also affected the income and expenditure of the IGVGD households as reflected in the statistics for income and expenditure.

RMC

One of the expected outcomes of the RMC PPP was that the participants would be able to improve their economic conditions through utilisation of skills training and loans from the NGOs (PKSF 2005, 2010) (see Chapter 3). The research explored the average monthly income, per-capita daily income and the average monthly expenditure of the sample RMC households.

As shown in the Table 8.4, the research discovered a slight improvement in the average monthly income for the RMC households, although there was no change in the size of the largest income group (30.6%) between FY2008–09 and FY2007–08. About 70% of the RMC households had a monthly income greater than the average national rural per household monthly income, which was Tk.6095 in 2005 (HIES 2005). This indicated a better income position for 70% of the sample RMC households compared to the average rural households in Bangladesh.

As can be seen in Table 8.5, the research found that although the percentage of households for per-capita income increased in some categories but the proportion was insignificant. The research also revealed that most households had per-capita income of less than US\$1 a day in both financial years, as 80.7 % of the sample RMC households had a per-capita daily income of less than US\$0.96 in FY2007–08 and 64.5% had a per-capita daily income less than US\$0.97 in FY2008–09. The findings indicated that although RMC led to some improvement in income, the effect was only minor. Other research has found similar insignificant effects of

rural micro-credit in Bangladesh (For example, Morduch 1999) and also in some developing countries. For example, the ADB (2007) identified only a mildly significant (significance level 10%) impact of micro-credit on monthly income and per-capita income on rural households in Philippines.

This research found that 24.2% of the sample RMC households had an average expenditure less than Tk.5,000 (see Table 8.6), which was less than the national rural average monthly household expenditure of Tk.5,319 in 2005 (HIES 2005)¹². This seems to indicate that the RMC PPP had no effect on enhancing the expenditure on that 24.2% of the households. It was also discovered that the expenditure for most (79%) RMC households were higher than their income in FY2008–09. This raises question as to why the expenditures were more than their income and how the households afforded the extra expenditures. One possible reason could be the effects of the price hike of essential items and global economic crisis (GoB 2009). The RMC beneficiaries mentioned the high price of foods and other essentials as reasons for expenditure in excess of income. They also said that in most cases they borrowed money from wealthier relatives to maintain their expenditure.

The statistics indicated that the per-capita income of most (70%) RMC households' was higher than the IGVD households. Thus, the research has established that the RMC PPP had mildly significant effects in increasing household income as compared to the IGVD PPP.

The research found a significant difference in income and expenditure between the participants of the IGVD and RMC PPPs. One possible explanation for the difference could be the initial economic and social status of the participants, which was determined by the selection criteria. As demonstrated in Chapter 3, the selection criteria of the IGVD and RMC participants were slightly different. The IGVD participant selection targeted households that had no regular source of income, or whose members earned very low or had irregular income; families who had no land or had land of less than 0.15 acres; and women-headed households or those without male income earners (MWCA 2002). However, the RMC participants came from residents in rural areas who owned less than 0.5 acre of cultivable land or had total assets valued at less than one acre of land in the locality (PKSF 2005, 2010). The initial assets, social and economic conditions of the RMC households were better than

¹² National Survey Data on average monthly income and expenditure is not available for Bangladesh after 2005.

those of the IGVGD households. This assets status could have effects on income and expenditure, which was the case in rural households in the Philippines (ADB 2007). The ADB (2007) discovered the regressive effects of micro-credit, which meant that the negative or insignificant effects for poorer households and only became positive and increased with richer households. Coleman (2006) also found a positive effect of micro-credit for the richer members, while the insignificant effect was confined to poorer members in northern Thailand. Hulme and Mosley (1996), using data from Indonesia, India, Bangladesh and Sri Lanka, found a positive effect on income on average but, like Coleman (1999, 2006), also found a larger effect for better-off members. These results indicated that among poorer households the cost and availability of programme loans appeared to be insufficient to enable them to earn more. This situation was very likely that for the IGVGD PPP participants who had no assets and were allowed to receive only a small amount of micro-credit, Tk.3,000 in the first year and Tk.5,000 in the second year of the programme.

Food Security

IGVGD

As described in Chapter 3, one expected outcome of the IGVGD PPP was the assurance of food security for ultra-poor families (MWCA 2002). The research explored the average monthly food expenditure and changes in food intake. As shown in Table 7.7, although the research discovered a slight improvement in expenditure on food, it was still below the national rural average food expenditure. It was found that 28.8% of the sample IGVGD households spent less than Tk.2,000 on food per month, making their food expenditure less than the national rural average monthly food expenditure of Tk.3,023 in 2005 (HIES 2005)¹³. Almost half of the IGVGD households spent Tk.2,000 to Tk.4,000, thus increasing the percentage of the IGVGD household with food expenditure less than the national average, since participants who spent less than Tk.3,023 were also included in this group.

The IGVGD beneficiaries experienced insignificant improvement in food expenditure. However, the programme was effective in promoting food security, since 23.0% of the sample households who had no such security before involvement in the IGVGD obtained

¹³ National Survey Data on food expenditure is not available for Bangladesh after 2005.

food security. Furthermore, there was a total positive effect on food intake for 73.0% of sample IGVDG households (see Figure 7.3). The interviews confirmed these survey results since all field informants mentioned that IGVDG PPP promoted food security for the participating households. Similarly, the WFP (2009) reported that the IGVDG PPP increased the percentage of participating households consuming at least three full meals a day when involved in the programme. The WFP reported an effective achievement for 5.4% of households who had not enough food for two and/or three meals a day before involvement in the IGVDG (WFP 2009). This research also established that the IGVDG PPP was successful for increasing food security for the participating IGVDG households for that programme period.

RMC

As demonstrated in Chapter 3, one of the expected outcomes of the RMC was that the RMC households would be able to improve their food and nutritional level by using knowledge gained through social awareness training and increasing income. The research showed that the average food expenditure increased for most sample RMC households in FY2008–09 compared to FY2007–08. Moreover, there was higher expenditure on food for at least 68.4% of households in FY2008–09 (see Table 8.7), than the national average monthly food expenditure of the rural households, which was Tk.3,023 in 2005 (HIES 2005). However, the higher expenditure did not indicate the quality of the food or nutrition levels of the food. The food expenditure increased due to the higher prices of foods, since the food price was comparatively higher in FY2008–09 than the previous years (GoB/UNDP 2009).

As demonstrated in Figure 8.6, the research discovered an improvement in food intake in the RMC households, since 82.2% of the sample RMC households reported improvement in food intake in FY2008–09 compared to FY2007–08. More importantly, 1.6% of the sample RMC households did not have enough food for three meals a day before, while they could enjoy their three meals every day after being involved with the RMC PPP. The findings from the interviews of field informants also confirmed that the RMC households were taking improved food than before. Although this research indicated improvements in food intake, the previous research on RMC programme found different results. For example, Ahmad (2007) from an in-depth survey of the RMC beneficiaries of three NGOs, namely Grameen Bank, BRAC and the Association of Social Advancement (ASA), recorded that 39.7% respondents were unsure about the improvement in food intake, while 52.4% respondents said that they failed to

improve the quality of their food intake due to weekly loan repayment requirements. There could be several reasons of diverse findings. For example, Ahmed (2007) tried to relate rates of interests and its effects on food intake, while this research only highlighted improvements in food intake and did not relate the effects of loan repayment with the food intake. However, the current food security patterns of the IGVD and the RMC PPPs recorded in this research indicated that the IGVD and RMC PPPs were effective for improving food intake.

Savings and Assets Acquisition

According to the model of PPP for poverty alleviation in Bangladesh (see Figure 2.1), it was expected that the IGVD and RMC PPPs participants would acquire savings and assets. The next section analyses the savings and assets acquisition patterns of the IGVD and the RMC households resulting from these PPPs.

Savings

This research found insignificant improvement in savings for the IGVD households. As is shown in Figure 7.5, 65.2% of the sample IGVD households had no savings in FY2008–09 after involvement in the IGVD PPP. The interviews supported this finding, all the field informants reported that the IGVD PPP was not effective for savings. The WFP (2007) also identified insignificant patterns of savings for the IGVD households. The WFP (2007) claimed that though 62.35% of the sample IGVD households had some savings after finishing the 2005–06 cycle of the IGVD programme, 54.5% already had savings before joining the IGVD. The WFP (2009) also identified an insignificant amount of savings at the end of the 2007–08 IGVD cycle, with an average saving of only Tk.150 for 12 groups and Tk.440 for 9 groups in an *Upazilla*. All these results indicated that IGVD provided an insufficient platform for savings, and thus failed to provide credit to generate self-employed income-earning opportunities for most beneficiaries.

By contrast, the research noted an improvement in savings for the sample RMC households for FY2008–09. As described in Figure 8.7, 75.8% of the sample RMC households had some savings in different amounts. However, 79% of RMC households had debts with NGOs ranging from Tk.5,000 to more than Tk.20,000 (see Table 8.8), although these debts were from investments that increased their present and future earnings.

Assets Acquisition

The research discovered that almost all (98.5%) of the sample IGVD households did not buy any land. Only 1.5% of respondents took some land for lease for just one year. Moreover, 92.5% of the sample households did not buy either assets (other than land) or valuable household items during the survey period (see Table 7.9). The statistics indicate that the sample IGVD households experienced insignificant gains in assets attainment in FY2008–09 resulting from the IGVD PPP. The research also discovered that there was no apparent change in the ownership of land between FY2007–08 and FY2008–09 (see Figure 7.7). Thus, the IGVD PPP had no effect on land ownership among the participating households. Previous researches indicated both positive and negative experiences. For example, Halder & Mosley (2004) found that the IGVD women had acquired assets and goods. However, WFP (2007, 2009) did not find any significant changes in asset acquisition particularly in land ownership in the IGVD households.

There are several possible explanations for the lack of assets acquisition found in this research: first, the IGVD households had no regular income; second, they could not utilise the IG skills training for increasing their income; third, most of them were not involved in IGA; fourth, those that were involved in IGA earned very small amounts. Finally, the two-year period was insufficient time to save money for acquiring any assets, particularly land. The WFP (2007) also reported that significant changes could not be expected within a span of only two years.

The research discovered that 82.3% of the sample RMC households did not obtain any property and 62.9% of the sample RMC households did not buy any other assets (other than land) or any valuable household items in FY2008–09 (see Figure 8.8). However, although most of the sample RMC households did not acquire any assets and property, the RMC PPPs had some positive effects in this field, since 17.7% of the sample households acquired properties and 37.1% obtained some valuable items in FY2008–09. This was perhaps, the outcomes of their regular income of the RMC households and also the effects of the initial assets and economic condition that was better than those of the IGVD households. The research findings indicated that although the IGVD PPP had no effect on asset acquisition, the RMC PPP enabled assets acquisition for a minority of beneficiaries.

Performance and Effects of Loans and Rates of Interest

The IGVGD and RMC PPPs were designed to bring sustainable development to the participating households by increasing income as a result of utilising loans from the NGOs. This next section of the analysis focuses on loans and the rates of interest.

Effects of Loans

As mentioned in Chapter 7, one of the most important anticipated outcomes of the IGVGD PPP was that the IGVGD participants would be able to come out of poverty by having regular earnings through the utilisation of loans from NGOs (MWCA 2002). The research discovered firstly, that the percentage IGVGD participants receiving loans was very low and secondly, that the NGOs were reluctant to provide the participants with loans.

It was found that most (87.9%) of the sample IGVGD participants did not receive any loans from the NGOs (see Figure 7.8) and thus had no income from loans. Only 12.1% of the sample IGVGD participants took loans from the NGOs and the amounts of these loans were very low, at less than Tk.5,000 for 7.6% and between Tk.5,000 to Tk.10,000 for 4.5%. These amounts were too small to be engaged in any significant IGA. There are several possible reasons for low take-up of loans. The IGVGD participants were ultra-poor with very limited income earning possibilities, with no assets; and having little or no IG skills training to enable them to receive regular earnings. Therefore, they were in no position to make loan repayments and this discouraged them from receiving loans.

NGOs were reluctant to provide loans to the IGVGD participants, 66.7% of whom received no loans although they were interested in getting loans. Several explanations are possible for such findings. First, NGOs perceived poor women as powerless despite these PPPs being designed to empower women, and thus the NGOs were reluctant to provide such people with loans. Second, NGOs did not feel confident that the poor women could repay loans. Hulme (2003) identified similar behaviour of NGOs in a micro-study, where he discovered that although Maymana was an IGVGD participant, as she was very poor, the NGO did not perceive her as a suitable client to receive a loan. These findings indicated that the negative attitude of NGOs to the poor IGVGD participants was one of the factors adversely affecting the expected outcomes of the IGVGD PPP.

The RMC PPP was designed mainly to provide loans in different amounts to participants for investment in income-earning activities. The research found, firstly, that the percentage of households receiving loans and the amounts were higher among the RMC households than among the IGVD households; secondly, the bigger amounts of received loans had more positive effects on income for the RMC households compared to the IGVD households.

Virtually all (98%) RMC beneficiaries received loans and 63% received loans from Tk.15,000 to Tk.40,000; 19% received loans of more than Tk.40,000 (see Figure 8.9). These statistics show a clear difference between the percentage of the IGVD and RMC beneficiaries receiving loans in and the amounts of the received loans. While almost all of the RMC participants received loans, 87.9% of the IGVD participants did not receive any loans at all. Furthermore, the sizes of received loans were quite different between the IGVD and the RMC programme. By design, an IGVD participant could receive a maximum of Tk.3000 in the first year and a maximum Tk.5,000 in the second year, although this could vary between NGOs (MWCA 2002). By contrast, there was no limit to the size of loans for the RMC participants.

The RMC participants were already richer than the IGVD participants and the number and bigger amounts of their loans provided better opportunities to acquire productive assets and engage in IGA, and thus to increase their incomes. For example, 53.2% of the RMC households had average monthly incomes between Tk.5,000 to Tk.10,000 (see Table 8.4), while 81.8% of the IGVD households had monthly income less than Tk.5,000 in FY2008–09 (see Table 7.4). These findings show considerable differences in income between the IGVD and RMC households.

Attitudes to Rates of Interests

The research discovered dissatisfaction amongst beneficiaries about the rates of interest. In the IGVD and RMC PPPs, the NGOs imposed set rates of interest on their loans. These varied from 12.5% to 15.0% according to the NGOs. The survey revealed that 61% of the IGVD households thought that the rate was very high (see Figure 7.9) and 84.6% of the sample IGVD households believed that the rates of interest should be reduced (see Table 7.10). In interviews (see Chapter 9), 90% of the IGVD beneficiaries mentioned the rate was very high. Most RMC participants (83.9%) believed that the rates of interest were very high

and an overwhelming majority (96.2 %) thought that the rates should be reduced (see Figure 8.10 and Figure 8.11).

This research revealed a relation between the rates of interest and being reluctant in receiving loans particularly among the IGVGD participants. Among IGVGD participants, 87.9% did not receive any loans; 21.2% said that they did not take loans because they were very poor and would not be able to afford weekly repayments because of the high interest rates (see Figure 7.8). This research thus established that the high rates of interest of NGOs loan discouraged the IGVGD participants in receiving loans and thus affected the outcomes of that IGVGD PPP.

Effects of Income-Generating Activities Skills Training

IGVGD

As demonstrated in Chapter 3, the IGVGD PPP was designed to provide IGA skills training to the IGVGD participants with an expectation that they would become involved in IGA activities utilising the IGA skills training and thus would be able to increase their income (MWCA 2002). The research found that 33.2% of the sample IGVGD households did not take any IGA skills training (see Table 7.8) and thus acquired no additional skills for income-earning activities. Although 62.3% of the sample IGVGD participants were involved in IG activities, their earnings from those activities were small since they earned less than Tk.500 per month (see Figure 7.4). The WFP (2007) found similar participating rates, reporting that 60.9% of sample IGVGD households were involved in IG activities after completing the 2005–2006 cycle of the IGVGD programme (WFP 2007). The expected outcomes relating to the IGA skills training were not achieved from the IGVGD PPP. There are several possible reasons for this finding: the IGA skills training modules did not suit the IGVGD participants, and this was reported in the interviews with field informants, the NGOs did not monitor the IGVGD participants to find out whether they utilised and how they utilised the received IGA skills training, and of those who received IGA skills training, most were not involved in any income-earning activities due to insufficient credit. In general, there was minimal or no relationship between IGA skills training received and activities that could generate income. In addition, most (87.9%) of the IGVGD participants did not have sufficient credit to be involved in any IGA to increase earnings, as they did not receive any loans from the NGOs.

RMC

As mentioned in Chapter 3, part of the RMC programme was to provide loans to its participants. However, it also provided some IGA skills training to its participants, although such training was not compulsory (PKSF 2005, 2010). The research found that just over half of the participants (54.8%) did not receive any IGA skills training (see Figure 8.3) and thus could not get income from IGA skills training. Almost half received different types of IGA skills training and earned different amounts of money between Tk.500 and Tk.10,000 per month from activities using those skills. The findings indicate that the RMC PPP was effective for 45.2% of the sample participants in providing IG skills training that was used to increase their incomes.

This research discovered a big difference in the incomes relating to the utilisation of IGA skills training between the IGVGD and the RMC households. While 62.3% of the IGVGD households earned less than Tk.500 using IGA skills training, 45.2% of the RMC households earned between Tk.500 to Tk.10,000 per month from that training. Several possible reasons for this difference were that the IGVGD participants were ultra-poor with no assets to enable involvement in IG activities and that most (87.9%) of them did not receive loans and thus did not have enough credit to be involved in any IG activities to increase income. By contrast, most RMC participants were relatively better off than were the IGVGD participants. Furthermore, almost all (98%) of the RMC participants received loans and thus those that received IGA skills training could utilise both the loans and training for income earning.

Human and Social Development

An important expected outcome of the IGVGD and the RMC PPPs was that the participants would be able to improve their human and social wellbeing through social awareness training. This research therefore considered issues of human and social development, such as school enrolment of the children of the sample households, immunisation of the children, knowledge on common diseases, sources of drinking water and sanitation. This part of the analysis explores the findings on the changes relating to these issues, seeing them as the effects of the IGVGD and the RMC PPP on human and social development.

IGVGD

As demonstrated in Table 7.11, 82.5% of the eligible households' children were enrolled and going to school in 2009, compared to 79% in 2008. There was a small improvement in already high levels of enrolment. The findings revealed improved awareness of schooling since the rate for both years of school enrolment of the IGVGD households was higher than the national level for both sexes, which was 72.71% for rural poor in 2005 (HIES 2005). However, this was lower than the national average for both sexes of 91.9% in 2008 (GoB 2009), thus demonstrating that ultra-poor families still lagged behind the rest of the country.

According to the research, 97% of the sample IGVGD households' children were fully immunised in FY2008–09 compared to 93.9% in FY2007–08. These rates were higher than the latest survey on national rates of immunisation, which was 82% for fully immunised children aged 12–23 months during 2002 to 2006 (GoB/UNDP 2009)¹⁴. This indicated a satisfactory development in health consciousness that, at least in part, could be attributed to the social awareness training provided by the NGOs in the IGVGD PPP programme.

As shown in Table 7.12, the research found that 97% of the sample IGVGD households knew about the general treatments for diarrhoea in FY2008–09 compared to 84% in 2007–08, and 72% knew about the general treatments for tuberculosis in FY2008–09 compared to 61% in 2007–08. These findings indicate significant improvements in health consciousness among the sample IGVGD households between FY2007–08 and FY2008–09, and these were partly attributable to the IGVGD PPP activities and therefore can be considered as positive effects of social awareness training given by the NGOs.

This research indicated slight improvements in access to safe water for the IGVGD households, as 87.9% of the sample IGVGD households had access to safe drinking water in FY2008–09 (see Figure 7.10), compared to 84.6% with access in FY2007–08. The access to safe drinking water was higher than the latest national survey rates in 2006 and 2007, which were 77% and 84% for rural areas in Bangladesh (GoB/UNDP 2009) and also higher than the national average rates of 80% in 2008 (UNICEF 2011). The research also found that 85.2 % of the sample IGVGD households had access to hygienic toilets, which was higher than the

¹⁴ Data is not available for fully immunised children after 2006 in Bangladesh; however, data were available for individual diseases such as tuberculosis and measles. For example, 99% of 1 year old children were immunised against TB in 2008 (GoB 2009, UNICEF 2011).

national rate of 81% in 2006 (GoB/UNDP 2009) and higher than national rates of 53% in 2008 reported by UNICEF (UNICEF 2011).

These findings indicate good development of health consciousness among the sample IGVD households. This resulted from social and health awareness training provided by the NGOs as the part of the package of development services of the IGVD. Improvements in health awareness were also identified by the WFP, which reported that 26% of the IGVD households acquired access to sanitary latrines and 98.3% had access to tube well water (safe drinking water) after finishing the 2005–06 cycle of the IGVD programme (WFP 2007).

RMC

As shown in Table 8.9, the research found that 96.0% of eligible households' children were enrolled in and going regularly to school in 2009 compared to 94.2% in 2008. The rate of school enrolment was higher than the national rate for both sexes of 91.9% in 2008 (GoB 2009). Although the improvement was small, the high enrolment rate revealed strong awareness of the importance of schooling among the RMC households. Also discovered was the fact that 98.4% of the sample RMC households' children were fully immunised in FY2008–09 compared to 98.3% in FY2007–08. The rates of immunisation were thus very high in both years and higher than the latest survey on national rates of immunisation, which showed that 82% of Bangladeshi children aged 12–23 months were fully immunised during 2002 to 2006 (GoB/UNDP 2009)¹⁵.

The research found that 100% of the sample RMC households knew about the general treatments for diarrhoea in 2008 compared to 94% in 2007, and 82% of the sample RMC households knew about the general treatments for tuberculosis in FY2008–09 compared to 71% in FY2007–08 (see Table 8.10). The research also discovered that 100% of the sample RMC households had access to safe drinking water in FY2008–09 compared to 95% in FY2007–08 (see Table 8.11). These rates were higher than the latest national rates for rural areas of 84% in 2007 and the national rate for all Bangladesh, which was 86% in 2007 (GoB/UNDP 2009).

¹⁵ See footnote 13.

The research found that 94% of the sample RMC households used hygienic toilets in 2008 compared to 87% in 2007 (see Figure 8.12). The rates of access to hygienic toilets were higher than the national rate for rural areas in 2007, which was 86% (GoB/UNDP 2009).

These findings clearly indicate good development of health consciousness among the sample RMC households as one of the effects the RMC PPP. All the field informants (100%) believed that the RMC PPP had positive effects on human and social development through social awareness training provided by the NGOs. In addition, most RMC households who were involved for more than two years (some of them were for more than ten years), were already aware of the benefits of immunisation and knew how to treat some common communicable diseases. Thus, the rates of immunisation and knowledge on protecting communicable diseases were high for both years.

The interviews also confirmed the positive effects of the IGVD and RMC PPPs on human and social development, particularly those with the field informants such as the NGO supervisors, UP chairmen and the UNOs. Though the findings seem to confirm the effects of the IGVD and the RMC PPP on human and social development, the improvement in social awareness might not be due to the single effect of the IGVD or the RMC PPPs. They might also derive from government campaigns (Ahmed 2007). Thus, although the above findings indicated improvement, some other factors may have influenced the positive outcomes of human and social development.

Opportunities and Constraints of the PPPs

This research explored the opportunities for as well as the constraints to the success and performance of the IGVD and the RMC PPPs. This part of the analysis considers the results of the research regarding these opportunities and constraints and proposes some suggestions from the respondents for overcoming the constraints.

Opportunities

The respondents identified several opportunities for the success and performance of PPPs. These were government support and positive attitudes, monitoring, leadership, recognition of the strengths of the stakeholders and the positive characteristics of NGOs.

Firstly, as described in the model of PPP for poverty alleviation in Bangladesh (see Figure 2.1), the PPPs were initiated with the support and positive attitude of the government. The government demonstrated this by involving different private organisations, such as NGOs, and donors. The overwhelming majority of the respondents believed that the government's commitment, positive attitude and continuous support for the PPPs for poverty alleviation comprised the most important enabling factor for PPPs' success (see Chapter 6). Furthermore, the majority of the respondents believed that the government's support, such as financial and administrative support and its commitment encouraged all stakeholders to be involved in these PPPs (see Table 5.7). Government usually plays a critical role in encouraging PPP success in different developing countries. For example, the World Bank (1999) identified that in most cases governments were very supportive of PPPs for poverty alleviation in Latin America and the Caribbean and this contributed to their success. Similarly, government played a positive role in the Urban Poverty Reduction PPP in the Philippines (ADB 2010). These findings indicate that government support and a positive attitude are considered as creating important opportunities to make pro-poor PPPs successful.

Secondly, the respondents identified intensive monitoring of implementation as an important enabling factor for the success of PPPs. As shown in Table 5.7 and Chapter 6, referring to the RMC, the overwhelming majority of respondents strongly believed that strong monitoring in implementation was an important enabling factor that facilitated success. Therefore, it can be seen that monitoring plays a vital role in making a PPP successful.

Thirdly, leadership was identified by the respondents as an important factor that enabled the success of the pro-poor PPPs (see Table 5.7). It was reported by the majority of the respondents (see Chapter 6) that the expert knowledge and experience of board members and their leadership were important factors for making the RMC PPP successful. Leadership was also found to be an enabling factor for the performance of the pro-poor PPPs in Latin America and the Caribbean (World Bank 1999).

Fourthly, most interviewees saw government recognition of the strengths of partners as a significant enabling factor. It helped to create positive working relationships and an orientation to a common objective. Of particular importance was recognition of the attributes brought into the PPPs by NGOs. They were seen to have dedicated and sincere staff, successful track records in remote areas, commitment in implementation and demonstrated capacity for working in micro-finance and social service delivery (see Table 5.7). This

conformed to other research on PPPs in poverty alleviation in Bangladesh (World Bank 1996, 2006; WFP 2009) and more generally (World Bank 1991, 1999; Bebbington & Farrington 1993; Siddiqi & Oever 1998; Caplan 2001; Brinkerhoff & Brinkerhoff 2002). These findings indicate that NGOs had several strengths that made them attractive partners for pro-poor PPPs with government.

Constraints to the PPPs

The interviewees identified a range of constraints hindering the success of the PPPs for poverty alleviation, including the high interest rates for loans, the short duration of the IGVD, corruption, political interference, lack of commitment of NGOs, lack of marketing facilities, lack of sustainable design, limited research and evaluation and limitations in governance. This section analyses constraints that were identified in this research.

High interest rates

An overwhelming majority of respondents cited the high rates of interest of NGO loans as the most critical constraint for both the IGVD and RMC PPPs (see Table 6.2). They believed that, due to the high rate of interest, most of the IGVD participants did not feel confident in taking loans and 21.2% of them did not take out loans from the NGOs.

Even where PPP participants took out loans, the beneficiaries thought that the calculation method of the rates of interest was inequitable. They believed that, since interest was calculated using the flat-rate method, the rates of interest were in fact higher. In the flat-rate method, interest is calculated as a percentage of the initial loan amount rather than the outstanding and declining principal during the loan term. Using the flat-rate method meant that interest was always calculated on the total amount of the loan initially disbursed, even though periodic payment causes the outstanding principal to decline (Ledgerwood 1998). Thus, beneficiaries believed that they were paying more than the rates of interest claimed by the NGOs. The beneficiaries believed that the rates of interest should be calculated using the declining balance method, in which the principal owed diminishes with each instalment paid.

The complaints of the beneficiaries regarding the rates of interest were supported by Microcredit Regulatory Authority (MRA) publications, which stated that the effective interest rate would be 'at least double or more' depending on the number of instalments, grace period, other terms and conditions such as compulsory savings and processing fees (Muhith 2010).

The beneficiaries' complaints about high interest rates also have been noted by national leaders in Bangladesh, including the Finance Minister of the Government of Bangladesh (Muhith 2010); the former Prime Minister, Begum Khaleda Zia; the former Finance Minister, M. Saifur Rahman (PKSF 2006); by the Nobel Laureate Prof Muhammad Yunus (Yunus 2010); and also by the economists (Khalily 2006). However, this has not yet led to a move to the declining balance method and consequent lower interest rates for micro-finance recipients (MRA 2010).

One novel suggestion made by the vast majority of the interviewees was for government to provide loans to all IGVGD women through the DWA and DSS, since these government departments already provide loans with only a 4% rate of interest. It was argued that this would encourage the IGVGD participants to take loans and utilise those loans in IG activities and also to keep interest rates down for all micro-finance recipients.

Short Duration of the IGVGD

The research explored the short duration of the IGVGD as a constraint on its success. The duration was only two years. The model of PPPs in Chapter 2 suggests that, in order to bring sustainable development to poor people, the duration of PPPs should be 5–20 years (see Figure 2.1). As recorded in Chapter 6, the majority of respondents relating to the IGVGD identified the short duration of the IGVGD as a severe constraint on its success (also see Table 5.9 and Table 6.1). They believed that the two-year period was too short a time to bring about any significant changes to poor families who had no assets or no regular sources of income. The WFP reached similar conclusions. It reported that the two-year period was too short for bringing any sustainable change in the lifestyles of the poor, particularly those who had no regular sources of income (WFP 2007, 2009). By contrast, longer duration in PPPs with micro-credit brought better effects on poverty alleviation (Chowdhury, Ghosh & Wright 2005).

The IGVGD programme design did not have adequate focus on the key challenge of tackling the poverty of the ultra-poor with its short-term duration. Rather, some stakeholders viewed it simply as a short-term relief for food poverty and thus it was set to fail from the outset as a sustainable poverty reduction measures (Matins, Sulaiman & Rabbani 2008). Referring to several pro-poor PPPs in developing countries, Pessoa (2006) found that short-term service contracts could not provide the desired performance and outcomes for PPPs. Even short-term

implementation and management contracts could not ensure such results (Brinkerhoff & Brinkerhoff 2004). This is very similar to the IGVDG PPP in Bangladesh. Considering these issues the majority of respondents (see Chapter 9) recommended that the duration of the IGVDG PPP should be at least 5 years to 8 years.

Corruption

Another constraint on the IGVDG PPP success was corruption. It was mostly the corruption of local government representatives that was seen as the problem. As reported in Chapters 6 and 9, and in Table 6.2, the vast majority of the respondents (except two UP chairmen) mentioned corruption as a severe constraint on the IGVDG PPP success. All of the UNOs said that they often received complaints from the IGVDG participants of bribery, which was corroborated in interviews with the IGVDG participants reported in Chapter 7.

Corruption was also a problem in other developing countries' PPPs. According to Baruah (2007), because of corruption and nepotism of the municipal council, the slum upgrade PPP programme in Ahmedabad, and possibly elsewhere in India, faced severe difficulties. Reporting the experience of the poor, Narayan et al. (2000) also found corruption to be a major constraint when working with the governments of developing countries in development projects.

The corruption in the IGVDG PPP usually involved the selection procedure. It was said by the field informants, particularly the UNOs, that the UP chairmen and members often used the IGVDG to get financial benefits when giving out the VGD cards. Sometimes the UP chairmen and members did not select the poorest since they did not have the capacity to pay bribes. Consequently, the poorest of the poor were often excluded from the IGVDG. Considering corruption as a critical constraint, the overwhelming majority of respondents recommended a corruption-free selection procedure for the IGVDG PPP by selecting IGVDG participants through non-political organisations or other government officials in the belief that they would be neutral and unbiased in selecting IGVDG participants.

Political Interference

Political interference by local government representatives hampered the success of the IGVDG PPP. As demonstrated in Chapter 6 (see Table 6.2), the majority of respondents relating to the IGVDG (except two UP chairmen) mentioned political interference as a

limitation, since the selection procedure of the IGVDG PPP was heavily biased by the political affiliations of the UP chairmen and members. According to the design of the IGVDG PPP, the elected women members of the UP were responsible for selecting 50% of the VDG participants from their respective wards¹⁶. The other 50% of VGD participants were selected in consultation with the UP chairmen (MWCA 2008). The reality was that, although the UP chairmen and members were elected local government representatives, they were heavily biased towards their political party affiliation. Often they selected their own party supporters to receive the VGD cards in exchange for their votes in the next election. As a result, the poorest, who were not politically affiliated with the local UP chairmen and members, sometimes were not selected for the IGVDG PPP.

The actions of local political leaders could result in tensions between the beneficiaries themselves and the NGOs. For example, beneficiaries sometimes became confused as to whether they would follow the instructions of the NGOs or the UP chairman/members when conflicts arose between the NGOs and UP chairman/members in the implementation of the IGVDG. Consequently, the expected outcomes of the IGVDG PPP were hampered. For example, NGOs sometimes failed to get help from UP chairmen/members in providing IGA skills training and thus the beneficiaries could not avail of such training in a timely manner. These political biases seriously constrained the expected outcomes of the IGVDG PPP. Matin, Sulaiman & Rabbani (2008) reported similar findings; they observed that tension and conflict between stakeholders, including the local political leaders, the NGOs and the beneficiaries, led to adverse effects on the IGVDG beneficiaries.

This research also sought suggestions to overcome political interference. The majority of the respondents recommended an unbiased selection procedure for the IGVDG (see Chapter 9). Furthermore, all UNOs suggested that the final selection should be verified by non-political persons on the assumption that they would be able to avoid political bias, as they would not be directly involved in any political party.

¹⁶ The lowest and the smallest unit of the rural level four-tier local government structure in Bangladesh. Usually a ward is comprised of three villages in the same area.

Lack of Commitment of the NGOs

Despite respondents acknowledging strengths of NGOs they also pointed to weaknesses. Prime among them was the lack of commitment of the NGOs. The majority of respondents identified the lack of commitment of NGOs as another constraint on the success of the IGVGD PPP (see Table 6.2). They identified several examples of the lack of commitment. Firstly, some NGOs did not provide IGA skills training or loans and did not monitor the IGVGD households after the training to determine whether and how they were utilising the IGA skills training and loans. Secondly, the respondents mentioned that when some training was provided, was often poorly designed and did not suit the beneficiaries. Furthermore, the trainers of IGA skills were often not qualified enough. Finally, referring to the RMC PPP, more than half of the RMC beneficiaries reported that the NGOs were more interested in collecting weekly repayments than looking after the wellbeing of the beneficiaries, as some NGOs were profit oriented. These findings indicated that NGOs were not always effective and efficient stakeholders in pro-poor PPPs.

NGOs have generally been viewed to be effective stakeholders in PPPs, particularly for poverty alleviation in developing countries. For example, Brinkerhoff (2002, pp. 19–20) argued that NGOs could enhance efficiency, effectiveness and responsiveness. NGOs have also been effective agents to reach the grassroots, since it is believed that most NGOs and their staff are dedicated to serving local people (Siddiqi & Oever 1998; Caplan 2001). However, this research revealed differing findings.

There are several possible explanations for these findings. First, the IGVGD beneficiaries were poor and had no voice to protest according to the government respondents and the NGO executives (see Chapter 5). The poor women beneficiaries were thus unlikely to exert pressure on NGOs relating to the latter's performance.

Second, the IGVGD participants had a low capacity to pay back loans and so the NGOs did not perceive those IGVGD participants as suitable clients. Thus, the NGOs were unwilling to provide loans, in order to avoid the risks associated with repayment. The beneficiaries of the IGVGD also suspected NGOs to be profit-oriented; 90% thought that the NGOs perceived them as risky clients (see Chapter 6). Similar behavioural patterns of the private sector stakeholders were found in PPPs in some other developing countries. Pessoa (2006) argued that private sector stakeholders, particularly NGOs, were unwilling to provide sufficient

services to the poor in PPPs in Asia and the Pacific due to the perception of the poor having lower capacity to pay, since NGOs were profit driven. Moreover, other stakeholders accused NGOs of not providing quality services or cheap services. For example, Malena (1996) reported a commonly heard complaint against the NGOs that they usually took the risk delivering cheap services to the poor in Latin America. One novel suggestion made by the majority of respondents was for government to improve monitoring of NGO activities in the implementation.

Lack of Marketing Facilities

The overwhelming majority of the respondents identified lack of marketing facilities as a constraint on the success of the RMC PPP (see Chapter 9). The RMC beneficiaries were involved with several agriculture-based small industries, such as livestock and fisheries, and they needed to sell their products. However, sometimes they could not sell their products in the local market due to lack of demand. Thus, they faced financial loss and became psychologically demotivated. Though the demand was high in urban areas and bigger markets, it was impractical for an individual beneficiary to send their products there, since they did not have the resources. Therefore, the respondents recommended that the government should offer assistance with marketing facilities to the rural RMC beneficiaries. The lack of marketing facilities was also a problem for the Grameen Bank RMC programmes in Bangladesh (Islam 2007).

Lack of Sustainable Design of PPPs

Lack of sustainable design of PPPs was a constraint on the success of pro-poor PPPs. As demonstrated in Table 5.8, all PKSf respondents identified the standardised design of the RMC PPP as a constraint. The RMC PPP was involved in different sectors, such as agriculture, fisheries, poultry and livestock, and sometimes the same beneficiary was involved in several sectors. However, some of the programmes were not designed to cover the specific requirements of several sectors together. As a result, the beneficiaries failed to reap the benefits of the RMC PPPs. Thus, the respondents suggested that new programmes be designed according to the demands of beneficiaries in specific sectors, as well as incorporating different sectors together and the relevant technologies. They also suggested that the government, the PKSf and the NGOs should work together to design new and innovative programmes for the RMC PPP (see Chapter 9).

Limitations in Governance

The respondents mentioned several issues relating to governance problems in the IGVDG and the RMC PPPs as constraints. These included time management and accountability problems in the IGVDG PPP, lack of effective regulatory frameworks, gaps between design and implementation in both IGVDG and RMC PPP, and the repetition of similar programmes of the RMC PPP.

Time Management

The IGVDG is a partnership for only two years, and it is between several ministries and departments of the government, the WFP and the NGOs. The government of Bangladesh signs new contracts with the NGOs for every cycle. The preparation for signing new contracts with the NGOs for the IGVDG implementation takes almost six months and sometimes more. This means that other procedures, such as selecting the IGVDG participants and development components like IGA skills training and offering credit to the beneficiaries, are to be completed within eighteen months by the NGOs. According to interviewees, sometimes it became extremely challenging for the NGOs to complete everything in a timely manner; this led to problems in coordination among stakeholders. In such circumstances, the beneficiaries became the biggest victims, as they did not receive any IGA skills training. Matin, Sulaiman & Rabbani (2008) also identified a similar governance problem; they mentioned that coordination-related trouble-shooting leaves little room for paying attention to matters such as quality of training, monitoring and supervision of the IGVDG beneficiaries.

Lack of Effective Regulatory Frameworks

Many respondents mentioned lack of effective regulatory frameworks as a critical constraint on the IGVDG and RMC PPPs (see Chapter 6 and Table 5.8). Developing country governments have limitations regarding the legal issues, stakeholder roles and regulations relating to PPPs. Referring to the pro-poor PPPs involved in social sector development in developing countries, Pessoa (2006) argued that many developing country governments lacked effective ways of regulating PPPs. Thus, he suggested that there was need for legal and regulatory frameworks that could guarantee transparent and credible relationships between the different stakeholders in PPPs (Pessoa 2006).

Respondents recognised the lack of uniform acts, rules and regulation. There were several rules and regulations under different ministries and departments for monitoring the NGOs' activities. For example, NGOs with donor funds were monitored by the NGO Affairs Bureau, while NGOs funded by local organisations were monitored by the DSS and the NGOs funded by the PKSF were monitored by the PKSF. Sometimes, some NGOs received funds from all of these three organisations at the same time. In such cases those NGOs were monitored by three different organisations. Therefore, different organisations' rules and regulations were causing difficulties in the accountability and accounting management systems. It was thus very difficult for the NGOs and the government to monitor the activities of those NGOs. Thus, the majority of the respondents (see Chapter 9) suggested a uniform act, as well as comprehensive rules and regulations to guide the monitoring of all NGOs in Bangladesh.

The overwhelming respondents further recommended improving the monitoring system in the IGVGD PPP in several ways (see Chapter 9). These were: (a) monitoring of NGO activities by the central government; (b) monitoring the activities of the local government representatives by the central government to ensure a corruption-free selection procedure; (c) monitoring IGVGD beneficiaries by the NGOs; and (d) monitoring the central government's activities by the higher officials of the ministry to avoid delays in selecting NGOs for the IGVGD PPP.

Repetition of Similar RMC

This research identified repetition of similar RMC programmes in the same geographic areas as a constraint on success of the RMC PPP. This partly derived from the problem related to the lack of a strong regulatory framework and associated monitoring. As described in Chapter 6, the majority of the respondents relating to the RMC PPP mentioned that several NGOs were operating similar types of the RMC in the same geographic areas and thus hindering the achievements of the RMC PPP. They believed that because of the repetition and competition among NGOs in city areas, the RMC programme was distracted from massive needs in rural areas. Thus, many respondents suggested a strong monitoring of the RMC PPPs by the government and the PKSF so such repetition and overlapping could be avoided.

Gap between Design and Implementation

The gap between design and implementation in the IGVD and the RMC PPPs was a governance problem that presented constraints on the success of these PPPs. Implementation gaps often occurred due to a lack of appropriate modification in design and implementation. Gaps also appeared during implementation when actions were often done diverted from the official guidelines, and when particular local conditions did not allow design specifications. This led to some modification. For example, the transportation of food costs in the IGVD PPP was fixed from Tk.160 to Tk.250 for loading and unloading of food grains, which was very low compared to the actual costs (and thus sometimes the extra cost was assumed by the local UP chairmen). Furthermore, the NGOs were given Tk.7.5 per beneficiary for providing training, which was insufficient, and led to lower-quality training by less qualified trainers. There were similar gaps between the design and implementation in the RMC PPP identified by most government and PKSF respondents. They believed that there were some differences between the NGOs' paperwork and practical work in the field.

Different studies of programme plans and practice around the world have shown that there are often differences between what is planned and what happens in the field. These 'implementation gaps' can be considerable in developing countries (Grindle 1980; Turner & Hulme 1997). This was also the case in the PPPs for poverty alleviation in Bangladesh. Thus, the expected outcomes did not be occurring.

Accountability Problem of the NGOs

Many respondents identified the accountability problem of the NGOs as a constraint to the success of the IGVD PPP. The most plausible explanation for the accountability problem was that it was resulted from the insufficient number of government employees to monitor the NGO activities, particularly for the IGVD PPP. NGOs were responsible for providing the package of development services (see Chapter 3). According to the programme design, the WAO and *Upazilla* PIO were jointly responsible for monitoring the NGO activities in the IGVD (MWCA 2002). In most *Upazilla*, PIO and WAO were not available together; either the PIO or WAO worked in an *Upazilla*. The number of IGVD households in an *Upazilla* varied from 500 to 3,000 (WFP 2009). Therefore, it was very difficult for one or two persons to monitor all activities of that large number of households, and thus it created scope for the NGOs to be reluctant to be accountable to the WAO or PIO.

As the UNO was the head of the *Upazilla* VGD Committee, the NGOs would submit the monthly progress reports on their activities of IGVDG to the UNO. The UNO is the head of the administrative units of an *Upazilla* and is the government official who represents all the ministries of the government of Bangladesh in the *Upazilla*. As a result, the UNO is the head of perhaps more than 100 committees in an *Upazilla*, so it can be easily envisaged how busy this officer could be. Therefore, it was very difficult to monitor all work of the NGOs relating to the IGVDG PPP along with only one or two staff, namely the WAO and/or PIO. In such circumstance, the NGOs may have been reluctant to provide IGA skills training, loans and monitoring of the IGVDG participants. Thus, the insufficient number of government employees, only two or three, for monitoring the IGVDG activities provided opportunities to the NGOs to be insincere and avoid responsibilities in implementation that hindered the actual achievement of the IGVDG PPP.

Limited Research and Evaluation

Another constraint on the success of pro-poor PPPs was limitation of research on and evaluation of PPPs. The majority of the respondents identified inadequate research on the IGVDG and RMC PPPs as a constraint on the success of these PPPs (see Chapter 9). It led to an inability to measure the effects of these PPPs. Furthermore, they believed that although there were a few impact studies (Alamgir 1997; BIDS & World Bank 1995; BIDS 2000); these were irregular. They also believed that some results were biased and pre-arranged by the management. Therefore, they suggested that the government should introduce policy guidelines for research for evaluating the PPPs for poverty alleviation, should develop the future PPP programmes based on research and should provide opportunities to researchers to do more work on pro-poor PPPs. They further suggested that government should identify the limitations of both the government and NGOs through research, and then should take initiatives to overcome the identified limitations. These findings indicated the absence of adequate research and evaluation on pro-poor PPPs for the development of better policy design and implementation of pro-poor PPPs in Bangladesh.

11. Conclusion

Poverty is indisputably as one of the world's biggest problems. The international community recognises that reducing global poverty is a major development challenges for the twenty-first century (World Bank 2000, 2001). In 2010, 1.4 billion people lived at the poverty line (at poverty lines of US\$1.25 a day) or below (UNDP 2010a). In 2009, it was estimated that 1.8 billion people lived on less than US\$2 a day (UNESCAP-ADB-UNDP 2010, p. i). The problem of poverty is particularly severe in Bangladesh. The HDI ranks Bangladesh at 129 out of 182 countries with 41.3% of the population existing on below US\$1 income a day, and 49.6% falling below the national poverty line and living on less than US \$1.25 a day (UNDP 2010b).

Alleviating and eliminating poverty is the most important and daunting policy problem facing developing countries. Thus, policy makers and development planners have introduced various initiatives to address the problem of poverty. PPPs are the latest among these. The belief is that these collaborative initiatives are effective for development because they use scarce resources effectively, promote economic growth and enhance efficiency. Brinkerhoff & Brinkerhoff (2004) argued that the recent emphasis on partnership is driven by a genuine interest in seeking new inter-organisational arrangements to address poverty reduction and deliver development services effectively to those who need them.

The government of Bangladesh has recognised the potential of PPPs as an innovative and effective approach and have begun to experiment and investigate with them in collaboration with private sector partners for poverty alleviation in the country. Little is known about the operation and effects of these PPPs as they are relatively new institutional arrangements. This thesis contributes to an in-depth understanding of these PPPs through detailed description and analysis.

The research was guided by four questions that led the exploration and understanding of the rationale, features, mechanisms, effects and performance of the PPPs. In order to facilitate this, two PPP schemes were chosen as case studies: IGVGD and RMC.

As a first step in researching these PPPs, a comprehensive literature review was undertaken. It was found that while there were some minor differences of opinion on the definitions of PPPs, there were broad agreements on the nature of these arrangements. However, as much

of the literature is derived from western experiences in large-scale infrastructure construction and operation, it did not fit well with PPPs for poverty alleviation. Thus, the literature review also included literature on PPPs in developing countries especially where they were explicitly oriented to poverty alleviation. This literature review enabled the construction of an analytical framework, which guided the collection of data and its subsequent analysis. Key elements of the framework enabled the pursuit of the aims of the thesis to examine features, mechanism, effects and performance of PPPs for poverty alleviation in Bangladesh. The research was contextualised in Chapter 3 on Bangladesh. This set out the special context of poverty, development problems and socio-economic conditions in Bangladesh. Then the findings of the research were systematically set out in Chapters 5 to 9.

Chapter 5 explored the rationale, features and mechanisms of the IGVDG and RMC PPPs that were designed for poverty alleviation in Bangladesh. The most common rationale of the IGVDG and RMC PPPs identified were to overcome limitations in government organisation and government employees, to take advantage of the expertise of NGOs, to reduce government expenditure and to increase the efficiency of development initiatives. The most common partnership features of these PPPs were joint implementation, common aims and objectives, sharing of resources, expertise and knowledge, contracts, mutual responsibility, caring for each other and cooperation.

The IGVDG PPP was operated through contract and joint implementation, while the RMC PPP was implemented through contracts and sub-contracts. In the IGVDG programme, the MWCA and the DWA were involved in policy design and several government officials from the *Upazilla* Office, UNO, locally elected local government representatives and NGOs were involved in the implementation.

The stakeholders in the RMC were the FD of the MoF, Government of Bangladesh, the PKSF and the NGOs. The main role of the government was to provide finance. The government was also responsible for the formulation of policies and guidelines related to the RMC. The PKSF was responsible for providing finance to the POs and monitoring their activities. The duration of the IGVDG PPP for beneficiaries was fixed for two years, while the RMC PPP was not fixed for any particular time period. The research explored different risks that were involved with PPPs in poverty alleviation in Bangladesh, including political risk, policy risk, management risk, financial risk, natural risk, economic risk and social and personal risk.

The views of the various groups of respondents were diverse in the decision-making process of the PPPs. While the government respondents believed that in most cases decisions were taken by higher-levels officials such as secretaries and joint secretaries of the ministries and departments of the government of Bangladesh, the PKSf respondents believed that the PKSf followed a participatory approach within the PKSf and with their POs. The NGO respondents believed that, while working with the government in PPPs, some stakeholders could have little influence on the decision-making process, but the PKSf always maintained participatory approaches in taking decisions.

Chapter 6 dealt with different stakeholders' views about the performance of the IGVGD and RMC PPP. The majority of the government respondents believed that the IGVGD programme was successful, while some believed that it was not very successful and half of them were doubtful about the performance of the IGVGD. The WFP respondent believed that it was 70% successful. All of the field informants perceived the IGVGD as successful, mostly because it ensured food security. Most of the government, the PKSf respondents and the field informants believed that the RMC was successful, although 40% of the PKSf respondents perceived that the RMC should have been more successful.

Chapter 7 examined the effects of the IGVGD PPP. These came from interviews of the key informants and beneficiaries and also from a survey of the beneficiaries of the IGVGD PPP. The findings on the income and expenditure patterns of the IGVGD households indicated the insignificant effects of the IGVGD PPP in increasing income and expenditure for the IGVGD beneficiary households for FY2008–09. Although there was a slight improvement in monthly average households' income and per-capita monthly average income among the sample IGVGD households in FY2008–09 compared to FY2007–08, the per-capita daily income was still lower than US\$1 for 100% of the sample IGVGD households in both FY2007–08 and FY2008–09 (see Table 7.5), and the average monthly household expenditure in FY2008–0009 was lower for 75.7% of the sample IGVGD households than the national rural average monthly household expenditure in 2005 (HIES 2005). The IGVGD PPP was found effective in ensuring food security, since 23.0% of the sample households obtained food security after having no such security before involvement in the IGVGD and there was a positive effect on food intake for 73.0% of sample IGVGD households (see in Figure 7.3).

The research explored whether there had been improvement in savings and assets acquisition for the IGVGD households. It was found that 65.2% of the sample IGVGD households had

no savings in FY2008–09 (see Figure 7.5), 98.5% of the sample IGVD households did not buy any land and 92.5% of the sample households did not buy either any assets (other than land) or any valuable household items (see Table 7.9) after involvement in the IGVD PPP in 2007. Thus, the IGVD was seen to have an insignificant effect on assets acquisition. It was a similar picture with savings. Most (87.9%) of the sample IGVD participants did not receive any loans from the NGOs and only 12.1 % of the sample IGVD participants took loans from the NGOs, but in these cases the amount of the loans was very small; less than Tk.5,000 for 7.6% and between Tk.5,000 and Tk.10,000 for 4.5% (see Figure 7.7). The apparent dissatisfaction of beneficiaries with the rates of interest was explored by the research, as 61% of the IGVD households said that the rate was very high (see Figure 7.9) and 84.6% believed that the rates of interest should be reduced. To compound the financial problem of the IGVD households, 33.2% of the sample did not receive any IGA skills training (see Table 7.8), even though 62.3% of the sample IGVD participants were involved in IGA. However, their earnings from the IG activities were generally tiny, at less than Tk.500 per month.

There was more positive news on IGVD households' social awareness and welfare. It was found that the levels of school enrolment and immunisation of the children from the sample IGVD households were significantly higher than the national rates. Knowledge on common diseases, sources of drinking water and sanitation were also better compare to the national rates. While it was difficult to isolate the causal effects of the IGVD on these education and health indicators, respondents generally painted a positive picture.

Chapter 8 set out the effects of the RMC PPP on poverty alleviation. It presented the findings from the interviews of the key informants, beneficiaries and from a survey of the beneficiaries of the RMC PPP. A slight improvement in average monthly household income and per capita household income was found (see Table 8.4). Nevertheless, 80.7% of the sample RMC households had a per-capita daily income of less than US\$0.96 in FY2007–08 (see Table 8.5), and the expenditures of the majority (79%) RMC households were higher than their incomes in FY2008–09. An improvement in food intake in FY2008–09 in the RMC households was noted with 82.2% of the sample RMC households reporting improvement in food intake in FY2008–09 compared to FY2007–08 (see Figure 8.6). An improvement in savings was also revealed (see Figure 8.7) for 75.8% of the sample RMC households, but 82.3% of the sample RMC households did not obtain any property and 62.9% of the sample

RMC households did not buy either any other assets or valuable household items in FY2008–09 (see Figure 8.8). Thus, the overall situation was one of modest improvement in financial status but not enough to push most participants above the income poverty line.

Almost all RMC beneficiaries (98%) received loans (see Figure 8.9). However, there was dissatisfaction among beneficiaries as to the rates of interest, with 83.9% of the RMC beneficiaries believing that the rates of interest were very high and 96.2% believing that the rates should be reduced (see Figure 8.10 and 8.11). Just over the half of the RMC participants (54.8%) did not receive any IGA skills training; however, 45.2% received different types of IGA skills training and they earned different amounts of money, between Tk.500 to Tk.10,000 per month from the activities using skills they had learned from the training.

The significant improvements in human and social development were explored for the RMC sample households. The rates of school enrolment and immunisation of the children, knowledge on common diseases, sources of drinking water and sanitation amongst the sample RMC households were significantly higher than the national rates. Once again it was difficult to ascertain how much participation in the RMC contributed to these welfare improvements.

Chapter 9 reported stakeholders' views on opportunities and constraints in relation to the success and performance of the IGVD and the RMC PPPs. Several opportunities were identified, including government support, leadership, recognition of the stakeholders and the strengths of NGOs. However, respondents spent more time listing the constraints on success. These included high interest rates of the NGO loans money, short duration of the IGVD, corruption, political interference, lack of commitment of NGOs, limitations in governance, lack of marketing facilities, lack of sustainable design and limitation in research and evaluation. Notably, respondents were not overly negative and did provide suggestions that would address the constraints and lead to better PPP performance.

Chapter 10 analysed the empirical findings of this study, making references to the model of PPPs for poverty alleviation in Bangladesh constructed from the literature presented in Chapter 2 and Chapter 3 and used to guide data collection. In Chapter 10, it also helped to guide analysis of the rationale, features and mechanisms of PPPs and then the performance and effects of the IGVD and RMC PPPs.

The analytical chapter found that PPPs for poverty alleviations seem to have become accepted inter-organisational arrangements among government and NGOs, with all respondents acknowledging the rationale that such PPPs could overcome the limitations of a single stakeholder and combine the strengths of stakeholders in the cause of successful poverty alleviation. The case studies showed the flexibility in PPP arrangement, with the IGVDG and RMC exhibiting different organisational structures and processes aimed at addressing poverty, but using contrasting means to achieve that aim.

The case studies also identified sharing of resources among stakeholders as an important feature of these pro-poor PPPs. Although PPPs should ideally feature participatory governance, this research identified a principle-agent relationship with the government in some levels of decision-making processes. The case studies also enabled identification of some additional risks to those normally associated with PPP. These included policy risks, management risks, political risks and natural risks for pro-poor PPPs in Bangladesh. While the PPP mechanism worked, there were some problems identified in policy design and implementation. Some of these were easier to address than others.

However, the effects of the IGVDG were disappointing in terms of obtaining the desired outcomes relating to economic development especially increasing incomes and savings. The news was more positive regarding food security for the two years participations term. The effects of the RMC were undoubtedly superior in increasing income and savings than the IGVDG PPP. This was to be expected, as the RMC was oriented to loans and IGA, whereas the focus of the IGVDG was food handouts to provide food security. While the two PPP schemes differed in their effects on income they were both positively associated with health and education improvements, even if it was difficult to differentiate the PPPs' effects from other forces and actors in the beneficiaries' environment.

From this thesis, we can draw some important lessons as to the future of PPPs for poverty alleviation in Bangladesh and perhaps elsewhere in the developing world. Building trust among stakeholders was found to be the vital foundation for successful design and implementation. However, this trust requires reinforcement through good governance, especially strong regulatory framework, efficient and effective monitoring and evaluation processes, transparency and accountability to combat corruption and the elimination of political interference in programme operation. The task ahead is to try and build these desirable qualities into PPPs for poverty alleviation and to continue experimentation with

inter-organisational arrangements to improve the outcomes achieved by these innovative mechanisms for poverty alleviation.

12. Appendices

Appendix A: Questions for Semi-Structured Interviews

Interview questions to the key respondents, such as the government officials, PKSF executives, NGO executives, the WFP representatives, the experts and the field informants:

Partnerships Mechanisms

1. What are the different reasons behind partnerships for different poverty alleviation programmes in Bangladesh?
2. Why should these (IGVGD and RMC) programmes be defined as partnership programmes and what are the different features of the partnerships?
3. What are the different partnership arrangements and implementation strategies, whether they are contract, sub-contract or jointly implemented?
4. Who are the stakeholders in the IGVGD and the RMC PPP?
5. What are the roles of each stakeholder?
6. What is the duration of the PPPs?
7. What are the strengths and weaknesses of stakeholders?
8. Do different stakeholders share their expertise, knowledge, and resources?
9. Do different stakeholders contribute to decision-making processes?
10. Are there any risks involved in PPPs, and if so what are they?

Views on performance, enabling factors and constraints

11. What are your views on and how they would describe the performance of the PPPs?
12. What are the enabling factors that assisted the establishment and performance of PPPs?
13. What are the constraints on the success and performance of the PPPs?

Effects of the PPPs

14. Do you think that the IGVGD/RMC PPP has been effective for poverty alleviation of the beneficiaries?

15. What have been the changes in economic and social conditions among the beneficiaries due to the effects of the IGVDG/RMC PPPs?

The Ways to Improve the PPPs for Poverty Alleviation in Bangladesh

16. How could different stakeholders improve their performance and make the IGVDG and the RMC PPPs more effective for poverty alleviation?
17. Do you have any suggestions relating to these PPPs?

Interview questions to the beneficiaries:

Effects and performance of the PPPs

1. Do you think that the IGVDG/RMC PPP has been effective for poverty alleviation of the beneficiaries?
2. What have been the changes in economic and social conditions among the beneficiaries due to the effects of the IGVDG/RMC PPPs?
3. What are the enabling factors that assisted the establishment and performance of PPPs?
4. What are the constraints on the success and performance of the PPPs?

The Ways to Improve the PPPs for Poverty Alleviation in Bangladesh

5. How could different stakeholders improve their performance and make the IGVDG and the RMC PPPs more effective for poverty alleviation?
6. Do you have any suggestions relating to these PPPs?

Appendix B: Survey Questionnaires

Dear Respondents,

Thank you very much for agreeing to take part in this survey.

Nilufa Akhter Khanom

Tick the appropriate box for each question that applies to you.

Personal/Family Information

1. Age:

18–30	31–45	46–60	61 and above

2. Marital Status:

Unmarried	Married	Divorced	Other

3. Educational Qualification:

None/not applicable	Primary	Secondary	Tertiary

4. Number of family members in your family?

1	2	3	4	5	6	More than 6

5. Number of earning members in your family?

None	One	Two	Three	More than Three

6. Number of earning persons in the family?

You (participant) only	Participant's husband only	Participant and her husband only	Other (father/brother / participant children)

7. Main occupation in FY2008–09?

None	Agriculture	Small business	Day labourer	Self - employed	Other

8. Sources of Income in FY2008–09?

None	Only agriculture	Agriculture and any small business	Only small business	Small business and other activities	Other

Programme Information:

9. How long have you been involved in this programme?

Less than 2 years	2 Years	2–4 years	5–6 years	7–10 years	More than 10 years

Training:

10. Have you received any IGA skill training from NGO after being involved in this PPP programme?

None	Poultry	Vegetable gardening	Sewing	Cow/goat rearing	Two trainings: Vegetable gardening + Poultry	Two trainings: Poultry + Cow/goat rearing

11. Your (beneficiary) family's average monthly income utilising IGA skill training in FY2008–09?

None	Less than Tk.500	Tk.501 to Tk.1,000	Tk.1,001 to Tk.1,500	Tk.1,501 to Tk.2,000	Tk.2,001 to Tk.3,000	Tk.3,001 to Tk.5,000	Tk.5,001 to Tk.10,000

Information that Indicates Development: Income and expenditure:

12. Your (beneficiary) average household's monthly income in FY2008–09?

Less than Tk.3000	Tk.3000 to Tk.5,000	Tk.5,001 to Tk.7,000	Tk.7,001 to Tk.10,000	Tk.10,001 to Tk.15,000	Tk.15,001 to Tk.20,000	More than Tk.20,000

13. Your (beneficiary) average household's monthly income in 2007–2008 FY

Less than Tk.3000	Tk.3000 to Tk.5,000	Tk.5,001 to Tk.7,000	Tk.7,001 to Tk.10,000	Tk.10,001 to Tk.15,000	Tk.15,001 to Tk.20,000	More than Tk.20,000

14. Your (beneficiary) household's per capita average monthly income in FY2008–09?

Less than Tk.500	Tk.501 to Tk.1,000	Tk.1,001 to Tk.1,500	Tk.1,501 to Tk.2,000	Tk.2,001 to Tk.2,500	Tk.2,501 to Tk.3,000	More than Tk.3,000

15. Your (beneficiary) household's per capita average monthly income in FY2007–08?

Less than Tk.500	Tk.501 to Tk.1,000	Tk.1,001 to Tk.1,500	Tk.1,501 to Tk.2,000	Tk.2,001 to Tk.2,500	Tk.2,501 to Tk.3,000	More than Tk.3,000

16. Your (beneficiary) household's average monthly expenditure in FY2008–09?

Less than Tk.3,000	Tk.3,000 to Tk.5,000	Tk.5,001 to Tk.7,000	Tk.7,001 to Tk.10,000	Tk.10,001 to Tk.15,000	Tk.15,001 to Tk.20,000	More than Tk.20,000

Food expenditure and changes in food intake:

17. Your (beneficiary) household's present average monthly food expenditure in FY2008–09?

Less than Tk.2,000	Tk.2,001 to Tk.4,000	Tk.4,001 to Tk.6,000	Tk.6,001 to Tk.8,000	Tk.8,001 to Tk.10,000	Tk.10,001 to Tk.12,000	More than Tk.12,000

18. Your (beneficiary) household's average monthly food expenditure in FY2007–08?

Less than Tk.2,000	Tk.2,001 to Tk.4,000	Tk.4,001 to Tk.6,000	Tk.6,001 to Tk.8,000	Tk.8,001 to Tk.10,000	Tk.10,001 to Tk.12,000	More than Tk.12,000

19. Have you/your family members had any changes in your daily food intake after involvement in the IGVDG/RMC PPPs?

None/as it was before	Slight improvement	Better improvement	At least had food for 3 meals

Savings:

20. Do you have any savings? Please specify the amount of savings in FY2008–09.

None	Less than Tk.2,000	Tk.2,001 to Tk.5,000	Tk.5,001 to Tk.10,000	Tk.10,001 to Tk.15,000	Tk.15,001 to Tk.20,000	More than Tk.20,000

Assets acquisitions:

21. Have you bought any properties in FY2008–09 after involvement in the IGVGD/RMC PPPs?
If yes, please specify the amount of money.

None	Less than Tk.5,000	Tk.5,001 to Tk.10,000	Tk.10,001 to Tk.15,000	Tk.15,001 to Tk.20,000	More than Tk.20,000

22. Have you bought any valuable household items in FY2008–09 after involvement in the IGVGD/RMC PPPs? If yes, please specify the amount of money.

None	Less than Tk.5,000	Tk.5,001 to Tk.10,000	Tk.10,001 to Tk.15,000	Tk.15,001 to Tk.20,000	More than Tk.20,000

Loans:

23. Have you received any loans from NGOs after involvement in the IGVGD/RMC PPPs?

No/None	If no, why not. Please specify the reason	If yes, please answer the next questions

24. Please specify the amount of received loans from NGO?

Less than Tk.5,000	Tk.5,001 to Tk.10,000	Tk.10,001 to Tk.15,000	Tk.15,001 to Tk.20,000	Tk.20,001 to Tk.40,000	More than Tk.40,000

25. Do you have any debt with the NGOs? If any, please specify the amount of debt.

None	Tk.2,000 to Tk.5,000	Tk.5,001 to Tk.10,000	Tk.10,001 to Tk.15,000	Tk.15,001 to Tk.20,000	More than Tk.20,000

Views on interest rates of NGOs' loans:

26. What do you think about the rates of interest?

None	The rate is not high	The rate is very high	Other

27. What should be done on rates of interest?

None/should remain as it is	Should reduce the rates	Other

Land ownership:

28. Please specify the size of cultivatable lands that you/your family possess (as owner) currently (in FY2008–09):

Landless/None	Up to 0.05 Acres	From 0.05 to 1.0 Acres	More than 1.0 Acres

29. Please specify the size of cultivatable lands that you/your family possessed (as owner) in FY2007–08:

Landless/None	Up to 0.05 Acres	From 0.05 to 1.0 Acres	More than 1.0 Acres

30. Please specify the size of residential land that you/your family possessed (as owner) in FY2008-09:

Landless/None	Up to 0.05 Acres	From 0.05 to 1.0 Acres	More than 1.0 Acres

31. Please specify the size of residential lands that you/your family possessed (as owner) in FY2007-08:

Landless/None	Up to 0.05 Acres	From 0.05 to 1.0 Acres	More than 1.0 Acres

Social Development:

32. Please specify if your children were enrolled in the schools in FY2007–08 and FY2008–09

	FY2007–08	FY2008–09
No		
Yes		

33. Please specify if your children were immunisation in FY2007–08 and FY2008–09

	FY2007–08	FY2008–09
No		
Yes		

34. Do/Did you know the general treatments of diarrhoea in FY2007–08 and FY2008–09

Level of knowledge	FY2007–08	FY2008–09
Do/did not know		
Know/knew		

35. Do/Did you know the general treatments of Tuberculosis in FY2007–08 and FY2008–09

Level of knowledge	FY2007–08	FY2008–09
Do/did not know		
Know/knew		

36. What is/was the source of your drinking water in FY2007–08 and FY2008–09?

	Sources drinking water			
Years	Safe water: such as tube well	Unsafe water: such as man-made wells	Unsafe water: River/pond/canals	Other
FY2007–08				
FY2008–09				

37. What types of toilets do/did you use in FY2007–08 and FY2008–09?

	Types of latrines			
Years	Sanitary latrine (Hygienic)	Brick built water protected latrine (Hygienic)	Brick built water protected latrine (not hygienic)	Other
FY2007–08				
FY2008–09				

Thank you very much for your cooperation.

Nilufa Akhter Khanom

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Appendix C: Selections of sample, data collection procedure and number of participants

**Table C.1: The key (common) respondents interviewed for both the
IGVGD and RMC cases**

Organisation	Location	Position/Designation	Sampling Method	Data Collection Procedure	Number of Participants
Government Organisations					
Ministry of Finance	Bangladesh Secretariat, Dhaka	Secretary, Additional Secretary, Joint /Deputy Secretary	Purposeful Sampling	Semi-structured Interview	4
Planning Commission, Ministry of Planning	Planning Commission Office, Dhaka	Secretary, Additional Secretary	Purposeful Sampling	Semi-structured Interview	3
Ministry of Social Welfare	Bangladesh Secretariat, Dhaka	Joint Secretary	Purposeful Sampling	Semi-structured Interview	1
Non-Government Organisations (NGOs)					
BRAC	Head Office, Dhaka	CEO	Purposeful Sampling	Semi-structured Interview	1
Padakkhep	Head Office, Dhaka	CEO	Purposeful Sampling	Semi-structured Interview	1

Table C.2: Respondents from different government organisations interviewed for the IGVD PPP case

Organisation Government	Location	Position/Designation	Sampling Method	Data Collection Procedure	Number of Participants
Ministry of Women and Children Affairs, Government of Bangladesh, Dhaka	Bangladesh Secretariat, Head Office, Dhaka	Secretary, Joint Secretary and Deputy Secretary	Purposeful Sampling	Semi-structured Interview	3
Department of Women Affairs, Government of Bangladesh, Dhaka	Head Office, Dhaka	Director General (Additional Secretary of the Government)	Purposeful Sampling	Semi-structured Interview	1
Department of Women Affairs, Government of Bangladesh, Dhaka.	Head Office, Dhaka	Project Director of VGD UP(Joint Secretary of the Government)	Purposeful Sampling	Semi-structured Interview	1
Upazilla Administration, Government of Bangladesh	Upazilla	Upazilla Nirbahi Officer (UNO) (Sub-district Executive Officer)	Random Sampling	Semi-structured Interview	4
Local Government representatives	Union Parishad	Union Parishad Chairman	Random Sampling	Semi-structured Interview	2

Table C.3: Respondents from different partner organisations and beneficiaries interviewed for the IGVD PPP case

Organisation NGOs and Donor	Location	Position/Designation	Sampling Method	Data Collection Procedure	Number of Sample/participants
BRAC	Head Office, Dhaka	CEO/ Director (Programme)	Purposeful Sampling	Semi-structured Interview	2
Padakkhep	Head Office, Dhaka	CEO	Random Sampling	Semi-structured Interview	1
Jagarani Chakra Foundation	Field Level	Supervisor/ Field Workers	Random Sampling	Semi structured Interview	1
FIVDB	Field Level	Supervisor/ Field Workers	Random Sampling	Semi-structured Interview	1
VGD Unit, World Food Program, Bangladesh	WFP Office Bangladesh	Head	Purposeful Sampling	Semi-structured Interview	1
IGVD Beneficiaries	Field Level	Beneficiaries	Random Sampling	Semi-structured Interview	10

Table C.4: Respondents from different partner organisations and beneficiaries interviewed for the RMC PPP case

Organisation	Location	Position/Designation	Sampling Method	Data Collection Procedure	Number of Participants
Finance Division, Ministry of Finance, Government of Bangladesh, Dhaka	Bangladesh Secretariat, Head Office, Dhaka	Joint Secretary and Deputy Secretary	Purposeful Sampling	Semi structured Interview	2
PKSF	Head Office, Dhaka	General Manager, Deputy General Manager and Assistant General Manager	Purposeful Sampling	Semi-structured Interview	5
PKSF's Partner Organisation (POs) (Partner NGOs)	Head Office, Dhaka	CEO	Random Sampling	Semi structured Interview	3
PKSF's POs (Partner NGOs)	Field Level Partner Organisations (POs) /Partner NGOs	Manager/Supervisor/ Field Workers	Random Sampling	Semi-structured Interview	4

Table: C.5 Survey data collected for both the IGVD and RMC PPP cases through close-ended questionnaire survey

Cases	Location	Position	Sampling Method	Number of Participants
IGVD	Field Level	Beneficiaries	Random Sampling	66
RMC	Field Level	Beneficiaries	Random Sampling	62

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