CHAPTER III

A DESCRIPTIVE ANALYSIS OF SOME SELECTED ORGANIZATIONS

In this chapter, we discuss some organizations covering their origin, aims and objectives, strategies, activities and programme components etc. The organizations are Comilla and Dhaka Proshika, Bangladesh Rural Advancement Committee (BRAC) and Grameen Bnk. We shall also try to make a comparison between these organizations covering some of the above aspects.

3.1 Comilla Proshika Centre for Development

Comilla Proshika Centre for Development hereinafter called Comilla Proshika, is a national Non-Government Organization involved in development activities of rural Bangladesh. Proshika is a Bengali acronym, Pro-stands for proshikhan (training), Shi - for shikha (education) and Ka - for kaj (action). It signifies development education, training and action. The organization is involved in assisting the rural poor (landless and marginal farmers) in their struggle to emancipate themselves from poverty, dependency, exploitation etc. In some areas, it is also working with a part of small farmers (having cultivable land below 2.50 acres).

Historical Perspective

Just after the Liberation War of Bangladesh in 1971, many international organizations became active in the field of relief, rehabilitation and development activities of Bangladesh. Canadian University Service Overseas (CUSO) in 1975, established
a logistic Centre to provide training and some other supports for development workers, rural youth groups and other development organizations. When the trainers of the centre found that the results were not encouraging, they decided to re-organize their activities working with the landless and marginal farmers. As a result, Proshika Manobik Unnayan Kendra was born in October, 1976, with the objective of initiating a participatory development process.

Though from its inception, it had been operating under an Executive Committee, even then two regional structures were developed in the region of Comilla and Dhaka each headed by a Regional Director. Difference of opinion on operational policies and strategies were present between the regional teams and accordingly two regions became independent of each other in July, 1981 – one named as Comilla Proshika Centre for Development (shortly Comilla Proshika) and the other as Proshika Manobik Unnayan Kendra (shortly Dhaka Proshika).

In the beginning, Comilla Proshika had its work concentrated largely in the eastern part of Bangladesh and currently covers a little of the rest of the country along with concentration in the stated area. On the other hand, Dhaka Proshika concentrates its operation other than the eastern part of the country.

Objectives

The specific objectives of Comilla Proshika are:

a) To develop a process of development through which rural
landless labourers and marginal farmers can get involved in their own socio-economic improvement;

b) To provide training to development workers and target group leaders in both human development skills and practical skills in order to upgrade their ability to identify problems and mobilize their own resources for solving them;

c) To support income-generating activities taken by the groups in order to increase their self-sufficiency by reducing their dependence on the landed persons.

Programme Components and Its Activities

Comilla Proshika has the following major components:

(a) Area Development Centre (ADC) Programme; (b) Women Development Programme; (c) Command Area Development/Communication Support Programme; and (d) Health Programme.

The **ADC Programme** is the core programme of the project. An ADC is a cluster of villages having groups of minimum 50 or maximum thousand. Normally an ADC covers one thana and sometimes an ADC may cover more than one. The **Women Development Programme** provides programme supports for the increased involvement of women in the programme of Comilla Proshika. The objectives of the **Command Area Development (CAD) Programme** of Comilla Proshika are to maximize irrigation potential of a selected area through increased farmers involvement in building, maintenance and utilization of irrigation facilities. In addition to irrigation programmes in different ADCs, Comilla Proshika
has introduced this programme in some areas of Brahmanbaria district.

The overall activities of ADC Programme and Women Development Programme are to organize the rural poor, both males and females, provision of functional education and training, mobilization of savings and provision of credit support along with other assistance for income and employment generation and finally provision of some supportive services. We are briefly discussing the activities of Comilla Proshika.

1) **Organized Participation of the Poor**

Proshika's central concern is to organize the rural poor in the form of village organizations (VOs). The VOs are formed to enable them to raise their socio-economic awareness and to improve their socio-economic conditions through self-help, mutual aid and collective actions. In forming a group, the Proshika worker plays the vital role. The group members are selected from the same socio-economic strata, the poor landless and marginal farmers, fishermen, weavers, rickshawpullers, destitute women. The group members are to meet regularly once in a week where they discuss their problems and try to solve it and perform other group activities. They are to form a group savings contributing at least one taka per member per week. After the VO has achieved a certain degree of cohesion and confidence through its weekly discussion, regular savings and mutual supports, it takes on more ambitious individual or
collective income-generating activities financed by capital made of group savings coupled with a matching loan from Proshika's Revolving Loan Fund (RLF) at a rate of service charge of 18% per annum.

ii) Training: Training is a continuous function in the Comilla Proshika process of development to improve the knowledge, skill and positive attitude of the members, Proshika staff and other organizations. Training takes place informally through the group and inter-group meetings and inter-actions with Proshika staff, and formally through courses, workshops and exchanges.

Comilla Proshika has mainly two types of training—human development and leadership training and practical skills development training. The purposes of human development and leadership training are to raise the consciousness and to develop the leadership and management capacity of the group members and also for holding the rural poor to think about the means and ways to attain self-reliance by reducing their dependencies. Practical skill development training includes agriculture, irrigation, horticulture nursery preparation, pisciculture, cottage industry, health and nutrition, poultry raising etc.

iii) Income-Generating Activities are carried out by the group members individually and mainly collectively assisted by training, manpower support and credit offered by Comilla Proshika. With the increase of their savings, the group members undertake some kind of economic activities collectively with
their own resources along with matching loans from Proshika. Each member of the group equally shares the costs and returns of the projects. These activities are planned and implemented by the group members involving their collective labour. The group members also undertake economic activities individually with Proshika loans.

iv) Supportive Activities: Along with the group activities, a number of supportive activities that benefit both the group members and others of the community have been undertaken by Comilla Proshika. These supportive activities include: production and distribution of water sealed latrine, motivation for family planning and better health, services for providing pure drinking water, vaccination of poultry birds, distribution of ORS, running of schools for primary and adult education, social forestry etc. Relief and rehabilitation activities during the flood period and post flood agriculture rehabilitation programme etc are also important activities of this organization.

Funding: Like other NGOs, it also entirely (almost) depend on foreign donation for meeting both – programme and non-programme expenses. It also generates small amount of income internally.

3.2 Proshika Manobik Unnayan Kendra (Dhaka Proshika)

With the commitment to work for a socio-economic development of the rural poor comprising the landless, marginal peasants,
fishermen, weavers and women of those classes and professionals, Proshika has been working as a national Non-Government Organization in Bangladesh since 1976. The emergence of Proshika and its break-up into two independent organizations (Comilla Proshika and Dhaka Proshika) has discussed earlier. Dhaka Proshika's main concern is to support the rural poor to get out of the poverty trap through development education, training and various support services.

**Objectives**

The main objectives of Dhaka Proshika are as follows:

a) To assist the rural poor in building-up the institutional structure which is needed for undertaking united and collective efforts for development;

b) To help them so that they can realize and analyze their position in the society, identify their problems and find out causes and solutions to those problems and become active for taking the steps required;

c) To enable them to avail external resources assistance together with the mobilization of their own human and material resources in an efficient and successful manner so as improve their position.

**Programme Components and Its Activities**

Dhaka Proshika's overall activities and its programme are discussed below:
a) **Organization of the Rural Poor**: Proshika's central concern is to organize the rural poor, both males and females in the form of groups that are formed by the animators who are the front line workers of proshika at the grassroots and are usually recruited locally. The group normally comprises 15-20 members. The group members attend weekly meetings regularly and contribute weekly to the group's collective savings. Once a group has achieved a certain degree of solidarity and confidence through its weekly discussions, savings and mutual aid, it takes on more ambitious collective income-generating activities. The village level organization is the grassroot level organization of the poor. The second tier is the union level organization where all the primary groups in a union come together. Thana level organization known as ADC is the broader organization. Some ADCs of Proshika cover an area comprising more than one thana and the rest are formed at one thana level.

b) **Development Education**: Development education to develop critical awareness amongst the organized group members is an important activity of Proshika and it is provided through training and popular theatre.

**Training**: It provides training to its workers, group members and also workers of other organization on request. Training is carried on in both formal and non-formal settings and at its Koitta Central Training Centre as well as at the ADC level centers. Proshika imparts two types of training, namely human development training and practical skills training.
Human development training helps the organized people to raise their awareness, to develop their mental faculties so as to understand their life-realities in relation to others in society and it also helps them to develop their communication, managerial and organizational leadership. Practical skills training helps the organized rural poor to use their resources effectively, to identify unutilized and underutilized local resources and to implement income-generating activities to overcome the technical inadequacies.

**Popular Theatre** : Besides human development training, popular theatre is another important component of development education. It is linked to conscientisation of the group members. It is the poor alone, who absolutely dominate the stage is such a theatrical performance. It provides them avenues for their own cultural expressions which is essential for real human development.

**Literacy Programme** : Proshika has introduced its adult literacy and children's schooling programme component in 1985. Proshika has been encouraging the members to became literate relying on their own resources and also to send their children to primary schools despite economic and other constraints. Under the programme component, Proshika helps them to get literacy materials from various sources.

c) **Employment and Income-Generating (EIG) Activities**

The programme support for promoting EIG activities is...
one of the major programme components of Proshika. On the basis of mode and source of financing, the EIG activities can be grouped into:

i) EIG activities based on group savings;

ii) EIG activities based on Proshika financing;

iii) Socialization of minor irrigation with the Proshika financing.

i) EIG activities based on group savings: The organized group members undertake EIG activities with their own resources where total decisions are taken by themselves and other activities are carried out by themselves. The net returns are distributed equally.

ii) EIG activities with Proshika Financing: Proshika helps the group members providing matching loans from its RLF to undertake collective EIG activities. The groups, in addition to Proshika loans add certain amount from themselves for investment. They carry out all activities unitedly and share the net returns equally.

iii) Socialization of Minor Irrigation: Proshika has been involved in irrigation projects since 1980. It is an effort for enabling the organized group members to acquire and run mechanized equipments in order to sell water. It is not only a source of small-scale income-generation of the poor but also benefits the rural people, both the group members and others increasing agricultural production. Moreover, this programme
component has produced mechanics from amongst the group members and they are selling their technical skills to the owners of irrigation equipment in general.

d) **Livestock Development Programme** : This programme has been introduced by Proshika to raise livestock resources of the poor, to provide technical skills to the poor so that they can earn additional income by selling their skills and services to others for controlling diseases of cattle and poultry birds.

e) **Community Development Programme**

i) **Social Forestry** : Proshika has been involved in social forestry programme since 1983, to help the people to restore ecological harmony in native, utilizing their unutilized and underutilized land for productive purposes so that forest resources can be increased. The programme has the following major components; (a) homestead gardening, (b) nurseries, (c) roadside and stripland forestry and (d) forest protection programme.

ii) **Rural Health and Infrastructure Programme** : This programme involves the provision of safe drinking water, health and nutrition education, hygienic sanitation facilities at the homestead level and protection of environment against health hazards and pollution. The programme also produces avenues for EIG activities (such as production and distribution of latrine slab) to the organized groups. It is also involved in motivating the group members to become aware of family planning.
f) Development Support Communications Programme: This programme started at the end of 1986 and is fairly equipped with a Video Production Unit. The major objectives of the programme are:

i) To make films in order to use in training, (ii) To make films on various development issues and (iii) To make films to encourage growth and promotion of various popular movement like women's movement, ecological movements etc.

g) Emergency Relief and Rehabilitation Activities during the period of natural disaster constitute the important programme component of its activity.

An Urban Poor Development Programme was supposed to start in 1990. Since January 1989, a Research, Evaluation and Monitoring Cell of Proshika has been in operation.

Funding: Dhaka Proshika depends almost entirely on foreign donation for both programme and non-programme expenses. Besides, it also generates some income from its few commercial projects. But such an income is too little compared even if to non-programme expenditure.

3.3. Bangladesh Rural Advancement Committee (BRAC)

BRAC is a national Non-Government Development Organization in the development efforts in Bangladesh since February, 1972. It is working with the rural poor comprised of landless and near landless. BRAC does not define its target people on the
basis of land holding but it considers its target people from the rural poor who must sell-out their labour at least 100 days (per head) in a year for their survival.

The organization emerged as a relief organization just after the War of Liberation in 1971 with the war affected people of some villages in Sunmgonj and Hobigonj districts. Very soon, it becomes a development-oriented organization. It now mobilises the rural poor (both males and females) by invariably forming village organizations (VOs) and providing various types of programme supports to them.

**Objectives of BRAC**

The major objectives of BRAC are as follows:

i) To organize the rural landless and near landless at the grassroot level and to create savings motivation among them;

ii) To develop awareness and conscientization and skills of the organized group members providing functional education and training;

iii) To improve the economic condition of the members by extending credit facilities along with some other supportive services for undertaking projects for self-employment and income-generation and there by make them free from the clutches of money-lenders;

iv) To mobilize and utilize local, internal and external resources;
v) To improve their health status through primary health care, facilitating Government health services and community participation;

vi) To reduce illiteracy through non-formal primary education and functional education.

Development of Programme Strategies

The evolution of BRAC's present programme strategy has occurred through three programme phases. BRAC started its activities with relief and rehabilitation programmes. Then, in November, 1972, it adopted a community-wide approach expecting the possibility of long-term impact of rural development. But when BRAC realized that the benefits of community-wide approach were enjoyed mainly by the elites, and the poor indeed enjoyed little or nothing, it started to follow the target approach from early 1976. Accordingly, BRAC started to work only with the poorer section of the rural people.

Programme Components of BRAC and Their Activities

BRAC has been trying to develop a model of rural development strategy by experimenting with different strategies. The main programme strategies are Integrated Development Programme, Rural Development Programme, Nation-wide Programme (Health Programme) etc. We analyse here the programme components of BRAC together with its historical background and the strategies and activities involved in these components.

The integrated rural development strategy of BRAC in Sulla, Jamalpur and Manikgonj was the outcome of BRAC's practical experience of Sulla Project. Integrated Development Programme started in 1976 at Sulla. The Jamalpur Women's Programme was the first and the Manikganj Integrated Programme (MIP) was the second field involvement of BRAC. Established in 1976, the MIP became an important area where new ideas were tested first (and at present also) in a narrower-scale before applying widely in other areas of BRAC. The major components of IDP activities were institution-building forming VOs, mobilization and conscientization of the organized group members providing functional education and human development training, skill development, financial and material supports and some other supports on education nutrition health and family planning. The three projects of IDP were merged with the Rural Development Programme (a vital programme component of BRAC) in different phases.

B. Rural Credit and Training Programme - RCTP (1979-86)

The first major expansion of BRAC was the introduction of its Rural Credit and Training Programme (RCTP) started in 1979 to help the rural poor organizing them into small groups. The organized group members were provided functional education, training and loans without any collateral for generating self-employment and additional income so that they would become self-reliant. This programme ended in 1986.
c) Outreach Programme (1980-86)

BRAC established its outreach programme in 1980 for further testing the limits of what the landless could accomplish using only their own resources or local resources that could be tapped through existing channels. This programme combined training, savings mobilization, functional education, weekly meetings and logistics support in obtaining inputs and khas lands from the Government. No economic assistance or credit was extended by BRAC to the organized groups. Main objectives of this programme were to promote self-reliant income-generating activities through group organization and their own savings and to organize the groups for bringing pressure against injustice. It was expected to develop a credit programme out of group savings for undertaking economic activities. But it was found that the landless societies were unable to generate sufficient internal fund for undertaking economic activities and generally the members of the societies were not getting loans from banking sources. So, it was concluded by the authority that further progress of the groups should be depended on credit. As a result the Rural Development Programme (RDP) emerged in 1986 with special emphasis on credit.

d) Rural Development Programme - RDP (1986 - Till Date)

In 1986, the Outreach Programme and the RCTP were merged under unified leadership as the Rural Development Programme (RDP). These two programmes were merged considering the fact
they are not alternatives rather complementary. Institution-building (forming village-based organizations - VOs) is the frontline activity of RDP to provide the foundation for later multisectoral programmes. The organized group members are given functional education, training, collateral-free credit support with other supportive services for human and socio-economic development. They are to generate internal fund through group savings.

Now, we discuss the components of RDP activities (in other words, the activities of BRAC). The components of RDP activities can broadly be divided into: institution-building, income and employment generation with credit support and mobilization of group savings. There are several other services provided by BRAC to promote the RDP activities that are: Non-Formal Primary Education Programme (NFPE), Rural Enterprise Programme (REP), Para-Legal Aid Programme (PLAP), Monitoring, Research and Evaluation, Health Programme. We discuss briefly the programme components of BRAC (i.e. of RDP) making a separate discussion in health programme.

1. **Institution-Building**

Institution-building is the cornerstone of all RDP activities which aims at empowering the landless rural poor. The group members meet regularly once a week and they develop a savings fund through weekly subscription of taka one or two in order to reduce their vulnerability in emergency period and also
to reduce their dependencies on money-lenders. A newly formed group is taken into a conscientization process first, which normally starts with functional education (FE) courses. In addition to FE courses, two types of training such as human development training and practical skill development training are provided to the members to upgrade their potentialities, both mental and professional. Once the process of group formation is accomplished, including group norms such as regular weekly meetings and savings habit, training of key group members on human development, occupational skills and management take place, the mobilisation of resources both internal and external strats. The sources of internal resource include savings and profits of economic scheme. One of the major source of external resource is the credit from BRAC.

The group size lies between 50-70 and each group is subdivided into small functional groups of 5-7 members. The VO is managed by a management committee and it is supervised by BRAC staff. Basically two types of organizations namely (i) VO - the primary societies and (ii) Higher level organization - the secondary society (area based) are formed in RDP.

2. Credit and Undertaking of Income and Employment-Generating Activities

BRAC provides collateral-free credit support to the group members. Credit is given individually or collectively for short, medium and long periods, for undertaking various income and employment generating activities. In the case of
individual loans, the group has no responsibility for repayment but a group pressure is generated in this regard by the fact that no members of the borrowers of small group will get new loans from BRAC if any other member of that small group is defaulter. It also provides technical supports along with other essentials related to EIG activities to the members.

From March, 1989, credit is provided at 16% rate of interest repayable in weekly instalments. During the period of having loan, the borrower should pay 10% of the sanctioned amount of whose half goes to his savings account and the rest goes to the group fund. Before March, 1989, it charged 18% interest rate plus 5% group tax (that went to group fund) and 3% management cost allowance and loans were not repayable in weekly instalment.

3. Income Generation for Vulnerable Group Development (IGVGD) Programme

The Government has been implementing a multi-donor food aid programme for women where each woman is provided a monthly food assistance of 31.25 kg. wheat. In mid-1987, BRAC introduced this programme named as IGVGD programme widely to expand poultry resources. The objective of the programme is to equip the destitute women with skills necessary to better poultry keeping practices as a source of sustained income through co-operative efforts of BRAC and two Government Departments (Directorate of Relief and Rehabilitation and Department of Livestock). The programme components are: training, distribution of chicks.
and cocks of HYV, supplies of vaccines, creation of savings habit and provision of credit support among the organized women. The programme helps the women to earn additional income, working as poultry workers and vaccinators and raising poultry birds.

4. Supportive Activities

1) Non-formal Primary Education (NFPE) Programme

BRAC started this programme in 1984 to provide primary education to the children of the organized group members. BRAC has designed a 3 years curriculum for 8-10 years old children (out of school). It also has launched another education programme for the out of school children of age 11-16 years named as Primary Education for Older Children (PEOC) where the duration of course is 2 years. BRAC supplies stationery such as books, slates, pencils, exercise books, charts and other basic teaching materials. The schools are properly supervised by BRAC staff.

To promote girls education, 70% students in the NFPE schools are girls and most teachers are women. On successful completion of 3 years course, students become eligible for admission in class four in Government primary schools.

BRAC entered into an agreement with the Government to develop a programme to improve the Government's formal primary education system and already started on experimental basis in some thanas. This programme is known as "Facilitation Assistance Programme on Education (FAPE). The programme aims at:
checking dropout rate, increasing the attendance rate and also improving enrolment rate.

ii) Rural Enterprise Programme (REP)

REP was initiated in 1985 to explore and to introduce new and improved income-generating activities for landless group members.

iii) Para-Legal Aid Programme (PLAP)

In order to raise the awareness of the group members about their legal rights, BRAC has introduced this programme. The group members are given training regarding family law, law of inheritance, land law especially its title verification, and certain aspects of civil and criminal procedures.

iv) Monitoring

In October, 1988, a monitoring cell was established to assist in developing an effective monitoring and management information system for RDP.

v) The Research and Evaluation Division (RED) was established in 1975 as an independent unit within BRAC and is responsible for undertaking various research works on BRAC's activities.

vi) BRAC has introduced some Commercial Projects such as BRAC Cold-storage, BRAC Printers, Aarong, Ayesha Abed Foundation etc in order to generate internal funds and also to create direct employment opportunities.
BRAC was helping the rural people to build-up their capacity but could not reach the whole population of the country. To serve a major portion of the country as a whole, in 1980, it decided to run a national Oral Therapy Extension Programme (OTESP) with a view to reduce the infant and child mortality rate by imparting knowledge to mothers to give their infants and children a simple solution of salt, sugar (or ghur) and water when they suffered from diarrhoea to save from dehydration. This effort of BRAC covered approximately two-thirds of households in Bangladesh. In order to cover the remainder households BRAC launched its Child Survival Programme (CSP) with some other additional health support in October, 1986. This programme has two project components. The large one known as OIA consists of three components: (1) Household teaching on oral Rehydration Therapy (ORT teaching); (2) Assistance to Government in its Immunization Programme; and (3) Assistance to Government in systematising its vitamin - A Capsule distribution. The second one is a comprehensive Primary Health Care Project (PHC) whose components are: ORT teaching, immunization, nutrition education, upgrading the TBAs, provision for pure drinking water and sanitation facilities, health education, basic curative treatment, family planning etc. In respect of health activities, BRAC acts basically as a motivator. This health programme is running in both BRAC areas and non-BRAC areas. BRAC provides manpower
support from field level to higher level for the successful implementation of this health programme.

**Funding:** BRAC almost entirely depends on foreign donation for meeting both programme and non-programme expenses. It also generates fund from internal sources undertaking some commercial projects and others. But this sort of internal fund generation is very much limited.

### 3.4 Grameen Bank

Grameen Bank is a specialized credit institution for the landless males and females who are/were neglected by the Government credit delivery system and also by some Government's development efforts. It was launched as a project in 1976 and in 1983, a Government Ordinance transformed the project into Grameen Bank. The authorised capital of Grameen Bank was Taka 10 crores and the paid up capital was TK 7.20 crores as observed in the Annual Report of Grameen Bank for 1990. The share of Government in Grameen Bank is only 25% and the remaining 75% belongs to the group members. Not only that, in the Governing Body of Grameen Bank, a good number of group members' representatives are present. It is no longer a GO rather it can to some extent be treated as private one. Some body termed it as Quasi-GO. It is not an NGO. But in many aspects it is very similar to an NGO, and also to some Government or Semi-Government efforts like RPP and Swanirvar Credit Programme of Bangladesh. Like Swanirvar Credit Programme, RPP and many of the NGOs it
is working with the rural disadvantaged people. This apart, in respect of objectives and strategies we are observing some commonalities amongst the stated organizations.

Objectives

The main objectives of Grameen Bank are to organize the rural poor into small groups, create savings habit among them and to extend collateral-free credit facilities for undertaking income and employment generating activities and for making them free from the clutches of money-lenders and thus to upgrade their socio-economic strength.

Target Group

The membership in this bank is strictly restricted to a person whose family owns less than 0.50 acre of cultivable land, and the value of all family assets does not exceed the market value of one acre of medium quality land in the area. The group members are to be like minded and must be from similar socio-economic status. Close relations cannot be members of the same group, only one person from each household (from each sex) can be a member of a group.

Activities of Grameen Bank

The activities of Grameen Bank can broadly be classified into:

a) Group formation of landless males and females separately.
b) Generation of savings through weekly compulsory subscription of taka one.
c) Provision of collateral-free credit to the group members for the activities that yield quick income. Loans are provided individually and also collectively for income-generating activities. Besides this, housing loans at suitable terms and conditions are also provided to the group members.

d) Promotion of some subsidiary activities including personal hygiene, children's education and also adult education, planting threes etc.

e) Encouragement of activities conductive to rights and social status of the female members.

f) Conduct of some special projects like Fish Farm, Shrimp Farm, Irrigation Project etc have been undertaken by Grameen Bank for creating income and employment opportunities of its beneficiaries.

g) Provision of training to its beneficiaries.

h) Conduct of a Research, Monitoring and Evaluation Unit for an effective monitoring of its activities and for undertaking various research works on its activities.

**Mode of Operation**

Five persons of the target group constitute a group. Each group elects a chairperson and a secretary and their tenure is for one year. The group members must satisfy the bank staff of their unity and seriousness, understanding of the principles and procedure of Grameen Bank and ability to put singnature. The members must attend regularly in weekly meetings and save taka one (per head) per week. Several groups in the same area
form a Centre headed by one Centre Chief and a Deputy Chief. The Chief conducts weekly meetings, recommends loan proposals and also supervises loan utilization. Loans are given at 16% interest rate (and in the case of house loans the rate is lower) repayable in 50 weekly installments. The group acts as collateral for bank loans. A member can leave the group after repaying his/her loan and if he/she leaves earlier, the balance amount of loan should be paid by other four. If an entire group defaults, the centre should be the responsibility of repayment.

The compulsory savings constitutes a part of Group Fund. The other component of this fund is Group Tax—5% compulsory deduction of granted loans from each borrower. This fund is operated by the group. A member who leaves the group is entitled to have his/her personal savings but not group tax. The members can borrow from this Group Fund (normally free of interest) during the emergency period instead of going to informal credit market. The amount of Group Fund is deposited with Grameen Bank at 8.5% interest.

Each borrower is to pay an additional sum equivalent to 25% of the amount charged as interest. This amount is accumulated in the Emergency Fund which is created for insurance coverage in case of default, death, disability, or other unforeseen events.

The banking services are brought to the doorstep of the group-members instead of bringing them to the bank. All banking transactions such as repayment of credit instalment and weekly savings deposit are completed at the weekly meetings.
Similarly, in the cases of stated NGOs, the group activities with the organizations are also performed in weekly meetings.

Funding: The Group Fund is one of the important sources of its fund. It also depends heavily on both internal (within the country) and external borrowings (from international financial institutes and donor agencies). The funds are available to Grameen Bank in exchange of interest (the rate varies between 1% to 8.5%) instead of having it as donation as in the case of NGOs. But Grameen Bank is able to meet its operating costs from its operating revenues and thus is making a net profit from the mid-1980s.

3.5 Comparison Between these Organizations

There exists a difference of opinion regarding the common character of objectives, approaches to development, organizational structure and style of management amongst the NGOs operating in Bangladesh. One view is that there exists a similarity and the other view is that these are dissimilar. Our motive is not to present this debate but to examine the similarity and dissimilarity between these four organizations regarding their objectives, approaches to development, process of operation etc.

We notice a similarity in respect of their objectives. All the organizations studied are trying to organize the rural poor through whom they are delivering their programme supports in order to improve their socio-economic conditions. But we
I find a difference in their process of operation. BRAC and Comilla Proshika work with the rural poor organizing them into village level organization named as VO, and the average membership of a VO is around 50. Dhaka Proshika also organizes the rural poor into small groups and the membership of a group lies between 15-20. Grameen Bank, on the other hand, works with the rural poor organizing them into small groups of 5 members. However, both in BRAC and in Comilla Proshika, the group members are also divided into small sub-groups. On the other hand, in Grameen Bank, a few groups constitute a Centre which is the central point of grassroots activities of it. From the above analysis, it is evident that all the organizations seem to perform their grassroots activities with almost the same number of organized rural poor.

All that four organizations are working with the target group people though there exists a little variation in respect of target group. Both BRAC and Grameen Bank are working almost with the same group of rural people (with households having at most 0.40-50 acre of cultivable land). Both Dhaka and Comilla Proshika are working with the rural landless and marginal farmers though in some areas they also include some of the small farmers. It is to be noted here that despite these organizations following the target-group approach now-a-days, their origin was not identical. BRAC started with relief and rehabilitation activities and, from 1976, it changed its orientation to target-group approach following the community development approach from the end of 1972 to 1976. Proshika started with the target-group
approach in 1976, and in 1981, it divided itself into two independent organizations and has been following the approach as before. Grameen Bank, from its very beginning, is following the target-group approach. Another point is that BRAC and both Dhaka and Comilla Proshika play vital roles during the period of natural disaster rendering their relief and rehabilitation activities to the victims. Grameen bank also performs such activities but to a lesser extent.

One of the major activities of these organizations is the provision of collateral-free credit support to the group members for undertaking income-generating activities. But there exist some procedural differences in respect of their credit operations. In the case of Grameen Bank, loans repayable in weekly instalments. But in the case of both Dhaka and Comilla Proshika, the repayment of loans depends on the nature of it (normally in more than a single instalment that is relatively easier compared to agricultural credit of Government). Now-a-days BRAC also follows the weekly repayment procedure.

Currently, BRAC charges 16% interest on general loans and in addition to this, it also collects 10% of the sanctioned amount during the period of disbursement. We have already stated earlier that this 10% additional amount is equally distributed to group fund and borrowers savings account. Grameen Bank charges 16% interest plus 25% of charged interest as emergency fund. In addition to these, the borrowers are to pay 5% of sanctioned amount as group tax that goes to the group fund. In the case
of Comilla Proshika, the service charge on loans is 18% and
the VOs charge 6% more from the borrowers for accelerating
capital accumulation (and to meet VO level expenses) to which
they have a right according to the size of their savings. In
the case of Dhaka Proshika, the rate of service charge varies
on the basis of the nature of the project and sex of borrowers.
However, the range of variation is from 10% to 14%. The interest
rates or services charges just mentioned are applicable for
general loans other than house loans for which the rate is
considerably less. Whatever the methodological differences
between these organizations, almost in all the organizations,
the borrowers are to pay something in addition to interest/service
charge on which they have rights and/or which is channalized
for the group interest.

BRAC and Grameen Bank provide both collective and individu­
al loans whereas both Dhaka and Comilla Proshika provide
only collective loans though these may again be distributed
individually among the group members by the VOs/groups.

Training is another important activity of these organiza­
tions. But in this regard, the thing to be noted here is that
this activity is comparatively wider in the case of BRAC and
Dhaka Proshika. All the above organizations are providing suppor­
tive activities. In this regard, BRAC is in the leading position.
Other organizations play a lesser role acting mainly as motivators.

From the above analysis it is clear that, among organiza­
tions, the functions of BRAC are more multi-dimensional whatever
may be the extent. In this study, various supportive activities of these organizations will also be taken under consideration as much as possible though emphasis will be given on economic and income-generating activities.

It is to be noted here that in the Executive Committee/Governing Body (of NGOs) the required presence of group members representatives is nominal. In the case of NGOs the total administrative or financial or other powers are concentrated in a single point. In the case of Grameen Bank, the representation of group members in top management is vital. Though both administrative and financial aspects of these organizations are centralized currently we notice a trend of decentralization of power.

Another point is that NGOs mainly depend on foreign donation to run their income-generating activities for the group members and also to meet their non-programme expenses. NGOs are getting donation to run their programme activities but they also depend on donations to meet operating expenses, failing to generate internal resources utilizing such a donated fund. Grameen Bank also depends on external resources not in the form of donation but in the form of credit. It does not depend on external sources for meeting operating expenses. It is able to make a net profit after meeting operating expenses out of operating revenues.
3.6 Conclusion

In our entire discussion in this chapter we have analysed some organizations making a comparison between them. We have observed here some similarities and dissimilarities among them. But one thing is clear that instead of some similarities and dissimilarities among the stated organizations, their prime objective is to improve the conditions of the rural poor. In Bangladesh, a large number of NGOs and few GOs and Quasi-GO, are working with the above-mentioned section of the rural people for the upliftment of their socio-economic conditions providing them credit support along with various supportive services. In respect of strategy, programme components, coverage, activities etc there exist similarities and dissimilarities among them but most of them are involved in various activities for the betterment of the poor. In this study, we have considered the role of some more NGOs, GOs and Quasi-GOs without making any detailed analysis. In our next chapter, we shall analyse the progress of activities of some NGOs and Grameen Bank covering a reasonable period of time.