



16 Years' of SDF: A Gateway of the Silk Road

Social Development Foundation (SDF) has successfully grounded more effective and efficient financing and institutional arrangements that improve the access of the rural poor to livelihood opportunities by incorporating Community Driven Development (CDD) approach. We do this with a holistic development approach geared towards inclusion, using tools like community finance, livelihood development, youth employment, infrastructure development, women empowerment and more.

A thriving, prosperous and wide-reaching 'not-for-profit' development organization SDF was established in 2000 as autonomous by the government of Bangladesh and was registered under the Companies Act-1994 on July 28, 2001. SDF is committed to engaging, supporting and recognizing the value of all members of society, regardless of race, religion, gender, nationality, ethnicity, age, physical or mental ability, socioeconomic status and geography. Our program provides a range of financial services to the poor, thereby broadening the scope of financial inclusion of those not served by the conventional banking system.

SDF is uniquely positioned to help advocate for change, connect community to the knowledge and resources they need, and coordinate the efforts in fighting poverty and advancing progress towards the SDGs. We work to achieve economic and social changes in ultra poor households, assist them in getting access to mainstream development programs, and creating aspirations among severely disadvantaged groups.

Catalyzing community people's own endeavors to a great extent, SDF bridges the gap between their aspiration and action to translate the target into reality. We are focusing the unmet needs of the poor and marginalized, especially women, including areas of extreme deprivation, protecting the rights of the poor.

One of the prime concerns of SDF is reviewing its plans and progress consecutively considering all the existing challenges for previewing achievements at concert pitch. As a consequence, SDF has the proper and familiar way of breaking down barriers for maintaining high watermark of success in implementing activities from the salad days. Through our efforts, we will persist in vigorously pursuing interventions to promote the rights of the poor and marginalized, including areas of extreme deprivation.

2016 SDF REPORT



To eradicate poverty through sustainable development and women empowerment.



SDF strives to empower the disadvantaged communities through implementation of integrated programs that include capacity building, infrastructure development, employment creation, nutrition awareness and support, and above all inclusive and appropriate financing for planned economic activities. These interventions aim to facilitate the communities to realize their full potentials, lift them out of poverty and take full advantage of emerging opportunities.



- ✓ Unity and equity
- ✓ Use of local resources
- ✓ Belief and trust in community wisdom
- ✓ Transparency and accountability at all levels of program implementation
- ✓ Building self-reliant and sustainable institutions of the poor at community level.

What we do

- ✓ Mobilize and empower rural poor with emphasis on women through capacity building initiatives to build and strengthen their institutions;
- ✓ Transfer funds directly to the village institutions for making livelihood related investments to bring changes in socio-economic condition;
- ✓ Develop skills and generate employment opportunities for the un/under employed youths;
- ✓ Build and renovate local infrastructure through CISF program to ease communication and provide other infrastructural facilities that ultimately thrive in the national economy;
- ✓ Raise awareness, improve attitudes and practices that enhance nutritional status of target beneficiaries;
- ✓ Establish linkages with service providers, employers, financial institutions to ensure receiving services by the beneficiaries; and
- ✓ Establish second tier institutions to carry out the institutional functions after phasing out.

S t r a t e g y 2 0 1 6

01	Vision, Mission, Core Values and What we do
03	Chairperson's Statement
05	Managing Director's Statement
08	Managing Director's Overview: Fast Forwarding to the Future
13	Six Year Strategic Plan (2015-2021)
15	Highlights of the Year
20	Livelihoods Development
26	Community Finance
32	Community Infrastructure Support Fund (CISF)
38	Environment
44	Communications
50	Capacity Building Cell
56	Youth Employment Generation Support (YEGS)
62	Appraisal and Monitoring Team (AMT)
66	Governance and Accountability
69	Monitoring, Evaluation and Learning (MEL)
74	Nuton Jibon Community Society (NJCS)
78	ICT Implementation at village level
80	Nutrition Awareness and Support Services
84	Human Resource Development (HRD)
86	Finance and Procurement
89	Audited Financial Statement
99	2016: The Cup of Glory
110	SDF's Coverage
112	Policy Directives

CHAIRPERSON'S STATEMENT



The moment of truth to deliver the year's-end report of our incremental progression in sustainable development by means of multifaceted ways to eradicate poverty has always been a recognition and privilege for me since I joined as the Chairperson.

This year is no exception and at this happy moment of successfully completing one more year en route to alleviate poverty corroborates our commitment to support the impoverished which will indeed continue in the days to come until we achieve our anticipated development goals.

Obviously, there is no greater honour than to be involved with such an organisation staunch to work particularly for the extreme poor, poor and vulnerable with the objective to improve their quality of life whilst sticking on the winning modus operandi i.e. community driven development. We truly believe that shared development could only ensure shared prosperity which became evident as we have successfully implemented predecessor projects and are nearly in the midst of implementing ongoing 'Nuton Jibon Livelihood Improvement Project (NJLIP)' through empowering the community for their collective growth. Nonetheless, we won't cease our endeavour here rather we will intensify more than halfway to eradicate extreme poverty much earlier than 2030 in line with achieving Sustainable Development Goals (SDGs).

It has been a year of further headway for us both operationally and strategically. There is, however, no complacency from our side. Whilst dealing with the challenges over the year, it's really pleasing to see some useful lessons having been learnt to focus our energies on quick decision timelines for punctual implementation.

Notwithstanding, the credential came from The World Bank's President, Dr. Jim Young Kim who visited one of our villages in Barisal to learn the instance of poverty alleviation and was impressed to see many examples of innovation in fighting poverty and women empowerment.

Our bucket list is adding on as we move forward and we mean to fight against poverty in tandem. We envisage covering remaining poorest areas of the country focusing on strengthening the Small and Medium Entrepreneurs in a bid to have a balanced growth and development for all. No one will be left out from our unequivocal pledge to end poverty in all its forms everywhere under

the statesmanship of our Honourable Prime Minister Sheikh Hasina as we are just around the corner of achieving of Vision-2021. In the meantime, we are working on to incorporate the ICT in our intervening areas through exploiting the proliferation of digitization.

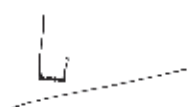
I must express my sincerest thanks to our talented team, management and my experienced

We truly believe that shared development could only ensure shared prosperity which became evident as we have successfully implemented predecessor projects and are nearly in the midst of implementing ongoing 'Nuton Jibon Livelihood Improvement Project (NJLIP)' through empowering the community for their collective growth. Nonetheless, we won't cease our endeavour here rather we will intensify more than halfway to eradicate extreme poverty much earlier than 2030 in line with achieving Sustainable Development Goals (SDGs).

colleagues in the Board of Directors for their sensible support and commitment that made us to deliver expected outcomes. I would like to take this opportunity to accentuate the contribution of the Financial Institutions Division, Ministry of Finance for their ceaseless cooperation and the time-tested partnership with The World Bank to chase our vision. The synergy among us and our common goal to tackle poverty will build on our successes to excel further the way we are working for the destitute.

I am quite pragmatic to deal with the intricacy of challenges that lie ahead of us and would work with all to unlock our true potential to eradicate poverty from the face of our country. Together, I

am sure; we would be able to make a brighter future for everyone.



M I Chowdhury

Chairperson, SDF

(Former Secretary, Government of Bangladesh)

MANAGING DIRECTOR'S STATEMENT



We will soon introduce the real time loan management system and digital record keeping facilities for our beneficiaries of 2,500 villages to accelerate the ICT Vision-2021 of the Government of Bangladesh.

Over the past few decades, Bangladesh has made remarkable progress in raising incomes, reducing poverty and improving social indicators despite the economy faced numerous challenges that resulted from global economic depression of 2008-09 and a series of natural disasters. The exemplary resilience of hardworking population enabled the country continuing to make significant strides even amid heavy odds, and thus in 2015, Bangladesh has been classified by the World Bank as a lower middle income country which paves the way immensely to transform the country into a middle income one by 2021. It's commendable that from 2000, the economy has been growing consistently at 6 percent on average every year, and that growth has lifted millions of people out of poverty. This propel has put Bangladesh en-route to high performing growth, stabilizing commodity prices, maximizing income and minimmizing human poverty, securing health and education for all, enhancing creativity and human capacity, establishing social justice, reducing social disparity, achieving capacity to tackle the adverse effects of climate change, and firmly rooting democracy in the political arena.

At this juncture, there is really a whole lot of sustained progress Bangladesh is making in poverty reduction and increasing opportunities that are distributed comparatively to a suitable extent. Certainly, this shared growth has been made possible with the collective endeavor of the government and development partners to propel shared prosperity through overcoming extreme poverty. With a strong potential to end

poverty by 2030 and decade-long tremendous effort in reducing poverty, Bangladesh's robust economic progress, innovative work with the poor, job creation by the private sector, consistent investment in human development, and effective disaster management has now become an instance for others to follow. Obviously, we can take pride of this credential together with other development partners who have been working hard to end poverty over the decades.

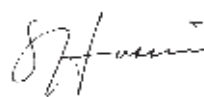
We have SDG targets ahead ceaselessly invoking us about our fair responsibility to contribute to achieving the targets earlier than expected. Currently, we are covering one-third of Bangladesh with an outreach of 22 districts and 88 poorest upazilas through our NJLIP program. Yet, we got so much to do to further intervene rest of the poorest upazilas of 25 districts as identified in HIES 2010 and we have plans for more livelihood intervention to slash out poverty in the coming years. We are also shifting our focus to come up with climate-smart innovative solutions for supporting the agribusiness SMEs who are the active partners of the producer group value chain. We have also planned to financially include our beneficiaries through

We have SDG targets ahead
ceaselessly invoking us about our
fair responsibility to contribute to
achieving the targets earlier than
expected. Currently, we are
covering one-third of
Bangladesh with an outreach of
22 districts and 88 poorest
upazilas through our NJLIP
program. Yet, we got so much to
do to further intervene rest of the
poorest upazilas of 25 districts as
identified in HIES 2010 and we
have plans for more livelihood
intervention to slash out poverty
in the coming years.

exploiting the proliferation of ICT in Bangladesh. We will soon introduce the real time loan management system and digital record keeping facilities for our beneficiaries of 2,500 villages to accelerate the ICT Vision-2021 of the Government of Bangladesh.

Moving forward, our confidence in the Government of Bangladesh especially the Ministry of Finance, World Bank, and above all our Board of Directors are at an all-time high as we would not have been in today's position without their sincere support and cooperation. I wouldn't also hesitate to admit the professionalism and devoted attitude of our

competent workforce who dare to work to achieve the maximum output within the deadline. We will continue to pledge our commitment towards sustainable development to address our social problems including poverty in the days to come for shared prosperity in tandem with our stakeholders.



AZM Sakhawat Hossain
Managing Director, SDF



'I am very happy to see the positive changes in the lives of the poor women who were unskilled in the past and now have changed their socio-economic conditions with the help of the project. We have been continuing our support to SDF to build confidence, skills, structures and knowledge to open windows of opportunity for the poorest section of the societies. I am very glad to talk to the beneficiary women. They are self confident, can take advantage of new opportunities, exercise their rights and enjoy their entitlements.'

-- Dr. Jim Yong Kim
World Bank Group President



MANAGING DIRECTOR'S

WITNESS TO OVER

FAST FORWARDING TO THE FUTURE

Despite frequent natural disasters and impediments, Bangladesh has sustained a surprisingly good track record for growth and development. In the past decade, the economy has grown by nearly 6 percent per annum, accelerating in recent years. This has been accompanied by significant poverty reduction and profound social transformation over the past two decades, with an influx of girls into the education system and women into the labor force to support the burgeoning garment industries. Bangladesh has made laudable progress on many aspects of human development.

The Government has placed the elimination of poverty and inequity at the forefront of its development strategy. The Government, in its national development strategy, the Sixth Five Year Plan (2011-2015) and its Vision 2021, has envisaged more inclusive growth and the eradication of extreme poverty. The strategy emphasizes poverty and reducing inequalities among key focus areas emphasizing access of poor to assets and means of production and strengthened delivery of human development services to the poor. Bangladesh was very much on-track to achieve the Millennium Development Goals (MDGs) of halving the incidence of extreme poverty between 1990 and 2015. The country has a fairly robust national statistical system, which publishes poverty and inequality estimates roughly every 4-5 years. Between 1991-92 and 2010 the incidence of poverty (upper line) declined by about 1.5 percentage points per year on average (BBS has projected it is now less than half its 1990 level); the incidence of extreme poverty (lower line) in 2010 was already well below half its 1990 level.

A comprehensive support model for the poorest and most left out rural people was introduced in Bangladesh by Social Development Foundation (SDF) under the Ministry of Finance about 15 years ago building on self-governed community institutions—the Social Investment Program which was imbedded on a vision of social progress. The program combines livelihood support, empowerment, access to finance, and community

development. The conceptual tools did not allow for doubts--social investments gave a 'real return,' it 'generated dividends,' it was a 'stabilizer' for the economy; the 'human capital' was being enhanced. An impact evaluation showed that the program successfully increased beneficiary incomes, participation and access to finance, increased empowerment of the predominantly female beneficiaries and positively impacted youth employment, food security, and school attendance.

In 2003 the program was piloted in 120 villages under two districts—Gaibandha and Jamalpur. In 2008, the program was scaled-up under the Social Investment Program Project (SIPP-I), covering seven districts and 1,587 villages (incl. additional financing).

Empowerment and Livelihood Improvement “Nuton Jibon” Project popularly known as SIPP-II came into being as a successor of SIPP in December, 2010 with a budget envelop worth US\$ 115 million for a time span of five years—from July 1, 2011 to June 30, 2016. The SIPP-II expanded activities into around 3,200 poverty prone villages under 16 districts. Although it was a five year project but SDF was able to achieve all the set targets

before the deadline and the project was wrapped up six months ahead of the completion period. The Government has, therefore, initiated a follow-up project that builds on SIPP-II titled “Nuton Jibon Livelihood Improvement Project (NJLIP)” for a time span of six years i.e. from August 2015 to June 2021. The NJLIP started its journey and opened new avenues to contribute enormously yet again in the field of poverty alleviation in line with the “Sustainable Development Goals (SDGs)”. The synergetic results of the previous projects contributed significantly to aspire this new initiative with the Project Development Objective “to improve livelihoods of the poor and extreme poor in the project areas” with a budget of US\$ 220 million of which the Government of Bangladesh is providing US\$ 20 million in addition to the IDA credit of US\$ 200 million. The target group of the project is the poor and extreme poor in the poorest upazilas of Bangladesh and supporting around 2,500 new villages in 13 districts (around 500,000 poor and extreme poor households/2.25 million beneficiaries). The project is also continuing to provide support to the 3,200 villages supported under SIPP-II through higher level institutional and producer group support.

Snapshot of projects already been implemented:

Name of projects	Duration	Major objectives	Funds allocated	Districts covered
Empowerment and Livelihood Improvement “Nuton Jibon” Project (SIPP-II)	5 years (July 2011-December 2015)	Alleviating poverty at village level	Tk. 897 Crore	16
Emergency Flood (2007) Restoration and Recovery Program	3 years (October 2008-June 2011)	Rehabilitation of the flood effected people	Tk. 195 Crore	2
Emergency 2007 Flood Restoration & Recovery Assistance Program	3 years (September 2008-June 2011)	Rehabilitation of the Cyclone ‘Sidr’ effected people	Tk. 78 Crore	4
Monga Mitigation Initiative Pilot Program	2 years (August 2005-January 2007)	Rehabilitation of the ‘Monga’ effected people	Tk. 5 Crore	3
Social Investment Program Project (SIPP-I)	9 years (April 2003-June 2011)	Poverty alleviation	Tk. 224.2 Crore	2

The selection of upazilas is based on poverty ranking (highest percentage of poor according to the latest Bangladesh Poverty Maps) and clustering considerations. This selection criterion include (i) deepening intervention in districts in which SIPP-II has already been active, by including additional upazilas that are ranked amongst the poorest; and (ii) expanding into upazilas in additional districts. The project is currently working in a total of 22 districts: (i) nine districts are supported with second generation activities in villages mobilized under SIPP-II; (ii) seven districts are having ongoing SIPP-II villages and new villages in additional upazilas that are ranked amongst the poverty prone upazilas; and (iii) villages in selected upazilas in five new districts (Chandpur, Comilla, Khulna, Satkhira, Shariatpur and one upazila from Gopalganj) are added.

The NJLIP is replicating most of SIPP-II activities, but scales-up income generating activities and incorporates new activities focusing on nutrition, market facilitation and value addition.

The SDF aims even higher over the next six years and continues to maximize opportunities and expand services for the unserved needs of around 6 million people we already have reached both directly and indirectly, while empowering the most underserved and disenfranchised women and men to gain greater access to and control over resources, decisions and actions for social transformation. In parallel, we will continue to work on strengthening our organizational sustainability, including our financial viability. The NJLIP is also mobilizing the hardcore poor and poor people through building and strengthening community institutions including Nuton Jibon Community Society (NJCS), Second Generation Institutions and so forth. The NJCS, are designed and constituted picking up beneficiaries from each individual village and cluster under the project to provide long term technical support including monitoring, follow up to help ensure the member villages to work independently in a sustainable manner. The other salient purpose of constituting NJCS is to ensure receipt of various technical and financial services by the member villages from different institutions/departments of public and private sectors. These changes require significant transformations which are reflected in our new six-year strategy.

While improving livelihoods of poor and extreme poor beneficiaries in 22 districts (that includes SIPP-II districts as well), the NJLIP is also working on business development and institutional strengthening of producer groups and also facilitating interaction between producers and SMEs in

Overall development and achievements of SDF

Beneficiaries

The total number of direct and indirect beneficiaries of SDF stood at 60 lac under 11 lac households as a result of all projects delivered so far and under the current project being implemented.

One-off grants for the underprivileged and vulnerable

SDF has provided a total of BDT 1,894 crore as one-off grants among 52 thousand 168 underprivileged and vulnerable families in its intervening areas.

Development of community organisations and women empowerment

A total of 9 lac 42 thousand members were organised under 5 thousand 642 village community organisations where 95 percent accounted for women. Admittedly, 92 percent women out of their total participation are holding the major decision making positions in different executive committees and implementing programs accordingly.

Skills development of the youth and their employment

Nearly 57 thousand unemployed youths received skills development training from SDF and admittedly, 88 percent (50 thousand) of them have already been employed.

value chains. Facilitating market linkages, partnerships, product promotion, establishing productive investment funds, market places development etc. are some of the activities under NJLIP. An initiative is also under design (Launch Pad) to ensure advance climate solutions in rural Bangladesh, with the use of ICT and SMEs.

While upstream research and development by public institutions is important, we have learned through our work that innovation and adaptive research, along with certified new technologies, is equally essential for overall development in the country. As we grow and expand our initiatives for the betterment of the

underprivileged, we are determined to incorporate the lessons learned from the past decades in our journey to assist the government to reduce all kinds of inequality. During the SIPP-II implementation, SDF ensured use of information communication technology at all levels of its operations i.e. from cluster to national level. In line with the ICT vision 2021 of the Govt. of Bangladesh, SDF conducted an ICT pilot project in thirty (30) villages of SIPP-II projects from Aug '15 – Feb '16 with a major task to capturing the community finance activities/ transactions. The key objectives of the piloting were to study the feasibility of digitizing the financial transactions/ activities of VCO and GS in real time by the community members themselves using computerized system, viability of capturing large amount of data by the community members through the system. With a view to integrating communities under SDF's ongoing NJLIP for financial inclusion and accelerating the implementation of ICT Vision-2021 of the Government of Bangladesh, SDF has hired a software development firm to design and develop user friendly Loan Management System (LMS) that will be operated by the resource persons at village level. The predominant objective is to make the

loan disbursement and recovery process, saving schemes and overall financial management system undemanding, ensure its security and generate real-time reports on demand. Particularly, the notion of real-time Loan Management System (LMS) making best use of ICT for which dedicated software is nearing completion. It will gradually be rolling out in 2,500 villages under NJLIP to ensure real-time updating of financial data with fund management through the internet from remote villages located in various geographic regions of Bangladesh under NJLIP's intervention. Entirely managed by the project beneficiaries who are mostly women, the initiative will indeed enable digital record keeping of the community based financial activities through eliminating age-old ledgers and potentially turn out to be the most efficient means of synchronized financial gateway for Village Credit Organizations (VCOs).

SDF, since its inception has been following some non-negotiable principles—known as project principles that contributed immeasurably to successful implementation of poverty alleviation programs in Bangladesh.

PROJECT PRINCIPLES

Inclusion: All project activities will ensure that extreme poor, poor, most vulnerable, disabled, destitute, women and youth are targeted and included in project support; At least 90% of the extreme poor and 70% of the poor identified in the villages will be direct beneficiaries of the Village Development Fund (VDF) envelope.

Equity: All decision making positions in all the village institutions created (Gram Samiti, SAC and subcommittees of the Gram Samiti) will be occupied by extreme poor, poor, women and youth.

Participation: All decisions and project activities undertaken will follow a participatory approach with at least 70% of the poor being part of the process.

Transparency: All project decisions will be taken in the Gram Parishad in an open and transparent manner; Project information will be prominently displayed in the village and project documentation including minutes of accounts books, meetings and other records will be maintained and made accessible to the village community.

Accountability: At least 80% of all Gram Samitis would have received all the installments of the VDF and must be rated satisfactory by village communities during community assessment process.



YEAR

STRATEGIC PLAN (2015-2021)

Bangladesh stands at an amazing crossroads in the sphere of poverty alleviation. It has already graduated from lower income country to lower middle income country in 2015 and the country's economic progression shows no signs of blockade. As one of the leading organizations in the field of social development, SDF, with the vision to fight back poverty, centered upon a participatory and an ever growing social praxis for pragmatic solutions, has been implementing programs to catalyze community people's endeavors to a greater extent. To assist the most disadvantaged people in their fight against poverty, SDF challenges the frontiers of poverty reduction. All our efforts are aimed at overarching and increasingly achievable goals to help Bangladesh eradicate poverty and significantly reduce inequalities. As we have started our new project-NJLIP, the euphoria of responding to new challenges and objectives would indeed motivate us to reinforce our commitment to turn things into action to the agenda 2030 vision to 'leave no one behind' through the pursuit of the 17 Sustainable Development Goals (SDGs).

Over the six years, new investments will be made in our work force, such as, enhanced capacity development and more opportunities to test new ideas and incubate new projects. SDF with focus on the following thematic areas in the implementation of its poverty alleviation programs in Bangladesh, which in turn, help achieve the goals.

POVERTY ALLEVIATION BY EMPOWERING PEOPLE

SDF, with its utmost effort has been empowering the targeted community for comprehensive development through socio-economic upliftment and has gained the firmer footing on to the road to self reliance. Over the years, this organization has been able to bring about positive changes in the lives and livelihoods of the poor and extreme poor and has created an encouraging impact on their families, society and economy. Our efforts have benefitted six million populations through our collaborative programs. For the next six years, we will be helping 2.25 million disadvantaged populations, especially the women and youth, with utter dedication to meet its vision through implementation of effective programs.

WOMEN EMPOWERMENT

SDF's programs enable the poor, particularly women, to build, secure, and use socio-political assets to improve

their well-being, reduce vulnerabilities, take advantage of new opportunities, exercise their rights, claim their entitlements, and play a more active role in public life. Ninety five percent of SIPP-II beneficiaries are women out of whom 92% women occupy decision making positions in the community institutions. Women, through participation in the project, are also increasingly becoming decision makers in their households.

They are no longer willing to play a second fiddle to their male counterparts. No matter whether they have institutional education or not, they are asserting their social and political rights and making their presence visible, regardless of their socio-economic backgrounds. In the next six years we will empower around 25,000 youths (most of whom are females) with skills training and link them to decent jobs or entrepreneurship which will produce capable citizens to help the country achieve enhanced Gross Domestic Product (GDP) growth.

YOUTH EMPLOYMENT

The project is building on the successful efforts of Social Investment Program Project (SIPP-II) to link un/under-employed youths (18-35 years) with employment opportunities. This unit aims to provide support for youth in the project villages to gain skills and access to employment opportunities. The project is also supporting youth through its skills development activities to start their own business and has linked with service providers requiring employees. The project is helping youth groups and facilitating counseling sessions that allow youths and their families to discuss such issues. The project is providing specialized training support that will allow linkages with potential employers. SDF has been also strengthening tracking youths once employed to gain further information on the mobility and progress of the targeted youths. The project is building on the experiences with an aim to continue strengthening SDF's capacity to reach out to the youths, and explore additional employment opportunities.

SECOND GENERATION INSTITUTIONS

The vision for Second Generation Institutions is to network the Gram Parishads, the village level institutions of the poor for supporting and monitoring their performance while also seeking other potential options for economic growth and service provisions. The overall goal is to make the 'Nuton Jibon Community Society (NJCS)' institutionally and financially sustainable so that the institutions, investments and results achieved are sustained beyond the life cycle of the project. The purpose of the NJCS is to support and strengthen Gram Parishads for maintaining their organizational quality, ensuring accountability and compliance to the rules of business and guidelines for sustainable performance, scaling-up information sharing and communication among all its members, aggregating various services and mobilizing producer groups and livelihood development activities including linkages with local government, private sector and financial institutions. This will be achieved through delivering demand based services and technical assistance to member organizations, linking the village institutions to other programs and agencies, mobilizing revenues and linking with other financial resources. The success of NJCS would be the number of Gram Parishads institutionally, financially and technically sustaining beyond the project period including VCOs and producer groups.

The project is supporting the NJCSs during the initial two years of their establishment to help the NJCS to manage the transition from a project supported entity to autonomous and self-sustaining organizations. The NJCS support consists of: (i) an Institution Development Fund (IDF) during the first year; and (ii) a Performance Support Fund (PSF) during the second year based on the performance in realizing the vision agreed during the first year.

HEALTH CARE AND NUTRITION

The project is building on its community platform anchored in mobilization and organization, advocacy, awareness raising and access to finance and by integration of nutrition interventions leading to enhanced nutrition outcomes in areas such as food expenditure, food poverty and diet diversity.

This sub-component is raising awareness, improving attitudes and practices that enhance nutritional outcomes for targeted beneficiaries in selected project areas and that support beneficiaries in optimizing their livelihood activities. Increased household income is not necessarily translating into improved nutritional outcomes and therefore can only partially address the under and mal-nutrition challenges in Bangladesh. Activities proposed in the project focus on awareness building, behavioral change for personal hygiene, food preparation, food choices and mainstreaming nutrition sensitive actions, particularly in selected income generating activities of beneficiaries. The target group for the nutrition related activities comprises of a sub-set of project beneficiaries that are among the core focus group for nutrition interventions – pregnant and lactating mothers and young children under the age of five.

INFRASTRUCTURE DEVELOPMENT

To thrive in the national economy the infrastructure development program was largely funding community infrastructures like the community office, earthen road upgrading, drainage, tube wells, latrines and so on during SIPP-II. Operation and maintenance procedures and costs are also integrated in the infrastructure planning to assure their application. In NJLIP, the Institutional Development Fund (IDF) and the Community Infrastructure Support Fund (CISF) procedures are envisaged to remain largely as was in SIPP-II.

HIGHLIGHTS

OF THE YEAR

VISIT OF WORLD BANK GROUP PRESIDENT DR. JIM YONG KIM

Dr. Jim Yong Kim, Hon'ble President of the World Bank Group, paid a visit to 'Nuton Jibon Livelihood Improvement Project (NJLIP)' at Dakhkhin Rakudia village of Babuganj upazila under Barisal district on October 18, 2016. The Hon'ble President lauded the program's unique niche by reaching the uncovered, most vulnerable, and the poorest and appreciated SDF's spectrum of innovations that consists of a collaborative network of development programs. This has enabled the women to build, secure, and use social assets to improve their well-being, and play a more active role in the society. Before their inclusion in the project, they were barely capable to run errands with no assets. He added, 'I am very happy to see the positive changes in the lives of the poor women who were unskilled in the past and now have changed their socio-economic conditions with the help of the project. We have been continuing our support to SDF to build confidence, skills, structures and knowledge to open windows of opportunity for the poorest section of the societies.' He further added, 'I am very glad to talk to the beneficiary women. They are self confident, can take advantage of new opportunities, exercise their rights and enjoy their entitlements.'

DRY RUN OF WORLD BANK'S COUNTRY DIRECTOR MR. QIMIAO FAN

'It is wonderful to see tangible results of this excellent project based on self reliance and mutual support' said Mr. Qimiao Fan, World Bank's Country Director for Bangladesh, Bhutan and Nepal while went for a dry run to Dakhkhin Rakudia village of Babuganj upazila under Barisal district. This visit held on September 19, 2016 prior to visit of the Hon'ble President of World Bank Dr. Jim Yong Kim. He was impressed to see the significant progress of the community by gaining increased stature at community development. He had a thorough

interaction with the beneficiaries and was besieged to learn their incremental success through implementing programs employing Community Driven Development (CDD) approach. He was also delighted to see the transformation of the poor and vulnerable community as a change-maker of their own fate through the village level institutions--the main vehicle of underprivileged people's empowerment propel. He was glad to see the strong and vibrant initiatives of SDF in generating several social benefits that lifted them up from the poverty line in 3 years (they started the project in 2012) and trying to join the middle income group through making larger investments preferably in groups, which will ultimately yield adequate income.

AIDE MEMOIRE: SECOND IMPLEMENTATION REVIEW AND SUPPORT MISSION

The 'Nuton Jibon Livelihood Improvement Project (NJLIP)' started its journey on August 3, 2015 with the objective to improve livelihoods of the poor and the extreme poor in the project areas with a budget worth US\$ 220 million expanding its coverage to another 2,500 villages of 5 new districts and unintervened upazilas of 7 SIPP-II districts in conjunction with providing reduced support to 3142 phased out villages of SIPP-II.

An implementation review and support mission of the 'Nuton Jibon Livelihoods Improvement Project (NJLIP)' took place from May 1-10, 2016. The mission was happy to see that SDF has been able to establish cluster, district and regional offices and they are fully operational at present with 1,182 staff redeployed from SIPP-II staff who had demonstrated proven track records.

The mission expressed their satisfaction to see that the Information Communication Technology (ICT) piloting has been completed in 30 villages in three regions (10 villages in each region). The aim of the piloting was to assess the feasibility of real-time (online) data entry.

SDF submitted the pilot evaluation report to World Bank. SDF was commended for successfully completing this piloting without any obstacles from the communities. Based on the evaluation report, the mission acknowledged the capability of resource persons/beneficiaries in the communities who have been regularly feeding data into the computerized integrated MIS system.

The overall fiduciary performance rating of the project was **Satisfactory** in view of the recent development on agreed Financial Management (FM) actions to strengthen overall control environment. SDF has submitted the updated procurement plan in the mission. During the past nine months of project implementation from the inception, SDF has submitted procurement requests for Bank clearance on time. In view of this performance, procurement administration is rated **Satisfactory**.

IMPLEMENTATION COMPLETION AND RESULTS REPORT (ICRR)

With a view to review plan, program and activities for previewing success, the mission on Implementation Completion Results Report (ICRR) of Empowerment and Livelihood Improvement 'Nuton Jibon' Project (SIPP –II) took place from 18th to 28th January 2016. The key persons included in the mission were Mr. Seenithamby Manoharan (Task Team Leader); Ms. Pushina Kunda Ng'andwe (Senior Rural Development Specialist, Co-TTL); Ms. Melissa Williams (Senior Rural Development Specialist, Task Team Leader of ICRR) and Mr. Aidan Gulliver (Senior Economist, FAO).

The ICRR team regarded the borrower's performance as the performance of the Govt. of Bangladesh (GoB) and the performance of SDF. The ICRR team highly appreciated GoB's relentless effort to make SIPP-II successful and rated the performance of GoB as **Satisfactory**. The ICRR team is satisfied with the GoB's initiative to restore the Governing Body and audit committee as per suggestions of the World Bank. At the same time GoB endowed SDF with an endowment fund of USD 15 million at the outset of SIPP-II and then scaled it up to USD 21.5 million in 2013 with a view to paving the way of sustainability and growth of SDF. The ICRR team has admitted SDF's effort to face the challenges despite having some shortcomings in key

positions at the beginning of project. According to ICRR team SDF's performance was overall appreciable. It is to be noted that whilst the performance of the World Bank was rated as **Moderately Satisfactory**, the borrower's (GoB and SDF) performance was rated as '**Satisfactory**' on the other hand.

MISSION: LAUNCHPAD-THE WORLD BANK AND SDF

Innovative, client focused and sustainable, 'Mission: Launchpad' is a business incubator that operates a small-scale, business accelerator to empower and teach participants how to launch or grow their tech dependent business. This is an angle of inclusive entrepreneurship. In order to reduce safety net usage as well as economic dependency on family support systems, the opportunities to gain self-sufficiency must be expanded. Inclusive entrepreneurship champions a genuine attitude that those with a social disability (caused by shame and stigma) should be afforded an opportunity to develop and sustain a business-lifestyle or high growth-when they are otherwise locked out of the traditional workforce.

The Launchpad team of World Bank has scanned the agro-based SME environment of Bangladesh and identified that the absence of competitive agri-SMEs limiting the delivery of climate smart tools and technologies. However, tapping into the potentials of SMEs could create a delivery model to diffuse locally appropriate climate solutions in rural Bangladesh. Whilst conducting Agri-business sector mapping, the team found that small sized SMEs who struggle to get required attention and support in terms of finance, technology, overcoming regulatory barriers and so forth often fail to grow at their early stage of development and strengthen themselves for sustainable business growth.

The Launchpad team provided flowcharts of the current prototype of BCSIC and two-phased implementation modalities of the proposed concept that combined 'Proof of the Concept' and 'Scaling Up'.

The Launch pad team had outlined three major courses of actions to complete all by the end of July 2017 which includes:

1. Launching a study to identify potential SMEs and conducting need assessment,

2. Organizing the prototype design and development mission, and
3. Preparing draft business plan for establishing Bangladesh Climate-Smart Innovation Centre (BCSIC) within the project framework of NJLIP.

In the Aide Memoire of the 'Third Implementation Review and Support Mission' held on January 16-February 2, 2017, the Launchpad initiative was labeled as appropriate and timely initiative within the programmatic scope of NJLIP to advance climate solutions in rural Bangladesh and SDF, being the sole implementing agency of NJLIP together with other relevant stakeholders from public and private sectors is considered to be well placed to anchor and facilitate the designing and development of the Launchpad initiative in Bangladesh.

MEMORANDUM OF UNDERSTANDING

To engage youths, especially women with meaningful employment and bringing out all dormant potentials

including their leadership quality through skill development, a total of eight Memorandum of Understandings (MoUs) have been signed between SDF, GOs and NGOs under the NJLIP.

With the objectives to create specific outcomes among a large number of youths, the partners who accomplished MOUs with SDF will provide various training courses including inception workshops to the unemployed youths with a priority to include maximum participants from SDF project areas. As per the conditions as set in the MOUs they will submit a full report to SDF on completion of training. In addition, they will hold counseling and exposure meetings to inspire the youths for receiving training and ensuring retention at work place. Also they will allocate maximum trade based seats to SDF project participants and put the trained youths to jobs as per eligibility.

The following matrix provides information on MOUs signed between the SDF and other organizations:

Organizations of Functional partnership	Locations	Agreed Functions
UCEP (Underprivileged Children Education Program) Bangladesh (3 MoUs)	Rangpur, Barisal, Sylhet districts	Skill development and job placement
BITAC (Bangladesh Industrial and Technical Assistance Center)	Bogra and Chandpur districts	Skill development
Sym Biosis Bangladesh	Mymensingh district	Skill development and cost based resource sharing
Allah'r Daan Cap Factory	Rangpur district	Skill development and product marketing
BCMSF (Bamboo, Cane & Mat Shilpo Foundation)	Dhaka	Skill development and product promotion
Partnership in Pipeline for MoU signing: Khulna Shipyard Ltd. & BITAC- Khulna Alim Agro Industries Ltd. JMS Co. & Rhee Hemple Co., EPZ- Chittagong Sajib Corporation and Rangs Security Ltd.	Khulna Sylhet Chittagong Dhaka	Possible skill development



POVERTY IS NOT JUST
A LACK OF MONEY; IT
IS NOT HAVING THE
CAPABILITY TO
REALIZE ONE'S FULL
POTENTIAL AS A
HUMAN BEING.

-- Amartya Sen

A photograph of two women in a field of green plants. The woman on the left is wearing a colorful patterned headscarf and a matching top, and is looking down at the plants. The woman on the right is wearing a blue and red patterned headscarf and a matching top, and is looking towards the camera. The field is filled with green plants, possibly a vegetable garden or a field of young trees.

LIVELIHOODS DEVELOPMENT

Yielding **OPPORTUNITY FOR ENDING** the Vicious Cycle of Poverty

With the philosophy to fight back poverty, **Livelihood** programs of SDF, centered upon a participatory and an ever-growing social praxis for pepping up the disadvantaged people to identify, analyze and invent pragmatic solutions to their own problems has been proved tremendously successful. This effort empowers the poor, especially women, to enjoy their social and economic rights by mobilising communities to translate their hopes and aspirations into action. SDF enables them to build, secure, and use socio-political assets to improve their well-being and reduce vulnerabilities. Our hands on, rhythmic and kinaesthetic development approach has brought phenomenal success in reducing the vulnerability of the untapped human potentials. We create and improve livelihoods for those at the base of the economic pyramid through Community Driven Development (CDD) approach, eradicating poverty in all its forms. The project is providing financial support, market and technical assistance, value chain development and business development support to the rural poor community for upgrading their lives and livelihoods.



HIGHLIGHTS 2016

We reached **8,499** NJG members by providing them skill development training e.g. beef fattening, dairy rearing, goat and poultry rearing, vegetable cultivation, small business, fish farming etc. After receiving the training, **1,449** NJG members started Income Generating Activities (IGAs) by taking revolving loans (Sabolombi loan) in the reporting period.

The project has also identified a total of **13,447** vulnerable in NJLIP areas and out of them **8,228** received one time grant to be mainstreamed. This financial assistance has enabled them to mitigate their initial shocks and financial vulnerability and also facilitated a total of **1068** vulnerable to get included in Nuton Jibon Groups (NJGs).

In a bid to raise awareness and build knowledge on different Income Generating Activities (IGA) that yield projected income loads of training and business promotional materials have been developed. To this end a total of **9** training modules, **9** flip charts, **22** brochures and **25** posters have been developed.

SDF has been facilitating proper functioning of **5,763** producer groups with **1,04,815** producers in its predecessor project SIPP-II areas to improve quality of products together with marketing of produces collectively leading to reduce production cost and maximizing profit.

In order to ensure long term sustainability of these producer groups, the project has been facilitating to get registration from the Department of Co-operatives (DOC), Govt. of Bangladesh.

During the reporting year a total of **205** producer groups have obtained registration from the Department of Co-operatives (DoC) allowing **2** producer groups receiving Productive Investment Fund (PIF) from the project whilst other producer groups are in the pipeline to receive the same.

In this phase, overall **58** stakeholder workshops have been organized at upazila and district levels creating a platform to bring together producer group members and relevant business operators and service providers. These stakeholder meetings have created an opportunity for producers and market operators to meet, exchange interests and ideas, as well as develop forward and backward linkages.

The project has organized **43** periodic workshops/meetings at district level in SIPP-II areas with **615** trained Local Service Providers (LSP)/Para-vets during the reporting period. These meetings/workshops helped them to gain expertise and skills in facilitation, smoothen service delivery and maintaining integrity and due diligence of accomplishments.

Partnership development of the producer groups with the public and private sectors plays a pivotal role to ensure receiving services by the former-technical and input support as well as increasing market accessibility to bolstering their income generating activities. During the reporting period a total of 10 partnerships have been developed.

SL.	Name of the Organizations/ Institutions	Date of partnership establishment	Type of services received by producer group members	Number of community benefited
1	ACI Ltd. and Cluster Nuton Jibon Community Society, Sylhet	23.01.16	De-worming, vaccination, AI service, medicine and treatment support to cattle.	632 HHs benefited
2	Lal Teer Seed Ltd. and Barisal/ Barguna district NJCS.	15.03.16	Seed support for establishing demonstration.	350 project HHs benefited
3	Barisal District NJCS and Milk Vita Ltd.	01.04.16	Training and marketing support, advisory support	99 project HHs benefited
4	Patuakhali District NJCS and Metal Agro (Seeds) Ltd.	28.05.16	Receive training, seeds for demonstration plot for water melon cultivation at free of cost	122 HHs benefited
5	Bagerhat District NJCS and Asa Fish Hatchery of Bagerhat	13.6.16	Members receive fingerling and technical support.	149 project HHs benefited
6	Pirojpur District NJCS and Satota Duck Khamar, Khulna	14.06.16	Members receive qualitative DOC (4000) of duck at a reasonable price.	45 project HHs of 3 PGs benefited
7	Barisal District Nuton Jibon Community Society and ACI Crop Care Ltd.	31.08.16	Training on vegetables production	30 project HHs benefited
8	Barisal District Nuton Jibon Community Society and Renata Ltd.	02.09.16	Receive training, de-worming, medicine etc.	120 project HHs benefited
9	Kurigram Nuton Jibon Community Society (NJCS) and Milk vita Ltd.	25.09.16	-Skill training free of cost -Selling milk collectively -Free treatment, advice and AI support.	553 project HHs benefited
10	Dinajpur Nuton Jibon Community Society (NJCS) and Auto Crop Care Ltd.	29.09.16	-Training on maize and vegetables cultivation, -Training on Lichi intercultural operation.	48 HHs benefited

23.01.16	632	HHs benefited
15.03.16	350	HHs benefited
01.04.16	99	HHs benefited
28.05.16	122	HHs benefited
13.06.16	149	HHs benefited
14.06.16	45	HHs of 3 PGs benefited
31.08.16	30	HHs benefited
02.09.16	120	HHs benefited
25.09.16	553	HHs benefited
29.09.16	48	HHs benefited



SUCCESS STORY



Rikta Begum: Journey to the other side

'We could hardly keep the wolf from the door. My husband used to find it hard to meet the daily expenses of our family as after meal comes mustard,' she unfolded her story.

Rikta Begum is the name of a veteran in the battle against poverty. She got married at the age of 12 as her family was too poor to bear the expenses. Her day laborer husband was also unable to run errands.

At those stark days, SDF started its operation at Uttar Durgapur village in September, 2007. At that juncture Rikta's family was enlisted there as a hardcore poor household through PIP. After joining the group she attended all the meetings with enthusiasm and started saving money as per the rule. She got training of rearing cows with the help of SDF. While the training was over, she borrowed BDT **4,000** as Internal Loan. Afterwards, she borrowed BDT **5,000** at first stage, BDT **10,000** at second stage and in third phase BDT **16,000** as Sabolombi Loan.

She made the best use of the training she received from the project on IGAs. She bought a calf for BDT **4,000**. After one year, a calf of mixed species was born. She sold both of them at BDT **35,000**. With this money and adding few more money, she purchased a high breed milking cow and launched a mini dairy farm. Her family income was also supplemented by BDT **1000-1200** per day from the sale of milk. She saved more money from her additional business. She bought another milking cow with the money that she took from Sabolombi Loan Fund. Now she owns two milking cow and one calf whose market price is BDT **350000**.

Gradually, with the help of her savings, investment in small business and livestock, her life style has improved and family is accumulating assets. At present, she is the owner of 8 decimal of land, a tin shed house, 10 acres of farming land and a pond of her own. She has taken lease of 33 decimal of land. Her monthly income is BDT **35,000-40,000** from which she spends BDT **15,000-20,000** for her monthly requirements and can save the rest. Furthermore, she has a DPS of BDT **1,00000**. Apart from attaining economic reliance, she has been able to send both of her children to school.

She is dreaming of expanding her business of milk production and wants to set up a chilling centre. Her zeal and courage with SDF's contribution has taken her to step forward in the ladder of success.

Rikta Begum is extremely grateful to SDF for turning the wheels of her life.



GENDER EQUALITY IS MORE THAN A GOAL IN ITSELF. IT IS A PRECONDITION FOR MEETING THE CHALLENGE OF REDUCING POVERTY, PROMOTING SUSTAINABLE DEVELOPMENT AND BUILDING GOOD GOVERNANCE.

-- Kofi Annan



COMMUNITY FINANCE

Strengthening the RURAL ECONOMY

Battling to ease vulnerability for reaching intended goals, the **Community Finance** program of SDF has been fostering its profound philanthropic beliefs and principles into its core policies and strategies. This program was initiated using social pragmatism and sustainable development to promote social-economic status and empower disadvantaged people, particularly the women. This program has been supporting the people living in utter poverty in myriad ways by facilitating easy access to credit and savings, making investment in training and small enterprises, to help the families to have square meal, access to education, and offering to cope mechanisms for emergencies.

This client focused and sustainable program targeted the rural poor, providing them with collateral-free loans and a safe means to save money regularly. This collective effort contributed to immensely increased cash flow in the rural economy, employment creation and development of small entrepreneurs. Accordingly the Village Credit Organization (VCO), the specialized savings and credit arm of the Gram Parishad, is the main vehicle of under privileged people's empowerment propel. It is largely responsible for lending to and recovering disbursed loans from Nuton Jibon Groups through a revolving process. Provision of saving and favorable access to credit has enabled the poor to invest money in income generating activities. Receiving credit on a reasonable payable service charge to meet the recurring expenses and maintaining growth of funds of the VCO, they are getting involved in different income generating activities and thus turning their lives towards financial and social empowerment. They also have been geared up through a series of life skill development activities. At least 95% of the GP members are made up of women.

HIGHLIGHTS 2016

SDF's development initiatives have been continuing to accelerate employment and income generation through the community financing program. We contributed to expand our reach to **3,17,953** beneficiaries enrolled in Nuton Jibon Groups. Our effort has enabled **3,17,366 (99.81%)** beneficiaries to deposit savings on a regular basis and thus is creating a fund for their future safety.

Enrolment of NJG Members

3,17,953



Members incorporated in NJG during the year 2016

Savings accumulated by NJG members

70.49



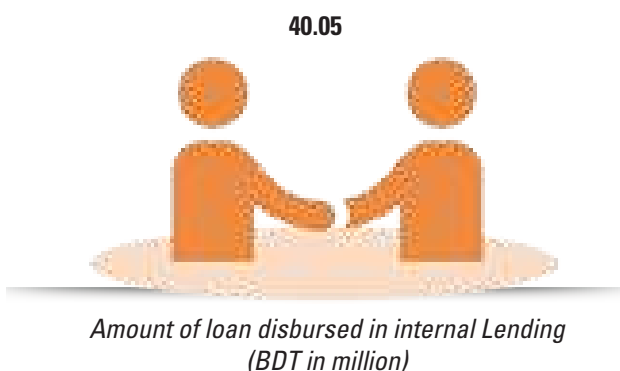
*Savings accumulated by NJG members
(BDT In millions)*

Our holistic approach has significantly increased the amount of savings by NJG members to BDT **70.49** million (US\$ **0.90** million, on average BDT **222** per member). Some of them have received internal lending from their savings fund.

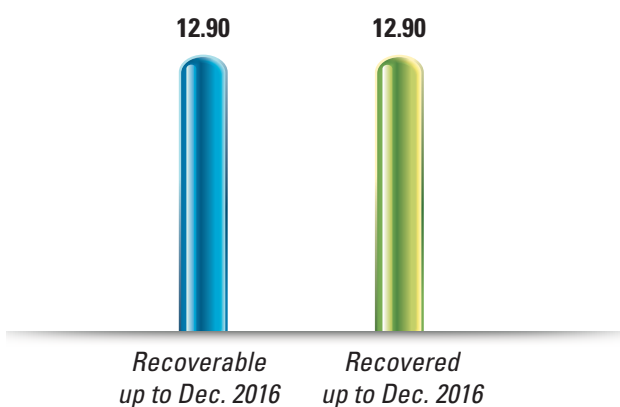
Loan disbursement in Internal Lending

We disbursed a total of BDT **40.05** million (US\$ **0.51** million) as Internal Lending which creates enormous impact on the rural economy. The total number of beneficiaries who received internal lending stands at **14,491** by a number of **14,541** loans.



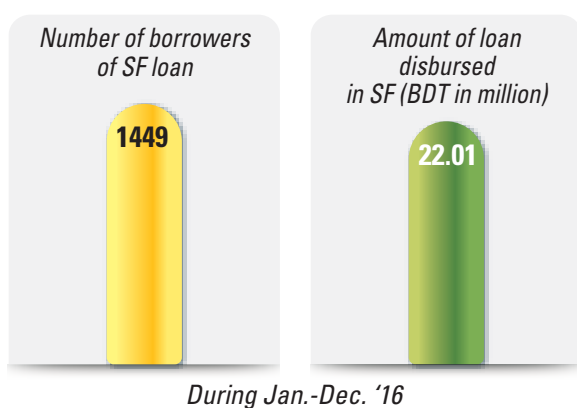


Loan recovery status in Internal Lending



In the reporting year, BDT **12.90** million (US\$ **0.17** million) has been recovered in Internal Lending against the target of BDT **12.90** million (US\$ **0.17** million). We could effectively achieve the cumulative rate of loan recovery which is **100%** and outstanding loan of Internal Lending stands at BDT **27.16** million at the end of the year.

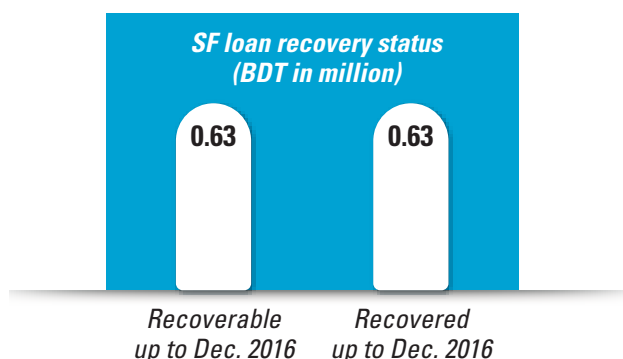
Loan disbursement in Shabolombi Fund (SF) Loan



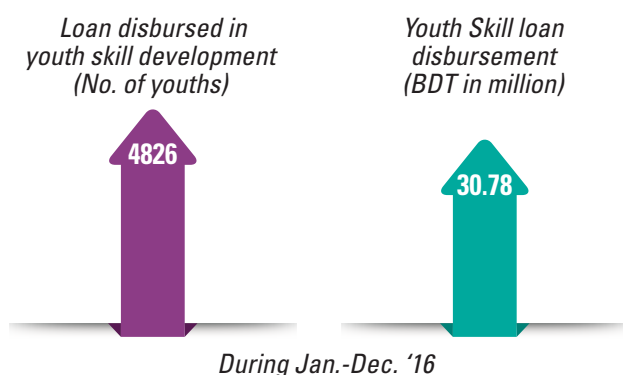
A total of **1,449** NJG members have received BDT **22.01** million (US\$ **0.28** million) as Shabolombi Fund loan. Shabolombi Fund loan has just started to balance the number of borrowers and credit. As a result all of the borrowers have received 1st cycle loan which has fulfilled the target. At the end of December 2016 the outstanding of SF loan stood at BDT **21.38** million (US\$ **0.27** million) and also average loan size in SF has become BDT **15,190**.



Loan recovery status in Shabolombi Fund Loan

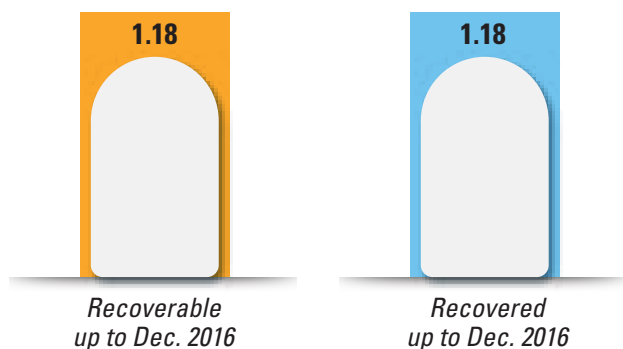


The column chart shows that an amount of BDT **0.63** million has been recovered in Shabolombi Fund loan during the reporting year against a recoverable target of BDT **0.63** million. The cumulative rate of loan recovery is **100%** and outstanding loan of Internal Lending stands at BDT **21.38** million at the end of Dec. '16.



We provided BDT **30.78** million (US\$ **0.39** million) as Youth Skill Development loan to **4,826** youth members. At the end of December 2016 the outstanding of Youth Skill Development loan stood at BDT **28.96** million (US\$ **0.37** million). Moreover, average loan size in youth skill development loan stood at BDT **6,378**.

Loan recovery status in Youth Skill Development Loan



The column chart shows that an amount of BDT **1.18** million has been recovered in Youth Skill Development loan during the reporting year against a recoverable target of BDT **1.18** million. The on time recovery rate (OTR) and the cumulative rate of loan recovery (CRR) are **100%**.

SUCCESS STORY



Parul Begum: Finding the Rainbow

'I tried my best to live a life where we could have square meals but failed to do that. But Nuton Jibon turned the leaf of my life,' said Parul Begum of Boiddo Para Gram Samiti, Nilphamari.

For a very small earning of a day laborer husband, her life was in utter chaos, desolation and despair as her family wheels were about to stop. She was at her wit's end to see that they had to pass days after days only with boiled potato and boiled arum with their four sons and a daughter. They had to live on other's pity, did not have any homestead of their own, and during the lean period, her husband could hardly earn enough to meet the both ends. Thrashed by the poverty, she was looking for a silver lining.

The scenario started to change when she enrolled herself in Nuton Jibon project in 2012. She first started savings and attended all the meetings regularly. She gained knowledge about small entrepreneurship and showed her interest on bakery business. SDF helped her to get the training on how to make those items and marketing. To get monetary support, she borrowed BDT **10,000** from Sabolombi Loan Fund to set up a bakery. Her zeal and dedication to this business did not take that much time to rise here. She also included her two sons and son-in-law in her business.

Soon Parul could pay back her installment of third cycle loan and again borrowed BDT **75,000** and invested the money in her business. She has already paid back this money and is planning to take BDT **1,00,000** from the VCO.

She started her business on 17 December, 2012. At present, 25 laborers are working at her bakery, 10 salespersons are there. Two of her sons and son-in-law look after the marketing. They are being sold in different areas beyond her own area. Every day she gets BDT **70,000-80,000** from her bakery. After meeting all the monthly expenses, her profit is BDT **3,000-4,000** per day.

Now a days, poverty and hardship are past history in the life of Parul Begum. Her bakery is built on 16 decimal of land and she is having a house of her own. She dreams of expanding her business to that extent so that her product goes to all districts of Bangladesh. She says, 'SDF has changed our lives, as savior.'



SAVING OUR PLANET,
LIFTING PEOPLE OUT
OF POVERTY,
ADVANCING
ECONOMIC
GROWTH... THESE
ARE ONE AND THE
SAME FIGHT. WE
MUST CONNECT THE
DOTS BETWEEN
CLIMATE CHANGE,
WATER SCARCITY,
ENERGY SHORTAGES,
GLOBAL HEALTH,
FOOD SECURITY AND
WOMEN'S
EMPOWERMENT.
SOLUTIONS TO ONE
PROBLEM MUST BE
SOLUTIONS FOR ALL.

--Ban Ki-Moon



COMMUNITY INFRASTRUCTURE SUPPORT FUND (CISF)

Making **PATH** to **PROGRESS**

In order to accelerate the livelihood development of the project areas, our **Community Infrastructure Support Fund (CISF)** program has been furnishing services at community level to promote income or employment generation associated with life skill development. The tangible achievement of infrastructure projects has been fostering economic opportunities and promoting community institutions. It builds community infrastructures such as office buildings for project village institutions that can also be used as cyclone shelters and community centers, bridges, culverts, roads, installation of tube-wells to ensure pure drinking water and also renovates and repairs school buildings, toilets and market shades, which in turn, creates economic benefits to the communities through creating jobs and better infrastructural services.

This program has brought a phenomenal success to the livelihoods of the poor and hardcore poor through improved access to socio-economic activities and combating environmental issues along with making contributions to national economy. The improved roads, bridges, culverts etc. have eased access to the villagers to markets, children to attend school and expectant mothers to visit hospitals as needed resulting in reducing travel time and transportation costs. The infrastructure development works have facilitated the rural people to keep poverty in bay consecutively.

CISF IMPLEMENTATION ASPECTS

- The design of different infrastructure sub-projects is prepared in line with other local government's rural infrastructural development activities and estimates are prepared on the basis of existing market price of construction materials as well as labor.
- A sub-project committee represents shared responsibility for implementation of infrastructure sub-projects ensuring active participation of community members and they are also oriented on the details of environment friendly sub-project implementation that include hands on training and orientation on visual and field test of construction materials, quality control of infrastructure implementation etc.
- Issues identified during frequent follow-ups and monitoring by SDF officials help to initiate necessary actions in terms of providing technical and non-technical assistances, which in turn, ensure successful implementation.



HIGHLIGHTS 2016

Infrastructure development

During the reporting period disbursements have been made for construction of **190** GS offices and construction works are going on as planned. Funds for construction and repairs of **25.818** Km village roads have been disbursed and works are going on in full blast. Funding for construction of **105** culverts has been ensured and construction is well under way. Also a total of **1328** tube-well installation work in the project villages is going on to ensure safe pure drinking water. Renovation work in two schools is also going on well with project funding. A total of **65** other different infrastructures received fund for starting construction out of which **20** started construction activities and the remaining **45** are under process.



Training provided to staff members on infrastructure development

Name of training	Number of batch trained	Number of participants received training	Remarks
Participatory Vulnerability Analysis (PVA)	18	626	All concerned staffs received relevant trainings.
CISF Technical Guideline and Community Procurement	10	356	
Operation and Maintenance (O&M) works of CIW	14	324	





Bangladesh has made significant gains in development in recent years. I am looking forward to working closely with the government and people of Bangladesh in realizing their goal of achieving middle-income status by 2021. The World Bank will continue working with the government to maintain economic stability; strengthen revenue mobilization; tackle energy and infrastructure deficits; deepen financial-sector and external trade reforms; improve labor skills, economic governance, and urban management; and helping with the adaption to climate change.

-- Qimiao Fan

*World Bank's Country Director
for Bangladesh, Bhutan and Nepal*



INJUSTICE, POVERTY,
SLAVERY, IGNORANCE
- THESE MAY BE
CURED BY REFORM
OR REVOLUTION. BUT
MEN DO NOT LIVE
ONLY BY FIGHTING
EVILS. THEY LIVE BY
POSITIVE GOALS,
INDIVIDUAL AND
COLLECTIVE, A VAST
VARIETY OF THEM,
SELDOM
PREDICTABLE, AT
TIMES INCOMPATIBLE.

-- Isaiah Berlin



ENVIRONMENT

Responding to disaster

SDF is well positioned to champion the cause of climate justice and strives to achieve environmental sustainability. In order to avoid adverse environmental impacts such as frequent natural disasters and rising of sea levels, the Environmental and Social Management Framework (ESMF) of SDF is in place to evaluate a project's potential environmental risks and impacts in its area of influence, examines project alternatives, identifies ways of improving project and site selection, planning, design, and implementation by preventing, minimizing, mitigating, or compensating for unfavorable environmental implications and enhancing positive impacts. In this context the NJLIP activities play a vital role in increasing the capacity of the poor and extreme poor to better adapt to the impacts of climate change. Some of the adaptation measures (reducing the potential impacts of climate change) include: (i) construction of Gram Samiti office buildings design to function as flood/cyclone shelter; (ii) plinth raising as flood protection measures; (iii) construction of U-drains and culverts to reduce water logging; (iv) flood proofing elevated earthen roads; (v) installation of tube wells and construction of latrines above flood levels; (vi) cultivation of flood and drought resistant crops; and (vii) encouraging the community to use rain harvesting water for minimum use of ground water. The NJLIP activities also include mitigation measures (reduction of greenhouse gas emissions) - (i) tree plantation at community level (carbon sequestration); (ii) use of improved cook stoves called 'Bondhu chula' that uses less fuel wood and emits less gas; (iii) use of bio-gas plants, which minimizes direct emissions of methane; and (iv) use of solar system for household use.

To ensure that project interventions are environmentally benign, the ESMF includes relevant environmental codes of practices for civil works, livelihoods and value chain operations to avert negative impacts and strengthen positive outcomes expected to be generated from the selected sub-projects. With two of the three regions (Khulna and Barisal) in the coastal belt, which is in the front line of climate change impacts, NJLIP is playing an important role in reducing vulnerability of the hard to reach people.

HIGHLIGHTS 2016

Environmental implementation

In 2016, as a part of ongoing process, Gram Samitis have been properly addressing risk areas during conducting Participatory Vulnerability Analysis (PVA) and

preparing social maps indicating the risks. All 2500 villages have completed conduction of participatory vulnerability analysis (PVA). In addition, 764 Gram Samitis have completed environmental categorization of sub-projects.

A total of 971 Sub-projects completed environmental categorization in the reporting year of which 624 sub-projects have been identified having some environmental impacts/issues. Accordingly, they have prepared the Environment Management Plans (EMPs) to mitigate the impacts.

Environmental Screening (ES) and Initial Environmental Examination (IEE) forms are being used at the field and a total of 624 Environmental Management Plans (EMPs) have been prepared during the year 2016.

The following table provides information on environmental activities carried out by the project:





Activities	Progress during the year (Jan- Dec, 2016)	Remarks
No. of villages completed participatory vulnerability analysis (PVA)	2500	All the project villages completed
No. of villages completed environmental categorization of Sub-projects	764	
No. of Sub-projects completed environmental categorization	971	
No. of Sub-projects identified containing environmental impacts/issues	624	
No. of Sub-projects prepared Environmental Management Plans (EMPs)	624	

Training provided to staffs and community on Environmental Issues

Name of training	Staff		Community		Remarks
	# of batches trained	# of participants received training	# of batches trained	# of participants received training	
Environment and Social Management Framework (ESMF)	16	609	619	12,244	



Nuton Jibon had been and continues since inception to assist the country's first National Strategy for Accelerated Poverty Reduction and expanding poor people's ability to make choices and take actions while developing their capacity to organize, access and take advantage of available opportunities for economic empowerment and reduce vulnerability.

-- Seenithamby Manoharan
*Senior Rural Development Specialist and
Task Team Leader, NJLIP
World Bank*



TO GET AWAY FROM
POVERTY, YOU NEED
SEVERAL THINGS AT
THE SAME TIME:
SCHOOL, HEALTH,
AND
INFRASTRUCTURE -
THOSE ARE THE
PUBLIC
INVESTMENTS. AND
ON THE OTHER SIDE,
YOU NEED MARKET
OPPORTUNITIES,
INFORMATION,
EMPLOYMENT, AND
HUMAN RIGHTS.

-- Hans Rosling



COMMUNICATIONS

Taking Programs Forward

Every digit of communication engraves development. The **Communication Department** of SDF aims to actively promote, protect and enhance the reputation of the organization through establishing strategic communication and thus it serves as a foundation for planning. It fosters innovation and synergy between programs through the effective exchange of ideas and information both internally and externally. To fuel the development programs being effectively implemented at community level, communications play an important role to bridge the gaps between aspirations and actions. Making them aware of the development process with easy-understanding messages and effective materials, it stimulates them to enrich their knowledge, attitude and practice coping with time, need and demand.

This department is developing timely and necessary messages and material to organize effective Information, Education and Communications (IEC) strategy, advocacy and social mobilization as well as promote human resource development both at national and field levels. It engages and empowers the respective stakeholders in the case of implementing programs and projects resourcefully through a participatory and pragmatic process and approach. SDF believes that its Communications Department's works as an important catalyst for change which eventually create the opportunities to provide the target groups with proper and updated information. It is being implemented with integrated approach to furnish support in achieving organizational and programmatic goals properly.

It also aims to maintain consistency and uniformity around all communications going out externally. Communications are continuously developing channels and activities to promote better understanding about SDF and to raise the organization's global profile. We maintain the consistency of all external communications,

and employ a wide range of modes of communications to promote a better understanding about what we all do.

Communication's re-branding efforts continued to focus on internalizing the organization's brand values and projecting the same to the external audience.



HIGHLIGHTS 2016

This department through its continued year round well coordinated promotional activities like utilization of multi channel media, establishing networking, maintaining liaison with other NGOs and GOs, organizing popular theatre etc. have been able to demonstrate SDF's achievements and contributions to national and international audience. It also have been helping development programs to translate the aspirations and objectives into reality.

Documentation and dissemination are compressively intertwined with this promotional activity giving a different dimension in moving core programs forward. This department maintains and develops website as well as keeps them updated through uploading information to ensure a bigger picture of SDF's activities to both internal and external audience. Round the year, the

Communications department has been managing web content and social media presence, archiving audio visual records, facilitating internal communications, building and maintaining relationships with development partners through the donor liaison office, harnessing synergy and partnership management through the social innovation lab, managing relationship with local, regional and national media to bring the achievements to public notice and promoting SDF values internally. Additionally, our social media is increasing fans on Facebook.

In an effort to ensure successful implementation of NJLIP, this unit is deriving key messages from the programs, designing key offline and online materials for SDF, managing local events and organization's media engagement as well as managing high profile national and international visitors for better exposure of the organization's poverty alleviation activities.

The department works with its mandate of increasing

private sector engagement in alignment with SDF's strategic priorities. These increased efforts that resulted in creating new opportunities and partnerships, enhanced presence and issue oriented profiling of SDF in local and national media, as well as better relationship with government and development partners.

One of the important activities of this department is to publish Annual Report. Annual Report 2015 was published focusing the target versus achievement on the activities of different programs of the organization implemented during the respective year. The flagship newsletter Nuton Jibon has been publishing on a regular basis with a more employee centric content structure and efficient distribution process that ensures delivery to remote areas. The wall calendars were published containing month planner, exclusive messages and photos highlighting its projects and programs. We also prepared diaries for all of its employees and national, international agencies including World Bank and other GO/NGO stakeholders.

During the reporting year, this cell maintained intensive network through building consortium with the different



development organizations that development programs might be initiated more effectively and comprehensively through collective and inclusive effort.






I started harboring dark secrets of life as my family had to struggle everyday to have square meals. But now my economic adequacy and my position as UP Member have enabled me to control my life and exert influence over the society. At present, my family is living in dignity and security. I can stand proudly, to have such status and position in the society which would not have been the same without SDF. This organization came to us as a lantern of Aladin and sets the wheel of my life in motion.

-Hasina Begum, UP Member
Union: Shorbanondo
Upazila: Sundorgonj
District: Gaibandha



THE WORLD HAS
ALSO LEARNED THAT
ECONOMIC GROWTH,
BY ITSELF, CANNOT
CLOSE THE GAP
BETWEEN RICH AND
POOR.

-- Dalai Lama



CAPACITY BUILDING CELL

A PICTURE of PROGRESS

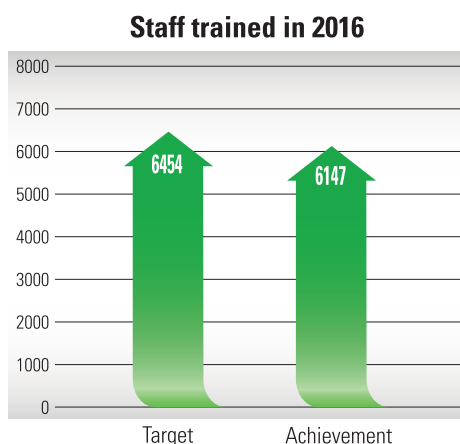
For furnishing necessary support to core programs to be implemented effectively and smoothly with desired outcomes, our **Capacity Building Cell** has been carrying out rigorous training programs to keep program performance on the right track. It is a continuous improvement strategy en route for creation of a sustainable and successful organization.

The strong view of this virtual paradigm shift lies in the department's existing learning principles, activities and practices which are perfectly in line with an interactive learning mode. Our capacity Building Cell is a division where people continually expand their capacity to create the results they desire, where new and expansive patterns of thinking are nurtured, collective aspirations are set free and people are continuously striving to work as a team. Our training programs well-equipped with cognitive, behavioral and management development approach contribute to develop skills and expertise among the beneficiaries and the staff. The CB Cell is also responsible for augmenting the capacity and professionalism of SDF employees and program participants through a wide range of human development initiatives. SDF has been continuing to develop and formulate training modules and other training materials and tools to arrange and conduct different types of training courses.

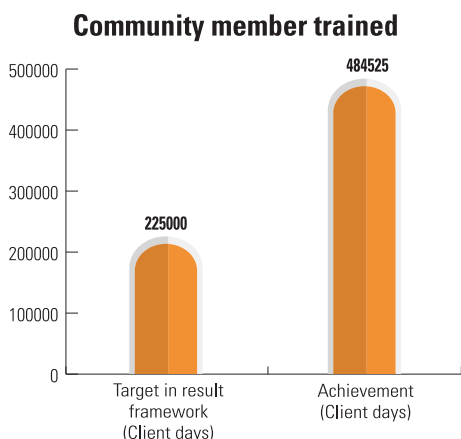
HIGHLIGHTS 2016

In the reporting period, the CB cell conducted orientation and trainings on various subjects including Participatory Vulnerability Analysis (PVA) and Project Monitoring System. In these trainings **6,147 (95%)** training participants have been capacitated against a target of **6454**.

The bar shows the cumulative number of participants-both NJCS and NJLIP.



In an effort to build capacity of the beneficiaries, a total of **4, 84,525** client days achieved (community member) against a target of **2, 25,000** during the reporting year. In addition, community members have been trained on Participatory Vulnerability Analysis (PVA), Institutional Development, Social Mobilization, Leadership Development, COM, Accounts and Bookkeeping, Community Finance, Livelihood Development, Governance and Accountability, Procurement, Environmental Issues, Skill Development on different IGAs like beef fattening, dairy, poultry rearing, vegetables cultivation etc to enable the institution sustain and enhance the lives and livelihoods of the poor and extreme poor households.



SUCCESS STORY



Kobita Rani: Multiplying Prosperity

Our capacity building is much more than anything in real sense and develops human resources. Its fundamental goal is to enhance the ability to evaluate and address the capacity issues which is a long-term and continuing process.

Kobita Rani, a woman from Dakhkhin Baliapur village under Ashashuni upazila of Satkhira district, had a spectacular revolution in her life through her skill development by our training programs. She has learnt culturing on crabs and adopted the improved methodologies. It was anticipated that crab production could be double in few years to increase the value of crab market in Bangladesh and outside the country.

Few years back, before this transformation, Kobita Rani and her husband Nittyananda could barely keep the wolf from their door step as her laborer husband could not manage the daily expenses of the family. Both of them started working as day laborers where they got only BDT **3000** per month. For the draught of money, they tried to lend from the micro finance institutions and some other sources but failed to get that as they were questioned to pay back the money on time. At those stark days, Kabita could get enrolled as a beneficiary of SDF's third phase Nuton Jibon Livelihood Improvement Project (NJLIP) in 2015 and became a member of NJG. She started savings regularly as per the rule of NJG.

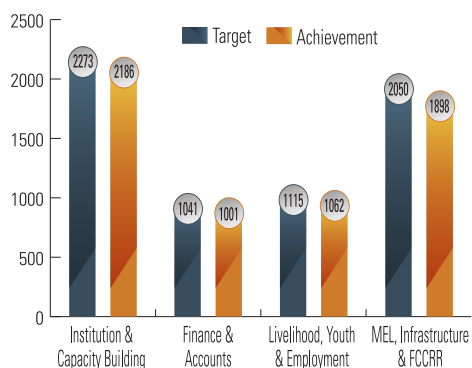
She also got training on fish culture including crab rearing from SDF and received BDT **15,000** as Sabolombi Loan from the Gram Samity. She took lease of 21 decimal lands for BDT **11,000** to make the fencing for crab culture and used the rest of the money to buy crab and its feed. She also started dike cropping on that land.

Due to the local and increased demand for the crabs, she started earning a lot within a short span of time. Her monthly income was sufficient enough to get square meal and also she got net profit of at least BDT **8000** per month beyond her expenditure. Her husband has also joined the business and both of them could well manage the business. They also get additional money by selling vegetables. Her increased income allowed her children to go to school.

The facilitation and technical support provided by SDF training cell contributed to her tremendous success and she started gaining fame as an entrepreneur.

She is adamant to pay back the loan immediately and will again borrow BDT **50,000**. With this money she will expand her business.

A good number of livelihood IGA supported demand driven technical trainings were conducted by the cluster and district teams to increase the practical knowledge and confidence, communication and facilitation skills with community for making investment into the IGAs related to farming and trades, finance and accounts, youth employment and environmental and infrastructure activities.



The cell trained **2186 (95%)** staffs against a target of **2273** trained on institution and capacity building. Also, a total of **1041 (96%)** staffs against a target of **1001** staff trained on finance and accounts. To scale up and widen the competence, **1115 (96%)** staff against a target of 1062 was trained on livelihood, youth and employment. Moreover, a total of **1898 (93%)** staffs against a target of **2050** have been trained on environmental safeguard and infrastructure activities. Additionally, a total of **6,147** staffs participated and contributed to enhance the NJCS and NJLIP activities.



Major Capacity Building activities:

Trainings/Workshops	Participants	Number of participants received training
Social Mobilization	District Officers, Cluster Officers and Cluster Facilitators	379
Participatory Vulnerable Analysis (PVA	District Officers, Cluster Officers and Cluster Facilitators	667
Governance and Accountability Action Plan (GAAP)	District Officers, Cluster Officers and Cluster Facilitators	633
Environmental and Social Management Framework (ESMF)	District Officers, Cluster Officers and Cluster Facilitators	670
Community Finance	District Officers, Cluster Officers and Cluster Facilitators	602
Accounts and Book keeping	Regional Finance Managers, Officers and District Accounts Officers	178
Project Monitoring System (PMS)	District Officers, Cluster Officers Cluster Facilitators and DEO	586
Youth Employment and Counseling Skill Development	District Officers, Cluster Officers and Cluster Facilitators	359
Community Procurement	District Officers, Cluster Officers Cluster Facilitators	193
Livelihoods Development	Regional Managers and District Officers, Livelihoods	703
CISF Guideline and Implementation process	District Officers, Cluster Officers and Cluster Facilitators	356
Operation and Maintenance of CIW	District Officers Cluster Facilitators	289
Communication and Facilitation Skill Development	District Officers, Cluster Officers and Cluster Facilitators	142
Human Resource Development	DM, District Officers and Cluster Officers Cluster Facilitators	156
Monthly Monitoring Workshop	District Managers/District Officers and Cluster Facilitators	2360
Workshop on Producer Group registration	District Officers, Cluster Officers and Cluster Facilitators	156



ALMOST HALF OF THE POPULATION OF THE WORLD LIVES IN RURAL REGIONS AND MOSTLY IN A STATE OF POVERTY. SUCH INEQUALITIES IN HUMAN DEVELOPMENT HAVE BEEN ONE OF THE PRIMARY REASONS FOR UNREST AND, IN SOME PARTS OF THE WORLD, EVEN VIOLENCE.

-- A. P. J. Abdul Kalam



YOUTH EMPLOYMENT GENERATION SUPPORT (YEGS)

GETTING Back on TRACK

Efforts to galvanize the potential of youths are of paramount importance to prevent increased poverty and inequality in the next generation. In an increasingly global economy, and in magnifying the development mindset, **Youth Employment Generation Support (YEGS)** program has been working to bring the impoverished and distressed youths to become appropriately skilled workers and successful participants in civic life. The synergetic effect of this program has contributed significantly by bringing new employment opportunities as well as removing uncertainties. Our blend of skill training, technical help and financial aid have been helping them implement alternative development and creating new income streams that contribute to their overall development. The YEGS is intended to empower young women and men to participate in addressing the teething socio-economic challenges in their communities through providing them with marketable skills, decent jobs and business opportunities.

As the passport to the sustainable future, we create employment for the un/under employed youths by developing their marketable skills and knowledge and expanding opportunities for them to be more purposive citizens. In an effort to position our youths to play a more significant role in the society, we are building partnership with the potential service contributors (skill development and readiness) and job providers. To this end a good number of partnerships with different institutions have already been established including the Ministry of Youth and Sports, which has opened new avenues to assessing the unemployment problem leading to take necessary measures for its mitigation. This has also created scopes for the youths to have employment opportunities both at home and abroad like Malaysia, Hong Kong and some of the Middle-east countries and are contributing to remittance earning.



Training by UCEP Rangpur

SDF is profoundly aware of empowering the youth workforce of the country through engaging other stakeholders and service providers. To this end a good number of strategic partnerships have been established with a number of potential service providers and employers that provide need based training to the un/under employed youths of SDF project areas along with arranging jobs for them. The UCEP-one of the strategic partners of SDF facilitated a technical training course on 'Rod binding and Masson builders' for ten un/under employed youths of SDF Rangpur project area at UCEP Technical Training Center from October- December, 2016 and put them to jobs.

HIGHLIGHTS 2016

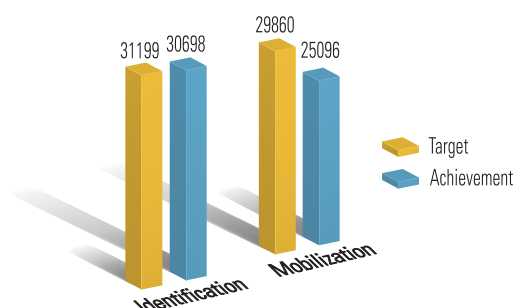
The project has identified 30,698 potential youths of whom 25,096 have been mobilized into NJGs. Moreover, a total of 2501 Nuton Jibon Groups (NJGs) have been formed. For securing a sustainable future, **25,096** youths have been doing their regular savings.

In order to stimulate the real action that will raise both the employability and employment levels of the youths, we provided skill development loan of BDT. **30.78** million to **4826** youths. It is worth mentioning that **5449** youths have developed their technical skills of whom **1067** youths have been employed (self and wage) at different tiers. We have developed youth database of **2371** villages. To mobilize them, **147** Cluster level youth counseling sessions had been conducted with **3234** youths and also **2,357** village level counseling sessions were held with **21,600** parents of the youths attended who in turn, will provide counseling to their children who received training to ensure their retention at work stations.

The overall target of youth to develop their skills for the year of 2016 was **4816** with an outstanding achievement of **5449 (113%)**. Furthermore, a total of **2,501** Nutun Jibon Youth Groups have been formed against the target of **2,500**.

The percentage
of self employment
is **55.3**
Wage employment
is **44.7**

Youths Identification and Mobilization for NJG Enrollment



The NJLIP project target for identification of youths for 6 years is **31,199**. In 2016 the cumulative achievement stands at **30698** which is **98.4%** of project end target. It is expected that the remaining youths' selection would be completed by the next year. In the case of youth mobilization, the overall project target is **29,860** and the achievement stands at **25,096**.

Building Partnership: Signing of MOU

To engage youths, especially women with meaningful employment and bringing out all dormant potentials including their leadership quality through skill development, a total of eight Memorandum of Understanding (MoUs) have been signed between SDF, GO and NGOs under the NJLIP. Moreover, SDF has been working also with the Directorate of Youth Development (DYD) since February 2014.

With the objectives to create specific outcomes among a large number of youths, the partners who accomplished MoUs with SDF will provide various training courses including inception workshops to the unemployed youths with a priority to include maximum participants from SDF project areas. As per the conditions as set in the MoUs they will submit a full report to SDF on completion of training. In addition, they will hold counseling and exposure meetings to inspire the youths for receiving training and ensuring retention at work place. Also they will allocate maximum trade based seats to SDF project participants and put the trained youths to jobs as per eligibility.



Organizations of Functional Partnership	Locations	Agreed Functions
UCEP (Underprivileged Children Education Program) Bangladesh (3 MoUs)	Rangpur, Barisal, Sylhet districts	Skill development and job placement
BITAC (Bangladesh Industrial and Technical Assistance Center)	Bogra and Chandpur districts	Skill development
Sym Biosis Bangladesh	Mymensingh district	Skill development and cost base resource sharing
Allah'r Daan Cap Factory	Rangpur district	Skill development and products marketing
BCMSF (Bamboo, Cane & Mat Shilpo Foundation)	Dhaka	Skill development and products promotion
Partnership in Pipeline for MoU signing Khulna Shipyard Limited & BITAC- Khulna Alim Agro Industries Ltd- JMS Co. & Rhee Hemple Co. EPZ- Chittagong Sajib Corporation and Rangs Security Ltd	Khulna Sylhet Chittagong Dhaka	Possible skill development

DYD Partnership Yields

A total of 2324 youths have received technical training from DYD against a target of 2400 in 2016. The SDF national and regional teams have visited all three regional districts of SDF and requested Deputy Directors of DYD to increase the no. of youth enrollment in their Technical Training centers to receive trade based trainings. The Deputy Directors of the mentioned districts in all three regions of SDF have agreed and assured to increase the number of participants in upcoming courses in January 2017.



Youth Entrepreneurship Development Training on Bamboo Cane and Mat Production and Marketing

In an effort to develop twenty Master Trainers that include 14 female and 6 male beneficiaries from Pirojpur and Bagherhat districts, a five day residential training from July 24-28, 2016 on Bamboo, Cane and Mat (BCM) products was organized by SDF Barisal region at Bagherhat in order to prepare them to work as associate youth producers. They are expected to set up BCM business centers locally as a marketing outlet to promote and sell products. Such trainings bridge the gap between their aspiration and action and also scales up life skills for livelihood development.

To this end, SDF has taken an initiative to develop a total of 45 Master Trainers (MTs) through engaging BCM Shilpo Foundation (BCMSF) in its all three regions, who in turn, will facilitate training to around a total of 500 un/under employed youths. It was also decided in consultation with BCMSF that they will procure the BCM products from the trained MTs and the fellow producers. It has also been planned to discover a suitable market channel engaging new and old market actors in three districts i.e Bagherhat, Chandpur and Barisal. The BCM training was inaugurated by Md. Shahidul Islam, Manager, Youth and Employment and concluded by Mr. Nazrul Alam Sarder, Regional Director, Barisal.

Training on Beauty Parlor by Symbiosis

Realizing the endless potential of the youths, a five month long training program on 'Beauty Parlor' was organized for the female beneficiaries of SDF project areas by Symbiosis Bangladesh. A group of 12 female participants received the training with a minimum contributory course fee and it was met from the skill development loan funds. This training enabled the participants to be financially solvent as an alternative to getting lost in abject poverty and unemployment.

SUCCESS STORY



Rabeya Akhter: Coming out of the stark days

Having failed to continue her studies after class IX, Rabeya Akhter had almost lost hope about her future. She belonged to an utterly poor family of Modhdho Sharpara village of Chandpur. Her day laborer father used to find it very difficult to meet the daily expenses of the family. Moreover he remained sick most of the times. They could not have their meal properly for the draught of money. They had nothing left except their small house. Seeing the throbbing of her father, she decided to share the burden of the family but could not find the way out.

One day she came in contact with the NJLIP project and got herself involved in the Youth Group of Modhdho Sharpaar Gram Samity. After getting the membership of the group, she joined every meeting of the group and started her savings as per the rule. After few months a counseling session for the youths was arranged at that Gram Samity in November, 2016. There she learnt about the contract between SDF and OP SEED Company and the job opportunity. Learning all the details regarding that company, she got interested at the job to bring change in her life. She joined OP SEED Chittagong on 10 December, 2016. She has started getting salary of BDT **6500** per month with an additional amount as overtime on 2nd January, 2017 and sent BDT **3500** to her parents. She is now receiving around BDT **8,000-10,000** per month as her salary and payment against overtime.

Her earning helped her family come out of the stark days and has turned out to be the main bread earner of the family. Her dedication for the job has been helping her to go up and she dreams of educating her brothers and sisters and also wants to see her father getting proper treatment.



We could hardly keep the wolf from the door. I was at the dead end when my family started living in utter poverty. My husband failed to meet the daily needs of the family. With the help of SDF, I could perform a miracle against the greatest odds. I have been able to bear all the family expenditures, including the education of my kids.

-- Kobita Rani, beneficiary
Village: Dakhkhin Baliapur
Upazila: Ashashuni
District: Satkhira



APPRAISAL AND MONITORING TEAM (AMT)

Furthering **OUR REACH**

SDF catalyzes greater attention to the financial services to the community by placing human development at its centre. With better mechanism for monitoring and supervision our Appraisal and Monitoring Team (AMT) plays a significant role as a part of our holistic approach to support livelihoods along with ensuring other compliance in line with the financing agreement and project appraisal documents. The AMT is responsible for independently appraising the Village Development Funds (VDFs) applications received from the project villages, checking quality and certifying milestones for fund release for both intra and inter-village proposals verifying preparedness for fund release. They certify achievement of physical and other milestones during implementation of community activities and assist in release of installments of Project funds and, importantly, are independent of the SDF implementation field staff.

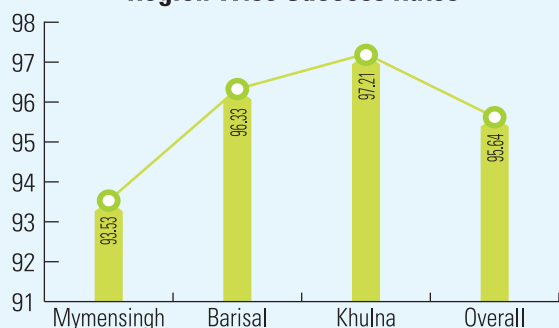
SDF has been continuing its drive to promote full financial inclusion, by increasing the number of households provided with financial services from the project. This ensures the community to access a range of financial services tailored to specific needs that they clearly understand and can use easily.

HIGHLIGHTS 2016

In the reporting year, we received a total of **4,381** fund proposals from which **3,999** were appraised and **3,825** were recommended for release of funds. A total of **1,382** proposals were recommended for fund release out of **1,424** in Mymensingh region; **1,131** proposals recommended for fund release out of **1,174** for Barisal region and **1,362** proposals recommended for fund release out of **1,401** for Khulna region.

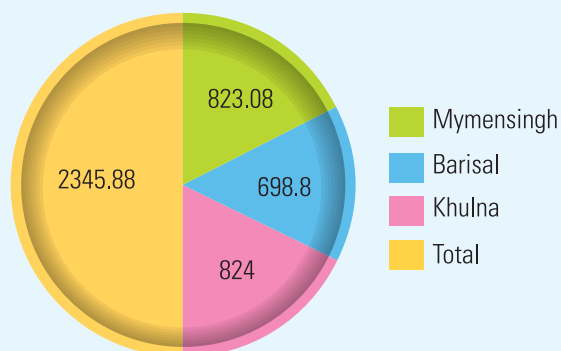
This year, the success rates of appraisal in Mymensingh, Barisal and Khulna regions are **93.53%**, **96.33%** and **97.21%** respectively. The overall success rate during this year is **95.64%**.

Region Wise Success Rates



To increase the development for the beneficiaries, the Regional Appraisal and Monitoring Teams (RAMTs) recommended for BDT **2345.88** million that got sanctioned by HQ for releasing from the respective Regional Offices during the reporting year 2016. RAMT Mymensingh recommended for BDT **823.08** million, RAMT Barisal recommended for BDT **698.8** million and also BDT **824** million was recommended by RAMT of Khulna Region.

Amount Recommended (in million)





WHERE JUSTICE IS
DENIED, WHERE
POVERTY IS
ENFORCED, WHERE
IGNORANCE
PREVAILS, AND
WHERE ANY ONE
CLASS IS MADE TO
FEEL THAT SOCIETY IS
AN ORGANIZED
CONSPIRACY TO
OPPRESS, ROB AND
DEGRADE THEM,
NEITHER PERSONS
NOR PROPERTY WILL
BE SAFE.

-- *Frederick Douglass*



GOVERNANCE *and* ACCOUNTABILITY

Accelerating the pace of development, Governance and Accountability of SDF has significant and effective function for keeping the project on right track to reach the desired destination. This program creates enabling environment to assure the effectiveness and efficiency of our operations, reliability of financial data, and compliance of applicable rules, regulations and procedures. Our management's integrity, approach, actions, and ethical values help to raise awareness amongst employees. We implement clear policies, procedures and guidelines, which allow us to be accountable and transparent as an organization.

Ensuring planned services properly, our Governance and Accountability (GA) is well

equipped with Governance and Accountability Action Plan (GAAP), Social Audit Committee (SAC), Community Assessment Process (CAP), Integrity Committee, and Information Disclosure Policy. Its Governance and Accountability Action Plan has contributed significantly to support management control over the project. For this a matrix that contains the fields such as area of risk, consequences of the risk, risk level, method of prevention, responsibility and time frame. Social Audit Committee plays a vital role and provides far-sighted view to us bringing pragmatic changes by keeping them on right track and properly accountable to communities. Social Audit Committee acts as an independent oversight committee as watchdog to all village institutions. Community Assessment Process-CAP

the innovative assessment tool exercise with score cards make a clear picture of project activities, outputs and outcomes in a simple and comprehensive way which intends the next appropriate plan of action. Integrity Committee ensures a corruption free, fair and transparent organisation.

SDF has formulated its Information Disclosure Policy at per Governments Right to Information Act 2009. SDF has set up Information Disclosure Unit at all its district and regional offices along with the national office.



HIGHLIGHTS 2016

In the reporting period, this unit achieved up to the mark success at field level being implemented enthusiastically and attentively.

During the reporting period, GAAP has been completed in 315 villages of Mymensingh region and 150 villages of Khulna region bringing the total to 465 villages.

Also GAAP has successfully identified 476 risks both in Mymensingh and Khulna regions. Accordingly, a total of 259 risks have been mitigated in Khulna region and 10

in Mymensingh region.

Social Audit Committee (SAC)

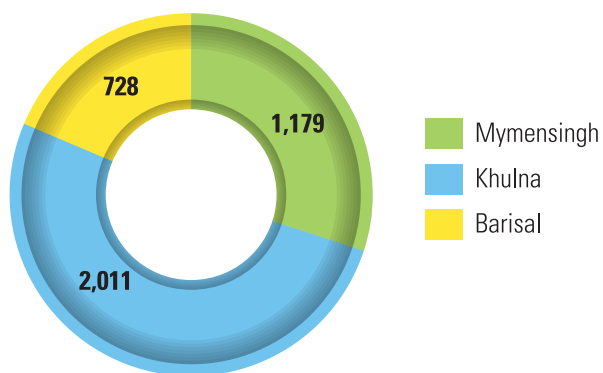
During the project period SAC has identified and recommended **3918** issues in all the three regions of SDF where **1179, 2011** and **728** issues were identified in Mymensingh, Khulna and Barisal region respectively. It is a significant achievement that they have already resolved **839** issues in Mymensingh, **1,587** issues in Khulna and **588** issues in Barisal.

Achievements:

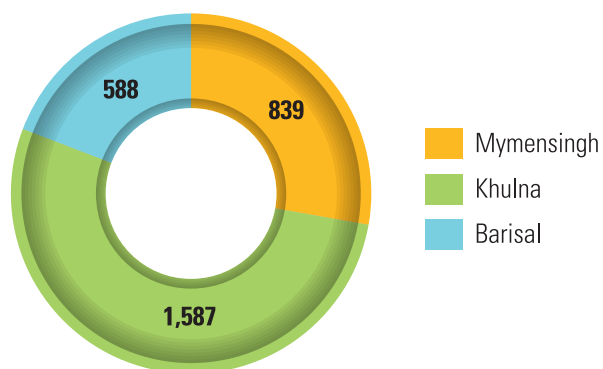
The Governance and Accountability unit has managed to implement all of its planned activities during the year-2016. In the area of completing GAAP, Mymensingh and Khulna regions performed pretty well. A good number of **315** villages of Mymensingh region and **150** of Khulna thus making **465** villages altogether already completed GAAP whilst the remaining region Barisal is catching up. As a consequence, **476** risks in total were successfully identified through GAAP both in Mymensingh and Khulna regions. Accordingly, Khulna region already mitigated **259** risks whilst Mymensingh region managed to keep the mitigation number to 10 at the end of the year.

SDF, during implementation of its previous projects imparted training on Social Accountability to the Social Audit Committee (SAC) members of the project villages, who in turn, on completion of the training disseminated the knowledge and learning the other community members.

Issues identified and recommended by SAC



Issues resolved





MONITORING, EVALUATION AND LEARNING (MEL) CREATING Sustainable IMPACT

In its course of evolution, the **Monitoring, Evaluation and Learning** Dept. has become a multi-disciplinary independent unit within the framework of SDF contributing to improve performance of programs and achieving intended results. This department is working relentlessly to improve current and future management of outputs, outcomes and impact. Because of its integrated network and unique model, it has grown professionally and has the potentials to provide holistic support creating long lasting impacts. The findings of this Dept. help the management to achieve objectives through modifying and improving strategies and identifying new niches for further intervention. They are always intending to strengthen organizational and programmatic sustainability through effective monitoring integrated with the activities through its systematic collection, analysis and interpretation of data facilities.

SDF ensures intensive monitoring and evaluation for all the program activities regularly. The project's monitoring and evaluation tools include: (i) a comprehensive impact survey; (ii) the project's management information system provides an integrated platform for monitoring project implementation with inputs being streamlined by using ICT to simplify book keeping and data entry; (iii) the established third party monitoring mechanism that examines processes and activities on a monthly basis and feeds into quarterly monitoring and learning workshops; (iv) a scorecard based assessment tool to track gender and empowerment aspects.

SDF's Result based Monitoring system is a continuous process of collecting and analyzing information to compare how well a project or policy is being implemented against set indicators and expected outcomes.

HIGHLIGHTS 2016

Institutional Monitoring

Institutional Monitoring System has been introduced under NJLIP at region and district level to review performance and functions on a monthly/quarterly basis. To this end during the reporting year, Barisal, Mymensingh and Khulna Regions organized 50, 63 and 43 districts level coordination workshops respectively.

Baseline Survey

SDF has hired Human Development Research Centre (HDRC) on December 14, 2016 to carry out the baseline survey for NJLIP. As per requirement of the survey the HDRC will prompt the beneficiaries to track their socio-economic conditions before being members of NJLIP through using the survey instruments and applying research methodologies. The HDRC started working for collecting data after finalizing questionnaires and other survey tools in consultation with SDF. The baseline survey reports are expected to be submitted to SDF by June 2017.

Process Monitoring (PM) or Third Party Monitoring

Process Monitoring is a crucial part of project management, which helps immensely to improve the efficiency and effectiveness of project interventions. An external firm is involved to carry out this assignment and monitoring the quality of the project. It helps steering and tracking the implementation process by providing feedback and learning for concurrent corrections and decision- making at various levels.

Process monitoring recommendations are reviewed by SDF on a monthly/quarterly basis and the outputs of field observations are shared with district and regional officials for their understanding and initiating necessary measures.

The summaries of monthly and quarterly reports are shared with the management of SDF for necessary and timely actions. Concerted efforts are given by the SDF management to address the identified key issues at both field and SDF management level. Hiring process of third party monitoring agency for NJLIP is underway and is expected to be on board by the first quarter of next year.

Developing Women's Empowerment Scorecard: Self-Management of Beneficiaries

The MEL Dept. of SDF has finalized 10 indicators for assessing the empowerment of project beneficiaries. To do this, six Focus Group Discussions (FGDs) were conducted picking equal number of SIPP-II villages from Khulna and Barisal regions to examine the relevance and effectiveness of draft indicators identified for measuring empowerment focusing SIPP-II context. Based on the outputs of the FGDs and subsequent discussions with concerned stakeholders and the WB, the indicators were finalized. Hence, Gram Parishad members (women) only from male-headed households are considered for assessment. The indicators are shown below.

- ▶ Making decisions in the household jointly with male household member;
- ▶ Having an independent income;
- ▶ Keeping the family's cash;
- ▶ Can spend a portion of her income at her will;
- ▶ Having own savings;
- ▶ Membership of an organization;
- ▶ Ability to resolve conflict in the community;
- ▶ Can express herself freely and boldly at an office;
- ▶ Being asked for advice by other community members and
- ▶ Being invited to social occasions.





MONITORING AND EVALUATION (M&E) MECHANISM

- 01 **Initial needs assessment:** This is done to determine whether a project or intervention is really needed in a given area and if so, whether the intervention plan is in place as per the need.
- 02 **Result framework and indicators:** MEL Dept. of SDF sets up indicators of result framework in consultation with the World Bank.
- 03 **M&E planning:** This is the practical planning for the project to monitor and evaluate the result framework's objectives and indicators.
- 04 **Baseline study:** This is an assessment conducted to measure the socio-economic status of beneficiaries before starting the project. In order to maintain transparency and authenticity such assessments are carried out engaging external consulting firms.
- 05 **Midterm evaluation:** These are important reflections for ongoing projects that identify projected achievements, lapses requiring management actions for initiating further intervention. This process also involves external firms for commissioning such studies.
- 06 **Final evaluation:** This occurs after project completion to assess how well the project achieved its intended objectives and created impacts in the lives and livelihoods of project beneficiaries. A consulting firm closely works with the MEL Dept of SDF for evaluating the final impact of the project.
- 07 **Dissemination and use of lessons:** In the end it is the responsibility of the MEL unit to accumulate the key lessons learnt from the project for guiding future directions.

Title of Milestones	Achievements
Number of Villages covered by NJLIP	2,500
Nuton Jibon Group (NJG) members	3,17,953
No. of NJG members started savings	3,17,366
Amount of savings (BDT in crore)	7.05
No. of NJG members received internal loan	14,491
Total revolving amount of internal loan (BDT in crore)	4.00
No. of villages received/accessed Village Development Fund (VDF)	2,220
Amount of VDF disbursed (BDT in crore)	220.13
No. of actual borrowers (NJG member) received Shabolombi loan and started IGAs	1,449
No. of most vulnerable member received one time grant and started IGA	8,228
No. of youths received skill development training	5,449
No. of youth employed (wage/self) after receiving skill development training	1,067
No. of sub-projects have been started under CIW activities	113
No. of labour days generated through the community level infrastructure development activities	4,976
No. of villages completed GAAP	465
No. of second generation institutions formed	
• Nuton Jibon District Community Societies (NJDCS)	15
• Nuton Jibon Cluster Community Societies (NJCCS)	124
Amount disbursed to the societies as Institutional Development Fund (IDF) (BDT in crore)	16.88
No. of producer group formed	5,763
No. of producer groups have been registered under Department of Co-operatives (DoC)	205
Amount of Productive Investment Fund disbursed so far (BDT in Lac)	6.42

Management Information System (MIS)

SDF has an effective web based computerized MIS that provides appropriate and updated information to make timely and effective monitoring on regular basis. The objective of the SDF-MIS is to restore and retrieve pertinent information and track project progress and lapses in order to facilitate proper management and supervision. The village level progress is captured in MIS through uniquely designed Village Matrix (VM). Under the SDF-MIS, 5 (five) modules such as a) Financial Information System (FIS); b) Project Monitoring System (PMS); c) Procurement System; d) HR & Payroll System; and e) Inventory System are in place. All modules are being used under NJLIP satisfactorily.

In order to make the MIS more effective and efficient in line with the implementation arrangements of the ongoing NJLIP project, SDF intended to upgrade its MIS (4 modules such as Financial Information System, HR & Payroll System, Inventory System, and Project Management System). The TechnoVista Ltd-- one of the leading software development firms of the country has been tasked with and is currently working.

With a view to keeping the information consistent with MIS and main source of data at village level, SDF staffs from Cluster, District and Regional levels validate data as per target set for individual level. Regional Manager MEL, GA, and District Officers are actively involved with this process and follow it up regularly.

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





SDF's Sabolombi Fund has helped us enormously for the transformation in our life. We invest these funds in different income generating activities to get maximum economic return in order to build a better livelihood for our family. It has demonstrated tremendous positive impacts on our income level to a substantial extent which in turn allow us to break the vicious cycle of poverty.

-- Monowara Begum, beneficiary
Village: Nakila
Upazilla: Kolaroa
District: Satkhira



NUTON JIBON COMMUNITY SOCIETY (NJCS)

With a view to ensure sustainable development through integrated empowerment, SDF incorporated **Nuton Jibon Community Society (NJCS)** to make the program more innovative, effective and impactful. NJCS has emerged from a series of lessons learnt over the years in providing various support services at the grassroots level. This program has been creating a sustainable and inclusive platform for future generations where social enterprises that seek to serve the community can coexist with solely commercial endeavors and contribute to a more equitable society. The synergetic effect of this integrated program has contributed significantly to support and strengthen Village Institutions (Gram Parishads) for maintaining their organizational quality ensuring accountability and compliance to the rules of business and guidelines for creating lasting impact. To ensure sustainability, NJCS is also scaling up information sharing and communication among all its members, aggregating various services and mobilizing producer groups and livelihood development activities including linkages with local government, private sectors and financial institutions. This is being achieved through delivering demand based quality services and technical assistance to member organizations, linking the village institutions with other programs and agencies, mobilizing revenues and linking with other financial resources. A phase-out plan has also been prepared for all Social Investment Program Project (SIPP-II) villages to enable the beneficiaries to be self-reliant to manage their second-tier stage as per program design.

HIGHLIGHTS 2016

During the reporting year the project has enrolled **99** villages as member of NJCS and **92%** of them deposited their membership fees. An amount of BDT **51.33** million as Institutional Development Fund (IDF) has been received by **15** NJDCSs (including 124 NJCCSs) and these societies are implementing planned activities for capacity building and sustainability successfully. The project has also supported **1,156** villages by cluster and district NJCSs.

On the whole **352** Producer Groups have been formed on different Income Generating Activities (IGAs) like beef fattening, cow rearing, poultry, fisheries, vegetables cultivation etc and are being supported by NJCSs through providing technical assistance and bulk input collection.

During the reporting year a total of **205** producer groups have obtained registration from the Department of

Co-operatives (DoC) and **2** producer groups have already received Productive Investment Fund (PIF).

The project has ensured support to **2,148** community members on de-worming, vaccination, artificial insemination service, medicine and treatment support to cattle, training on maize and vegetables cultivation, litchi intercultural operation, marketing support, advisory support etc through mobilizing the partner organizations.

To build platform to bring together the producer group members and relevant interested business operators and service providers, **58** stakeholder workshops have been organized at upazila and district level. These stakeholder meetings have created an opportunity for producers and market operators to meet, exchange ideas and interests, and develop forward and backward linkages.

Furthermore, a total of **3,030** leaders of different sub committees of NJCSs have been trained on roles and responsibilities and implementation of NJCS activities.





Snapshot of phasing out activities:

- A total of 124 Nuton Jibon Cluster Community Societies (NJCCS) under 15 Nuton Jibon District Community Societies (NJDCS) are functioning as per plan. The inclusion of villages as member of NJCS is going on at cluster level;
- Two district societies- Jamalpur Nuton Jibon Community Society and Gaibandha Nuton Jibon Community Society have been registered under Societies Act 1860. Registration for remaining 13 societies are under verification process by the National Security Intelligence (NSI);
- An amount of BDT 168.75 million (Mymensingh- 54.01, Khulna- 54.55 and Barisal- 60.19) as IDF has been received by 15 NJDCSs (including 124 NJCCSs) and these NJDCSs are implementing their planned activities properly;
- A total of 2,995 (Mymensingh- 1052, Khulna- 1235 and Barisal- 708) villages under three regions have been mobilized as members of concerned NJCS. More than 95% of villages under SIPP-II enrolled as members of the NJCS;
- An amount of BDT 30.10 million has been deposited as membership fees by member villages under Mymensingh, Khulna and Barisal regions demonstrating a 99.30% achievement;
- A total of 15,521 Community Professionals (CPs) have been identified out of whom 6096 CPs (Barisal-1266, Khulna-2893 and Mymensingh-1937) have been registered and are providing services;

- A total of 5,763 Producer Groups (Mymensingh- 2013, Khulna- 2024 and Barisal- 1726) have been formed on different IGAs like- beef fattening, dairy cows, poultry, fisheries etc. and are being supported by the NJCS though providing technical assistance and bulk input collection;
- A total of 205 producer groups have already got registration from the Department of Co-operatives (DoC);
- In SIPP-II, a total of 10 partnerships have been developed between NJCS and 1. Grameen Danon Foods Ltd, Gaibandha 2. BRAC Chilling Center, Sadullapur, Gaibandha 3. Bio-Science Agro, Gaibandha 4. Milk vita, Rangpur 5. SSKS, Sylhet 6. Milk vita Ltd. Jamalpur 7. Bondhu Chola Program, Jamalpur 8. Zil Bangla Sugar Mill Ltd. Islampur, Jamalpur 9. Lal Teer Seed Limited, Barisal 10. ACI, Patuakhali;
- In NJLIP, a total of 10 partnerships have been developed between NJCS and 1. ACI Ltd. and Cluster NJCS, Sylhet 2. Dinajpur Nuton Jibon Community Society (NJCS) and Auto Crop care Ltd. 3. Kurigram Nuton Jibon Community Society (NJCS) and Milk vita 4. Lal Teer seed Ltd. and Barisal/Barguna district NJCS 5. Barisal District NJCS and Milk Vita 6. Patuakhali District NJCS and Metal Agro(Seeds) 7 Pirojpur District NJCS and Satota Duck Khamar, Khulna 8. Bagerhat District NJCS and Asa Fish Hatchery of Bagerhat 9. Barisal District Nuton Jibon Community Society and ACI crop Care Ltd. 10. Barisal District Nuton Jibon Community Society and Renata Ltd.;
- A total of 11 linkages (Department of Livestocks, Department of Fisheries, Department of Agriculture Extension, Department of Youth Development, ACI Ltd, ACME Ltd, RD Milk Ltd, Pran Milk Ltd, BRAC, Noverties Ltd, Metal Seed Ltd.) have been developed with govt. and private sectors during SIPP-II period;
- A total of 4 linkages with Department of Youth Development (DYD), Mymensingh and Khulna region, Department of Livestocks, Department of Fisheries, Department of Agriculture Extension have been developed in NJLIP area; and
- The NJCSs have established relationship with different govt. departments especially with the livestock department and member villages are receiving services accordingly.





ICT

Implementation at village level

Longing for LASTING CHANGE

Our **Information and Communication Technology (ICT)** fosters innovation and synergy between programs through the effective exchange of ideas and information both internally and externally. It has been establishing itself as a centre of excellence for innovative solutions to complement our effort in the local and global development arena as the Government of Bangladesh recognizes the need to be strategic in its approach for leveraging information and communication technologies in the country's next phase of development. Its Sixth Five Year Plan

includes strategic ICT pillars in (i) Digital Government, (ii) ICT in business, (iii) Connecting Citizens, and (v) Human Resource Development.

Bangladesh has placed poverty alleviation on the top of its development agenda and here ICT has a vital role to play. The need to invest in ICT infrastructure and especially ICT human resources is therefore paramount. There is an urge for promoting ICT at rural level as per the Vision-2021 of the Government of Bangladesh and with a view to supplementing this; SDF has started implementing ICT under the current project 'Nuton Jibon Livelihood Improvement Project (NJLIP)', by an online tool named Loan Management System (LMS).

It has been designed and developed for the project beneficiaries to archive community finance related information, i.e. information of borrowers, loan disbursement, installment recovery etc. The main objective of this initiative is to develop and implement a user-friendly web-based system where data would be entered by the project beneficiaries on their own as to ensure smooth operation of community finance activities. Another reason is to conserve the information digitally as those invaluable village credit related information are practically irrecoverable if the ledger books are lost or destroyed.

Community Finance (CF) is one of the major activities of the project, which is solely managed by the project beneficiaries i.e. community members and they need to handle around 170 loan accounts and BDT 3-4 million as revolving loan in each village. In the project villages, 95% project beneficiaries are women with 9-10 years of education that results in difficulties to maintain transaction records of the borrowers manually. Moreover, prevention of ledgers or registers is difficult as it can be damaged or misplaced and there is no other copy of those documents in the village. In order to ensure smooth operation of community finance activities, computerization system is considered as the most useful means for entering Village Credit Organizations' (VCO) data and information at village level.

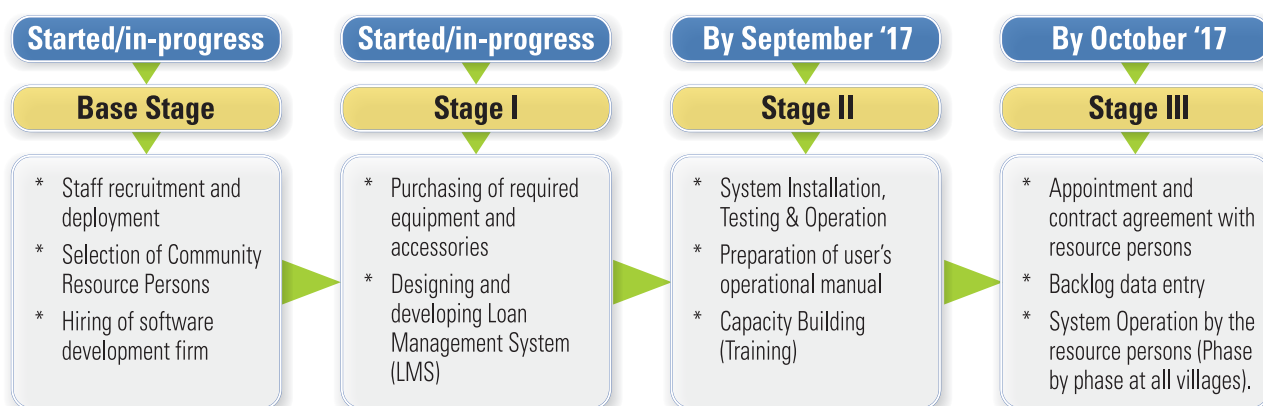
During the SIPP-II implementation, SDF ensured use of information communication technology at all levels of its operations i.e. from cluster to national level. In recent times SDF has been inspired by its ICT pertinent achievements and did a lot of brainstorming with the Bank team to extend its ICT intervention up to village level using the potentials of the beneficiaries in line with the ICT vision 2021 of the Govt. of

Bangladesh. SDF also had several series of meetings/discussions with ICT experts to gain more experiences that are considered indispensable to undertaking such a nationwide daunting task. Such large-scale project requires careful analysis and planning, and most importantly it requires piloting before embarking on nationwide implementation. Consequently, SDF conducted an ICT pilot project in thirty (30) villages of SIPP-II projects from Aug '15 – Feb '16 with a major task to capturing the community finance activities/transactions. The key objectives of the piloting are to study the feasibility of digitizing the financial transactions/ activities of VCO and GS in real time by the community members themselves using computerized system, viability of capturing large amount of data by the community members through the system.

The result of the piloting apparently appears successful with a number of challenges. Based on that successful piloting SDF has intended to replicate the ICT activities gradually in all 2500 villages under NJLIP.

In order to do so SDF has ensured accomplishment of the following tasks:

SDF has hired additional supervisory staff at district and cluster offices in particular with technical and skill development experiences on ICT to ensure adequate support to the community resource persons.
SDF has selected two resource persons from each village who will be trained up and will operate the software.
SDF has hired a software development firm to design and develop user friendly Loan Management System (LMS) that will be operated by the resource persons at village level. According to the software development cycle, a series of discussions and meetings have been conducted with the concerned personnel to capture the users' requirements. Based on these requirements software development is going on.
To run the LMS at village level, SDF is supposed to provide a laptop computer with an Internet Modem in all project villages. To do this, SDF has started the process of procuring Laptop, Modem and other accessories.





NUTRITION AWARENESS AND SUPPORT SERVICES

A PICTURE of PROGRESS

Mulling over the moot point that without nutrition awareness, development can bear no fruit at all Bangladesh has made tremendous progress in tackling under-nutrition over the last two decades. Progress has also been made in lowering the infant mortality rate and maternal mortality ratio, improving immunization coverage and reducing the incidence of communicable diseases. Despite these significant achievements, levels of stunting and underweight are still higher than the WHO/CDC threshold level for emergency and is considered a severe public health problem. In Bangladesh, malnutrition is caused by a combination of factors including faulty food consumption, food utilization owing to poor sanitation, illness and inadequate health care and in that it deserves immediate attention.



Nutrition Support program with Livelihoods, Capacity Building Cell (CBC), Communications and Community Finance (CF) unit jointly developed a total of 16 posters through engaging an independent consultant on nutrition. Among them three posters are Nutrition Specific and remaining 13 are Nutrition Sensitive posters. Among all the posters four posters require prior permission of Behavior Change Communication (BCC) committee of the National Nutrition Services (NSS) followed by final approval of the IEC Technical Committee of the ministry of Health and Family Welfare (MoH&FW). These are: use of Tippy Tap and setting Hygienic Hand Washing station in the households, vegetables with micronutrient values, fruits with micronutrient values and practices of IYCF by the pregnant and lactating mothers.

Millions of children and women suffer from one or more forms of malnutrition including low birth weight, wasting, stunting, underweight, Vitamin A deficiencies, iodine deficiency disorders and anemia.

In view of the above prevailing situation in the field of health and nutrition. SDF pledged to reduce the proportion of people without access to nutrition and hygiene and has crafted a novel intervention program to raise awareness, improve attitudes and practices among the beneficiaries to enhance their nutritional outcomes. SDF has introduced Nutrition Awareness and Support Services under the "Nuton Jibon Livelihood Improvement Project (NJLIP)" with a view to raise awareness, improve attitudes and practices that enhance nutritional outcomes for targeted beneficiaries in the project areas and to support beneficiaries in optimizing their livelihood activities.

This is being achieved through: (i) promoting better hand washing practices amongst beneficiaries, particularly before food preparation, feeding babies and when using sanitation facilities; (ii) promoting better infant and child feeding practices for pregnant and lactating mothers; and

(iii) mainstreaming nutrition sensitive actions into selected income generating activities.

The initiative also achieve Behavior Change Communication (BCC) to mainstream nutrition sensitive actions into selected income generating activities. This program is built on its community platform anchored in mobilization and organization, advocacy, awareness raising and access to finance and by integration of nutrition interventions which would scale up the nutritional outcomes in areas such as food expenditure, food poverty and diet diversity. Our focus is on scale and impact, but without compromising quality, equity and sustainability. Our interventions ensure healthy lives and promote wellbeing for the community.

To capitalize on timely demand driven approach, SDF has been hiring NGOs to provide training to communities; build awareness and promote nutrition advocacy; provide all required training and information materials; provide direct nutrition support for pregnant and lactating mothers; and promote hygienic practices for targeted households in the villages.



HIGHLIGHTS 2016

To deal with challenges properly, Nutrition Cell had exposure visits to Strengthening Partnerships, Results, and Innovations in Nutrition Globally (SPRING) of USAID at Dumuria Upazila, Khulna district; Nobo Jatra Program of World Vision at Chalna Bazar, Khulna district; Integrated Agriculture and Health Based Intervention (IAHBI) of FAO in Satkhira District; and Alive and Thrive of BRAC in Comilla District during the reporting year.

Also, a workshop on 'Livelihood Linked Nutrition Sensitive Interventions' was held during the reporting year to achieve the specific objective.

To orient the nutrition sensitive issues to the cluster team, Gram Parishad and Nutrition Support Committee (NSC) members prior to hire NGOs, a Nutrition Activity Plan was developed which is linked to livelihood component. In this regard, a two-day training program was designed with special emphasis on the roles and responsibilities of SDF staffs and Nutrition Support Committee members, linkage building with Govt. Health and Nutrition Departments etc.

Moreover, we celebrated World Breastfeeding Week (WBW) 2016 in all the regions successfully. This celebration also gave plenty of opportunity to the SDF field staffs to interact with the nutrition stakeholders of the respective areas with the aim to reduce infant mortality in the country.

Activities	Target (Cumulative: Jul-Dec-2016)	Achievement (Cumulative: Jul-Dec-2016)
Training to the Cluster staff on livelihood development with a module that includes contents on livelihood linked nutrition.	400 staff	400 (100%)
Training on Different Income Generating Activities to the Nuton Jibon Group (NJG) members focusing contents on livelihood linked nutrition.	2500 NJG members	2475 (99%)
Development of promotional materials (posters) on livelihood linked nutrition.	As actual	16 nos.
Facilitate NJG members to establish homestead vegetable garden/poultry with financial assistance from the project	2100 NJG members	2058 (98%)
Orientation to Nutrition Support Committee (NSC) members on their roles and responsibilities.	800 villages	784 (98%)
Facilitating NSC members to build linkages with govt. health and nutrition departments.	700 villages	361 (52%)
Discussion on livelihood linked nutrition issues in the Gram Parisad meeting at village level	2500 villages	2275 (91%)



The Human Resources (HR) department of SDF established a qualitative and strategic approach in managing its workforce properly. In order to deliver best services creating long lasting impacts to achieve organizational goals, the department has been counting on skilled human resources all along. The department strongly believes that there is no alternative to follow a forward-looking staff management policy for addressing challenges in the development arena constantly. The key focus areas are procedural justice, transparency, equality, respect for diversity and recognition of potentials. Its policies and guidelines aim to deliver uninterrupted services ensuring active participation of staff, which in turn facilitates achieving organizational goals fulfilling individual employee's aspirations and needs. We are helping employees to develop their personal and organizational skills, knowledge and abilities by providing a wide range of activities i.e. employee trainings, career development and performance management.

This department has been providing a modern human resources service that supports a high-performing workforce for a more productive, flexible and results-oriented organization. It also provides advice, monitors performance, and develops the skills and potential of staff in line with international standards.

The comprehensive human resources management of SDF has made significant progress in bringing about changes in the areas of human resources planning, streamlined rules and procedures, recruitment, placement and promotion, performance management, career development, conditions of service, contractual arrangements and administration of justice.

Some of the major activities of the department are stated below:

- Preparation of necessary Terms of Reference (ToR), advertisement for hiring new staffs, carry out selection process and recruitment;
- Conduct departmental proceedings and recommend necessary actions to management;
- Conduct annual performance appraisal and reward staff members in terms of promotion, annual salary increment etc.;
- Management of all sorts of leave;
- Management of various disputes, motivates employees, maintains HR related activities like-payroll management system, Human Resource Management System (HRMS) and Human Resource Information System (HRIS). It ensures effective employee communication, workplace safety and security for employees;
- Gratuity, Provident Fund and other long term benefits are maintained by the department; and
- SDF employee(s) are evaluated annually by a standard performance appraisal system based on agreed milestones and job related competencies.

HIGHLIGHTS 2016

The department maintains personal files and records of a total of **1161** staff members working in different sectors of the organization.

During the reporting year, a total of **1014** staff performance appraisals that include the head office and field offices have been accomplished. Apart from this, the management of SDF as part of organizational procedures to incentivize the outstanding employees has promoted **137** officials of different tiers. Additionally, **967** employees were awarded with one annual increment.

The current staff strength of SDF

Region	Regional staff	District staff	Cluster staff	Total staff
Barisal	26	48	250	324
Khulna	29	47	285	361
Mymensingh	30	61	316	407
Sub-total	85	156	851	1092
Head Quarter	-	-	-	69
Total	85	156	851	1161

Issue management

SDF strictly maintains “Zero” tolerance policy for any sorts of misconducts. SDF has also been maintaining a Grievance Redress Policy entitling its staff members and beneficiaries to lodge grievances against any sorts of injustice done to them. From the inception of SDF back in 2000 the organization has been maintaining resolution/mitigation of complaints which helps enormously to maintain an enabling environment within the organization to ensure organizational growth properly.

Human Resources Training in 3 (three) regions

In order to effectively respond to the dynamic policy environment aligned with the organization’s value of integrity and excellence with a multi-skilled and dynamic workforce, the HR Dept. of SDF arranged a three day training programs for each of its all three regions. A significant number of participants including Regional Managers, District Managers, District Officers, Cluster Officers, and concerned Regional Directors took part in the training. The sessions were held in Mymensingh, Barisal and Khulna regions on 4-6 September, 25-26 October and 30 December-January 01, 2017 respectively. SDF’s internal training experts along with external resource persons conducted the series of training sessions.

The content of the training principally focused on the HR Policy including background, performance appraisal, different kinds of leave entitlements, departmental proceedings, recruitment and dismissal procedures etc. The participating staff members prepared a 6-monthly action plan for proper HR management at the end of the training session. A practical session on payroll management has been facilitated to impart a clear understanding leading to ensure its uses.



FINANCE *and* PROCUREMENT

In order to create and enhance the organizational economic wealth and capacity, SDF has been capitalizing on creative and financial planning strategies comprising of well-defined wealth and risk management implementation policy. The Financial Management and Procurement unit plays an important role in planning, organizing and controlling the financial activities such as utilization of funds and procurement of goods and services of the organization. The unit's main tasks are to help establish and acquire the annual budget and to ensure its sound financial management. This unit is ensuring continuous flow of program funding, tackling and overcoming any financial indiscipline and irregularities. The department is responsible for overall financial management, internal control and compliance, financial monitoring, reporting and auditing to ensure accountability and transparency along with procurement of the organization as per plan. Curbing overhead cost and making programs and activities more cost effective, decentralization and delegation of works among the staff members plays an important role to a greater extent in this aspect as well.

The principal tasks, inter alia include preparation of financial statements, financial reporting, budgeting and budgetary control, managing costs, investments and profitability analysis, cash forecast, effective financial management and transparency of financial data, management of fund, payroll and fringe benefits of staff members. The department also ensures proper financial monitoring and recording of all data in the system as per International Accounting Standard and Bangladesh Accounting Standards along with meeting reporting requirements of development partners and Govt. of Bangladesh. Proper investment planning and portfolio management is also one of the main responsibilities of the department.

HIGHLIGHTS 2016

Disbursement

For ensuring fast fund disbursement to the field offices, in 2016, SDF disbursed a total of BDT 2,847.29 million (eq. US\$ 35.59 million) against the target of BDT 2,849.24 million (eq. US\$ 35.61 million) achieving a 99.93% target. The project's cumulative disbursement in 17 months (from the inception of the project) i.e. up to Dec 2016 is

BDT 3,203.90 million (eq. US\$ 40.04 million) which is 18.20% against the total target of BDT 17,600.00 million (eq. US\$ 220.00 million) to be utilized by June 2021. The annual achievement in 2016 shows a tremendous progress in fund disbursement to the intervened villages under "Nuton Jibon Livelihood Improvement Project (NJLIP)".

Table-1: Component wise Fund Disbursement Progress

(2016 and Cumulative)

Figures in Million BDT

Result Areas	Disbursement in 2016			Cumulative Disbursement		
	Annual Target of 2016	Annual Achievement of 2016	% Achieved during 2016	Project Target over 6 years (August '15 to June '21)	Cumulative Achievement up to Dec'16	% Achieved in 1.5 Years
Component A: Community Institutions and Livelihood Development	2533.68	2647.13	104.48%	13,900.00	2744.34	19.74%
Component B: Business Development and Institutional Strengthening	174.66	61.45	35.18%	1,760.00	61.64	3.50%
Component C: Project Management, Monitoring and Learning	345.28	279.83	81.04%	1,940.00	344.15	17.73%
Total (in million BDT)	3053.62	2988.41	97.86%	17,600.00	3150.13	17.89%
Total (in million US\$)	38.17	37.35	97.86%	220.00	39.37	17.89%

Monitoring and Accountability

The financial reports are submitted by the Cluster, District and Regional Offices every month to SDF Headquarters. The Headquarters' finance team compiles quarterly financial report and submits the same to the World Bank for evaluation. As per statutory requirement an independent audit firm is recruited by the Board of Directors and General Body of SDF to conduct yearly audit and audit report of 2016 provided a very clear picture of financial performance and was appreciated by SDF Board. In a bid to ensure financial transparency the Foreign Aided Project Audit Directorate (FAPAD) conducts audit on a yearly basis and has been continuing audit since FY 2011-2012. Moreover, SDF has an independent internal audit team comprised of four experienced auditors who

frequently undertake field visits and conduct audits.

Procurement

In order to implement programs efficiently and effectively SDF procures both goods and services to a substantial extent. The procurement is carried out in accordance with the World Bank's Procurement Guidelines (January 2011 Revised in July 2014), Public Procurement Rules (PPR), 2006 and 2008 of the Government of Bangladesh. Community procurement is carried out in accordance with the Procurement Book-let of the Community Operational Manual (COM) of the project.

The status of executed total contract vs. disbursement and progress during the year 2016 are shown in the following tables:

Table –2: Executed Contracts vs. Disbursement status (Cumulative)

Category	Disbursement Status (January - December, 2016)				
	Contract Amount	Disbursed Amount		Contracts ongoing	
		In BDT	In %	In BDT	In %
Goods	1,79,79,852	21,04,527	11.70%	1,58,75,325	88.30%
Service	1,81,95,086	11,20,554	6.16%	1,70,74,532	93.84%
Total :	3,61,74,938	32,25,081	8.92%		

Source : Trial Balance (January to December, 2016) of SDF.

Table – 3 : Statement of Contract execution (January - December, 2016)

Type	Description of Contracts	No. of Contracts	Contract Amount	Disbursed
Goods	Air Conditioner	1	9,22,600	9,22,600
	Ceiling Fan	1	4,42,050	4,26,000
	Biometric Attendance Device	1	1,37,940	1,37,940
	Printing of Annual Report-2015	1	3,29,987	3,29,987
	Printing of Membership Register	1	2,88,000	2,88,000
	Printing of Calendar-2017	1	3,64,000	
	Printing of Diary-2017	1	4,64,400	
	Printing of Various Forms, Registers, Loan Sheets, Vouchers etc. for village level	1	1,48,62,220	
	Printing of News Letter (Oct-Dec'15)		68,655	
	Printing of News Letter (Jan-Jun'16)		1,00,000	
	Sub-total:		1,79,79,852	21,04,527
Service	Base Line Survey for new villages	1	85,14,983	
	Modification of SDF- MIS Software	1	72,43,992	
	Consultancy- Training Material on different IGAs	1	15,33,333	9,19,999
	Consultancy- Producer Group Registrations with Dept. of Co-operative	1	2,00,000	60,000
	Sectoral Study & Market Scan on Livelihood of IGAs	1	7,02,778	1,40,555
	Sub-total: Service		1,81,95,086	11,20,554
Grand total: (Goods and Service)		13	3,61,74,937	32,25,081



Audited Financial Statements 2016



ATIK KHALED CHOWDHURY

Chartered Accountants

Plaza Centre 1st Floor
201 Monowar C/A
Dhaka-1000, Bangladesh
Tel: +8802-7120401
Fax: +8802-7120401
e-mail : atik.khaled@pmcsl.com
website : www.atikhkald.com

AUDITORS' REPORT

We have audited the accompanying consolidated financial statements of Social Development Foundation (SDF), comprises of the Statement of Financial Position as at 30 June 2016, Statement of Comprehensive Income, Statement of Receipts and Payments, Statement of Changes in Equity and Statement of Cash Flows for the year then ended and all related consolidated financial statements and a summary of significant accounting policies and other explanatory notes.

Management's Responsibility for the Financial Statements:

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with Bangladesh Financial Reporting Standards (BFRS) and other applicable laws and regulations and for such internal control as management determines is necessary to enable the preparation of these financial statements that are free from material misstatement whether due to fraud or error.

Auditors' Responsibility:

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Bangladesh Standards on Auditing (BSA). Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entities. Preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion:

In our opinion, based on our audit, the financial statements give a true and fair view of consolidated financial position of Social Development Foundation (SDF) for the year then ended in accordance with Bangladesh Financial Reporting Standards (BFRS), the Companies Act 1994 and other applicable laws and regulations.

We also report that:

- a) We have obtained all information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit and made due verification thereof;
- b) in our opinion, proper books of account as required by law have been kept by the Company so far as it appeared from our examination of those books;
- c) the company's statement of financial position, statement of comprehensive income, statement of receipts and payments, statement of changes in equity and statement of cash flows dealt with by the report are in agreement with the books of account.

Dated: November 13, 2016
Place: Dhaka

Atik Khaled Chowdhury

Atik Khaled Chowdhury
Chartered Accountants



Social Development Foundation (SDF)
Statement of Consolidated Financial Position
 As on 30 June 2016

Particulars	Notes	Audited (₹193-800)	TALDP Credit No. 8094-BD			SDF Endowment Fund	SDF Own Fund	30.06.2016 Total	30.06.2015 Total
			Cash	BA	Total				
Non Current Assets									
Property, Plant & Equipment	4.00	75,906,687	-	76,302	76,302	-	-	76,302,989	92,257,865
Current Assets									
Advances, Deposit & Prepayments	5.00	-	90,877,882	178,945,961	269,823,843	1,997,867,649	185,279,830	2,493,891,242	3,375,834,994
Fund Deposits (FSD)	6.00	-	1,346,044	278,399	1,624,443	-	-	1,902,844	251,832
Cash and Cash Equivalents	7.00	-	85,417,838	178,312,601	263,730,439	1,997,788,150	142,804,446	2,147,903,986	1,740,576,662
						79,499	35,875,344	302,379,372	175,197,816
Total Assets									
		75,906,687	90,877,882	179,262,562	548,810,885	1,997,867,649	185,279,830	2,627,874,251	3,617,281,969
Capital Fund & Liabilities									
Capital Fund									
Funds Account	8.00	75,906,687	89,908,095	178,346,340	263,814,435	1,997,867,649	185,279,830	2,526,908,601	1,368,212,993
Current Liabilities									
Accounts Payables	9.00	-	666,787	295,863	962,650	-	-	962,650	148,089,014
Total Fund & Liabilities									
		75,906,687	90,877,882	179,642,203	548,810,885	1,997,867,649	185,279,830	2,627,874,251	3,617,281,969

The annexed notes form an integral part of these financial statements


 Director

Finance & Procurement


 Managing Director


 Chairman

Subject to our separate report of even date



Dated: November 13, 2016
 Place: Delhi

Social Development Foundation (SDF)
Statement of Consolidated Comprehensive Income
For the year ended 30 June 2016

Particulars	Notes (BOD)	Fuller Credit No. 8094-BD		SDF Endowment Fund	SDF Own Fund	30.06.2016 Total	30.06.2015 Total
		COB	EOA				
A. Income							
Grant Received during the year		344,798,813	1,123,281,875	1,433,781,875	-	2,838,879,818	1,793,799,910
ISA		344,798,813	1,123,281,875	1,433,781,875	-	1,408,879,818	1,313,799,910
GC&I		-	-	300,000,000	-	300,000,000	280,000,000
Non Operating Income		206,703	81,317	126,554,439	14,649,241	141,491,760	151,776,658
Miscellaneous Income		-	-	-	-	-	31,921,524
Total Income (A)		345,005,526	1,233,281,875	1,433,781,875	14,649,241	3,049,871,628	1,958,461,992
B. Expenditure							
Community and Livelihood Development at Village Level		220,033,034	-	-	-	220,033,034	1,201,829,827
Institutional Development and Services at inter Village and National Levels		18,323,032	-	-	-	18,323,032	113,754,066
Capacity Development and Partnership Building from Cluster to National Levels		25,654,469	-	-	-	25,654,469	39,210,953
Project Monitoring and Coordination		91,318,288	-	-	-	91,318,288	318,179,531
Bank Charges		-	-	-	443,833	443,833	1,194,349
Community Initiatives and Livelihood Development Development and Strengthening Community Institutions Financing of Community Plans Nutrition Awareness and Support		-	965,942,263	965,942,263	-	965,942,263	-
Business Development and Institutional Strengthening Business Partnerships Development and Market Linkages Second-tier Institutional Development Support Employment Generation Support		-	33,176,116	33,176,116	-	33,176,116	-
		-	4,378,000	4,378,000	-	4,378,000	-
		-	27,434,210	27,434,210	-	27,434,210	-
		-	1,363,885	1,363,885	-	1,363,885	-



Social Development Foundation (SDF)
Statement of Consolidated Comprehensive Income
For the year ended 30 June 2016

Particulars	National Alliance (after 60%)	SDF JP Credit No. 8594-BD		SDF Endowment Fund	SDF Own Fund	30.06.2016 Table	30.06.2015 Table
		GLOB	IDA				
A. Income							
Grant received during the year	344,799,853	349,000,000	1,123,281,075	1,413,281,075	-	2,828,079,928	1,775,799,731
IDA	344,799,853	-	1,123,281,075	1,123,281,075	-	1,408,079,928	1,313,799,731
GLOB	-	349,000,000	-	290,000,000	-	560,000,000	266,000,000
Non Operating Income	206,293	81,317	-	81,317	14,649,241	141,491,700	153,736,658
Miscellaneous Income	-	-	-	-	-	-	32,923,334
Total Income (A)	345,006,056	349,081,317	1,123,281,075	1,493,563,292	14,649,241	2,869,571,628	1,962,461,813
B. Expenditure							
Community and Livelihood Development at Village Level	220,035,034	-	-	-	-	220,035,034	1,200,839,827
Institutional Development and Services at inter Village and National Levels	18,525,072	-	-	-	-	18,525,072	113,734,006
Capacity Development and Partnership Building from Cluster to National Levels	25,654,469	-	-	-	-	25,654,469	29,753,953
Project Monitoring and Coordination	91,518,238	-	-	-	-	91,518,238	338,125,519
Bank Charges	-	-	-	-	441,033	441,033	1,194,249
Community Institutions and Livelihood Development	-	-	967,943,203	967,943,203	-	967,943,203	-
Development and Strengthening Community Institutions	-	-	344,792,200	344,792,200	-	344,792,200	-
Financing of Community Plans	-	-	963,116,816	963,116,816	-	963,116,816	-
Nutrition Awareness and Support	-	-	123,125	123,125	-	123,125	-
Business Development and Institutional Strengthening	-	-	38,176,116	38,176,116	-	38,176,116	-
Business Partnership Development and Market Linkages	-	-	4,379,000	4,379,000	-	4,379,000	-
Second tier Institutional Development Support	-	-	27,434,211	27,434,211	-	27,434,211	-
Employment Generation Support	-	-	1,363,005	1,363,005	-	1,363,005	-



Social Development Foundation (SDF)
Statement of Consolidated Receipts & Payments
For the year ended 30 June 2016

Particulars	Netted Offsets (4753-881)	SDF JP Credit No. 8594-885			SDF Fundment Fund	SDF Fund Fund	30 June 2016 Total	30 June 2015 Total	30 June 2015 Total
		4758	881	Total					
Receipts:									
Opening Balance	142,445,943	-	-	-	77,178	81,926,924	179,448,842	-	144,886,149
Cash in Hand	-	-	-	-	-	-	-	-	22,717
Cash at Bank	142,144,181	-	-	-	77,178	81,926,924	179,197,019	-	143,228,464
Advance	251,832	-	-	-	-	-	251,832	-	8,596,119
Grant Received during the year									
GDH	344,798,853	300,000,000	1,123,281,875	1,423,281,875	260,000,000	-	2,828,879,928	-	8,773,999,331
EDA	-	300,000,000	-	300,000,000	260,000,000	-	560,000,000	-	560,000,000
	344,798,853	-	1,123,281,875	1,123,281,875	-	-	1,468,879,928	-	1,513,999,331
Other Receipts									
Miscellaneous Receipts	266,763	88,217	-	88,217	126,554,479	14,609,241	148,495,758	-	186,642,182
Non Operating Receipts	266,763	5,911	-	5,911	-	-	212,814	-	33,097,078
	-	75,406	-	75,406	126,554,479	14,609,241	141,279,086	-	123,565,084
Total Receipts	487,451,499	388,001,217	1,123,281,875	1,471,362,392	386,554,479	14,609,241	3,349,878,426	-	3,895,342,253
Payments:									
Community and Livelihood Development at Village Level	322,456,182	-	-	-	-	-	322,456,182	-	1,351,935,629
Institutional Development and Services at inner Village and National Levels	18,323,072	-	-	-	-	-	18,323,072	-	813,754,566
Capacity Development and Partnership Building from Cluster to National Levels	23,654,469	-	-	-	-	-	23,654,469	-	39,755,925
Project Monitoring and Coordination	119,696,476	-	-	-	-	-	119,696,476	-	328,886,027
Investment in FGR	-	-	-	-	286,399,188	11,258,346	297,657,534	-	412,367,386
Bank Charges	-	-	-	-	(94,127)	441,015	635,162	-	1,194,169
Community Institutions and Livelihood Development Development and Strengthening Community Institutions Financing of Community Plans									
Kulitiam Awareness and Support	-	-	967,646,349	967,646,349	-	-	967,646,349	-	-
	-	-	344,006,337	344,006,337	-	-	344,006,337	-	-
	-	-	563,136,816	563,136,816	-	-	563,136,816	-	-
	-	-	123,187	123,187	-	-	123,187	-	-
Business Development and Institutional Strengthening									
	-	-	33,176,114	33,176,114	-	-	33,176,114	-	-
Business Partnerships Development and Market Linkages									
Secondary Institutional Development Support	-	-	4,378,000	4,378,000	-	-	4,378,000	-	-
Employment Generation Support	-	-	27,434,231	27,434,231	-	-	27,434,231	-	-
	-	-	1,363,883	1,363,883	-	-	1,363,883	-	-



Particulars	Nether House (4715-800)	NHTIP Capital No. 0001-800		NHTIP Own Fund	NHTIP Endowment Fund	2016-2016 Total	2016-2016 Total	2016-2016 Total
		GOB	IDA					
Project Management, Monitoring and Learning								
Project Management	-	209,903,425	8,892,218	-	-	218,795,643	-	-
Monitoring and Learning	-	209,903,431	1,234,663	-	-	211,138,094	-	-
	-	-	2,638,883	-	-	2,638,883	-	-
Miscellaneous income transfer to Social Bank PM Officer Branch STD A/C no. 000796000107	1,200,000	-	-	-	-	-	1,200,000	-
Advance	-	1,749,844	278,309	-	-	1,968,143	-	210,812
Total Payments	487,451,499	211,643,479	944,943,474	-	186,553,313	1,134,938,993	2,842,270,348	2,136,143,244
Closing Balance	-	88,417,818	1,781,137,669	78,499	35,875,384	187,279,372	175,187,010	-
Cash in Hand	-	-	-	-	-	-	39	-
Cash in Bank	-	88,417,818	1,781,137,669	-	35,875,384	187,279,372	175,187,010	-
Total	487,451,499	300,061,313	1,781,138,178	-	186,431,301	1,421,362,392	2,489,020,470	2,495,342,252

The annexed notes form an integral part of these financial statements

Signature

Director
Finance & Procurement

Signature

Managing Director

Signature

Chairman

Subject to our separate report of events date

Signature

Attn: Attested Chartered
Chartered Accountants



Date: November 13, 2016
Place: Delhi

Social Development Foundation (SDF)
Statement of Cash Flows
For the year ended 30 June 2016

Particulars	Previous Years (2015-2016)	S.D.F. Credit No. 2594/2012			SDF Endowment Fund	SDF Core Fund	2015, 2016 Total	2016, 2016 Total	2015, 2016 Total
		QCB	IDA	Total					
A. Cash Flow from Operating Activities:									
Excess of Income over Expenditure (1)	(18,727,267)	89,458,895	178,144,340	267,603,235	386,366,122	14,368,356	667,967,646		245,792,383
Other Cash from Operating Activities & Items not included in Cash Flows									
Depreciation on Fixed Assets	26,129,818	-	19,823	19,823	-	-	26,149,641		26,149,641
Increase/(Decrease) in Advances, Deposit and Pre-Payments	251,852	(1,160,046)	(228,369)	(1,968,141)	-	-	(1,176,613)		1,377,287
Increase/(Decrease) in Advances Received from QCB	-	-	-	-	-	-	-		-
Increase/(Decrease) in Accounts Payable	(148,069,814)	665,787	795,861	861,650	-	-	(147,103,365)		46,358,888
Total Unadjusted Amount (B)	(123,541,212)	(1,494,259)	865,514	(688,945)	-	-	(123,259,191)		76,187,898
Net Cash used in Operating Activities (C=1)	(123,948,879)	88,497,638	178,432,878	266,879,216	386,366,122	14,368,356	667,479,605		246,196,281
B. Cash Flow from Investing Activities									
Acquisition of Fixed Assets	(4,229,212)	-	(93,177)	(93,177)	-	-	(4,322,389)		(79,877,686)
Increase/(Decrease) in Fixed Deposit	-	-	-	-	(386,366,122)	(11,218,346)	(2,97,615,245)		(411,367,386)
Net Cash used in Investing Activities	(4,229,212)	-	(93,177)	(93,177)	(386,366,122)	(11,218,346)	(401,936,145)		(488,244,872)
C. Cash Flow from Financing Activities									
Grant from Government of Bangladesh (Cash) Addition during the year	-	-	-	-	-	-	-		-
Grant from IDA	-	-	-	-	-	-	-		-
Net Cash used in Financing Activities	-	-	-	-	-	-	-		-
Net Increase/(Decrease) in Cash & Cash Equivalents (A+B+C)	(142,154,112)	88,497,638	178,117,661	266,795,439	1,834	3,149,810	127,401,312		(144,694,113)
Cash & Cash Equivalents at the beginning of the year	142,154,111	-	-	-	71,275	12,921,924	175,187,810		343,281,271
Cash & Cash Equivalents at the end of the year	-	88,497,638	178,117,661	266,795,439	79,499	16,071,734	302,579,022		198,587,158

Waqar
Director

Finance & Procurement

S. Hossain
Accounting Director

U
Chairman

Subject to our separate report of terms data



Altaf Hossain Chowdhury
Chairman

Dated: November 15, 2016
Place: Dhaka

Social Development Foundation (SDF)
Statement of Consolidated Changes in Equity
For the year ended 30 June 2016

Particulars	Notes / Disc (4797-480)	SDFIF Credit No. 3594-BD			SDF Endowment Fund	SDF Own Fund	30.06.2016 Total	30.06.2015 Total
		GOB	IDA	Total				
Opening Balance as on 01.07.2015	88,633,994	-	-	-	1,611,507,337	171,071,624	1,809,212,955	1,633,420,169
Add: Addition during the year	-	-	-	-	-	-	-	-
Add: Excess of Income Over Expenditure During the year	(18,227,007)	89,508,095	178,346,340	267,854,435	386,340,512	14,258,256	637,895,646	245,793,583
Closing Balance as on 30.06.2016	70,406,987	89,508,095	178,346,340	267,854,435	1,997,847,849	185,329,880	2,539,598,601	1,809,212,954


Director
Finance & Procurement


Chairperson

Subject to our separate report of even date

Dated: November 13, 2016
Place: Dhaka




ABB Khaled Choudhury
Chartered Accountants

2016



THE CUP OF GLORY

WORLD BANK GROUP PRESIDENT DR. JIM YONG KIM VISITS NJLIP

Dr. Jim Yong Kim, Hon'ble President of the World Bank Group, paid a visit to 'Nuton Jibon Livelihood Improvement Project (NJLIP)' at Dakhkhin Rakudia village of Babuganj upazila under Barisal district on October 18, 2016. The purpose of the visit was to understand the socio-economic changes in terms of lifting the extreme poor and poor out of poverty through implementation of integrated programs that include establishment of sustainable village institutions, empowerment of women, infrastructure development, employment creation, and above all inclusive and appropriate financing for planned economic activities.

The Hon'ble President was received by Mr. M. I. Chowdhury, Chairperson of the Board of Directors of Social Development Foundation (SDF). At the beginning of the meeting the

Chairperson delivered welcome speech and provided a brief description of SDF and its contributions in alleviating poverty in line with the Sustainable Development Goals (SDGs). A. Z. M. Sakhawat Hossain, Managing Director, SDF explained the programs in his speech and facilitated the discussions of the beneficiaries. This included implementation strategy in terms of how Community Driven Development (CDD) approach is contributing to economic upliftment of the extreme poor and poor of the village institutions including their elevation to next higher economic levels and how they are taking over the charges of their village institutions establishing 2nd tier institutions being managed by the beneficiaries etc.

One of the beneficiaries, Moni Rani unfolded their story of transformation and their venture with the help of SDF since

2012. SDF's financial and technical support enabled them to embark on a number of income generating activities such as cow rearing, fish culture, cultivation of crops and vegetables, small business etc. in conjunction with infrastructure development and skill development training for the un/under employed youths along with creation of employment opportunities. These activities helped them enormously to scale up their life skills for livelihoods development and bridging the gap between their aspiration and action that resulted in reducing the number of extreme poor in their village to 35 from 60. Conversely, 75 poor households out of 121 have graduated to lower middle income cohort.

The Hon'ble President lauded the program's unique niche by reaching the uncovered, most vulnerable, and the poorest and appreciated SDF's spectrum of innovations that consists of a collaborative network of development programs. This has enabled the women to build, secure, and use social assets to improve their well-being, and play a more active role in the society. Before their inclusion in this project, they were barely capable to run errands with no assets.

The Hon'ble President was highly impressed to see the transformation of the underprivileged women along with their endeavors in alleviating poverty leading to turn the country into a middle income one by 2021 as envisaged by the Govt. of Bangladesh. He added, 'I am very happy to see the positive changes in the lives of the poor women who were unskilled in the past and now have changed their socio-economic conditions with the help of the project. We have been continuing our support to SDF to build confidence, skills, structures and knowledge to open windows of opportunity for the poorest section of the societies.' He further added, 'I am very glad to talk to the beneficiary women. They are self confident, can take advantage of new opportunities, exercise their rights and enjoy their entitlements.'

Mr. Jim also visited the dairy farm of Sheuli Begum and Kohinoor Begum, and the preparation of compost fertilizer and their fish cultivation sites and engaged himself in discussions with them to know how they are implementing such income generating activities and their future plans to improve quality of life in terms of increasing income, consumption and housing.

He was accompanied by the Executive Director, Senior Vice President, and Chief Economist of World Bank and Country Director of World Bank for Bangladesh, Bhutan and Nepal. The Senior Secretary of Economic Relations Division of Ministry of Finance also accompanied the Hon'ble President and his distinguished team during the visit.



DRY RUN OF WORLD BANK'S COUNTRY DIRECTOR MR. QIMIAO FAN

'It is wonderful to see tangible results of this excellent project based on self reliance and mutual support' said Mr. Qimiao Fan, World Bank's Country Director for Bangladesh, Bhutan and Nepal while went for a dry run at Dakhnin Rakudia village of Babugonj Upazila under Barisal district. This visit held on September 19, 2016 prior to visit of the Hon'ble President of World Bank Dr. Jim Yong Kim. During the visit the Country Director was accompanied by SDF Managing Director AZM Sakhawat Hossain and other officials of World Bank. He was impressed to see the significant progress of the community by gaining increased stature at community development. He had a thorough interaction with the beneficiaries and was besieged to learn their incremental success through implementing programs employing Community Driven Development (CDD) approach. He was also delighted to see the transformation of the poor and vulnerable community as a change-maker of their own fate through the village level institutions--the main vehicle of underprivileged people's empowerment propel. He was also informed about the distribution and recovery of revolving funds, sub-project implementation that include construction of Gram Samiti office building, installation of tube-wells, construction of culverts, social audit committee to oversee transparency and accountability at all levels of project implementation etc. He was glad to see the strong and vibrant initiatives of SDF in generating several social benefits that lifted them up from the poverty line in 3 years (they started the project in 2012) and trying to join the middle income group through making larger investments preferably in groups, which will ultimately yield adequate income.

Mr. Qimiao later on visited some projects being executed by the beneficiaries such as fish farming, cow rearing, installation of tube-wells that provide arsenic free pure drinking water and constructed considering the flood level and expressed his deepest satisfaction at the outcomes of the project. He assured to continue World Bank's support to a larger extent in near future.

AIDE MEMOIRE: SECOND IMPLEMENTATION REVIEW AND SUPPORT MISSION

The Nuton Jibon Livelihood Improvement Project (NJLIP) started its journey on August 3, 2015 with the objective to improve livelihoods of the poor and the extreme poor in the project areas with a budget worth US\$ 220 million expanding its coverage to another 2,500 villages of 5 new districts and unintervened upazilas of 7 SIPP-II districts in conjunction with providing reduced support to 3142 phased out villages of SIPP-II.

An implementation review and support mission of the Nuton Jibon Livelihoods Improvement Project (NJLIP) took place from May 1-10, 2016 with the primary objectives to review (i) progress achieved so far in the selection of villages and financing community plans, (ii) development of staff, readiness and utilization of manuals at all levels, (iii) financial management, (iv) procurement administration, (v) environmental and social safeguards and gender, (vi) monitoring and evaluation, and (vii) action plan for the year 2016. Field visit to villages in Khulna and Barisal regions also took place during the mission.

The mission undertook field visits to villages in Khulna and Barisal regions. The mission also held a day-long workshop with Regional Directors and District Managers to share and exchange opinions and insights regarding emerging trends and key focus areas in different themes. The mission also held meetings with senior government officials including the Additional Secretaries, Economic Relations Division (ERD) and Bank and Financial Institutions Division (BFID), Ministry of Finance (MOF).

The mission was happy to see that SDF has been able to establish cluster, district and regional offices and they are fully operational at present with 1,182 staff redeployed from SIPP-II staff who had demonstrated proven track records. During this time SDF has shifted Rangpur and Jamalpur

regional offices to Khulna and Mymensingh respectively to get the benefit of geographical proximity and adequate monitoring and control mechanism over the project activities. It deserves mentioning that the IDA funds are used for training, procurement of goods, consulting services and program delivery costs whilst the salaries and operational costs of SDF are met from the counterpart funds provided by the Govt. of Bangladesh.

The mission also held a day-long workshop with Regional Directors and District Managers to share and exchange opinions and insights regarding emerging trends and key focus areas in different themes.

The mission was happy to see that the Information Communication Technology (ICT) piloting has been completed in 30 villages in three regions (10 villages in each region). The aim of the piloting was to assess the feasibility of real-time (online) data entry. SDF submitted the pilot evaluation report to World Bank. SDF was commended for successfully completing this piloting without any obstacles from the communities. Based on the evaluation report, the mission acknowledged the capability of resource persons/beneficiaries in the communities

who have been regularly feeding data into the computerized integrated MIS system. The mission requested SDF to comply with the necessary recommendations and gear up for rolling out this operation into the new NJLIP villages. SDF has agreed to submit a comprehensive action plan with budget for rolling out this operation into all NJLIP villages along with draft terms of reference for the software developing company by May 31, 2016.

The overall fiduciary performance rating of the project was **Satisfactory** in view of the recent development on agreed Financial Management (FM) actions to strengthen overall control environment. SDF has submitted the updated procurement plan during the mission. During the past nine months of project implementation from the inception, SDF has submitted procurement requests for Bank clearance on time. In view of this performance, procurement administration is rated **Satisfactory**.

IMPLEMENTATION COMPLETION AND RESULTS REPORT (ICRR)

Implementation Completion and Results report (ICRR) are an integral part of the World Bank's drive to increase development effectiveness, through a continuous process of self evaluation, lesson learning and application, sharing of knowledge, and being accountable for results. The lessons learned from ICRR improve the quality and effectiveness of the project. With a view to review plan, program and activities for previewing success, the mission on Implementation Completion Results Report (ICRR) of Empowerment and Livelihood Improvement 'Nuton Jibon' (SIPP –II) took place from 18th to 28th January 2016 providing necessary findings, guidance, feedback etc.

The key persons included in the mission were Mr. Seenithamby Manoharan (Task Team Leader); Ms. Pushina Kunda Ng'andwe (Senior Rural Development Specialist, Co- TTL); Ms. Melissa Williams (Senior Rural Development Specialist, Task Team Leader of ICRR); Mr. Aidan Gulliver (Senior Economist, FAO). The ICRR team provided their first draft report on 31st July 2016 for comments and feedback from SDF and accordingly it was provided. After synchronizing SDF's review, the ICRR team provided their final report on 7th October 2016. This report has mostly affirmative attributes with some constructive criticisms. Those constructive criticisms are future guidelines and lessons for the current project of SDF.

The original Project Development Objective was *to improve the livelihoods, quality of life and resilience to climate variability, natural hazards and other shocks of the rural poor, especially the left-out poor and vulnerable households*. And the PDO indicators were:

- Village institutions supported by the project are functioning in a transparent, inclusive and accountable manner, as per project guidelines (EOP Target: 75%);
- Increase in HHs income by at least 50 percent

against base year for 50 percent of targeted households by the end of the project (EOP Target: 50%); and

- Targeted households benefiting from improved access to community infrastructure or social services sub-projects (EOP Target: 80%).

The PDO was revised in February 2014 as follows: *to improve the livelihoods of extreme poor communities and to strengthen the community institutions in selected districts*. The revised PDO refined the original PDO by excluding resilience and including community institutions development. None of the PDO indicators were changed either in substance or in target, and one core PDO indicator was added: number of direct beneficiaries households and a core



supplement measure the proportion of beneficiaries that are women.

SIPP-II was designed to cover **15** districts (8 new districts and expansion in **7** districts intervened under SIPP-I), working in **1,500** new villages while continuing to provide support to the **1447** villages mobilized under SIPP-1. The project aimed to directly benefit about another **300,000** target households, or **1.8** million people. Total direct and indirect beneficiaries were estimated to be about **3** million people. The project sought to create and strengthen village and community organizations and help them to form federations and producer groups (second generation institutions) to improve their livelihoods. Within project villages, the targeted households comprised of the poor, hard-core poor (HCP), and vulnerable households, based on a participatory

identification of the poor exercise. The Community Operation at Manuals outline criteria for classifying households. SIPP-II had a special focus on reaching women and youth, and strategies for each group were developed for the project.

SIPP-II ultimately reached **16** districts and worked in **3262** villages (the original **1447** villages and **1815** new villages), directly targeting **658,661** households (or an estimated **3.6** million people), of whom **94%** were women. The total number of households in the project was about **1.1** million (or an estimated 6 million people). This represents total population, including those that indirectly benefitted from the project, particularly from infrastructure investments or increased economic activity within the village.

KEY ATTRIBUTES OF SIPP-II FOUND BY THE ICRR TEAM

- ▶ The overall Financial Management (FM) performance rating of the SIPP-II is satisfactory considering the initiatives to reinforce internal controls and accountability. SDF's FM staffing is adequate and satisfactory under the project, which comprises of a number of professional and experienced personnel.
 - ▶ SDF has successfully comprehended and implemented a large scale program employing Community Driven Development (CDD) approach which is praiseworthy. This approach has distinguished the SIPP-II from other development projects in terms of being a real facilitator of the poor to overcome poverty rather than being mere financiers that lend money at high interest rates.
 - ▶ The mid-line survey found that 83 percent of village institutions were functioning in a transparent, inclusive and accountable manner which exceeded the end of project target of 75 percent by project mid-term. This had scaled up to 92 percent by the end of the project.
 - ▶ SIPP-II sought to increase household income of at least 50% of the targeted households by 50 percent. The impact evaluation data revealed that 62 percent target households had met this goal.
 - ▶ Analysis of the results of SIPP-II explored that it has reinforced the SDF's approach as an effective way to identify and include marginalized groups, for instance, poor, extreme poor, vulnerable, women and youth into the growth agenda and created a stairway out of abject poverty. However, the report emphasized on bringing more focus on convergence with government programs that provide critical safety nets for the poor and thus paves the way to boost the impact of this stairway.
 - ▶ The ICRR opined that the piloting of environmental friendly enterprises, for instance, vermin-compost as the potential source of income could be incorporated in NJLIP.
- The ICRR team rated the project according to two categories, i.e. The World Bank's Performance and the Borrower's performance. The Bank's performance is categorized into two sub-types, i.e. Bank's performance in ensuring quality at entry and quality of supervision. The ICRR team rated World Bank's performance in ensuring quality at entry as **Moderately Unsatisfactory**. Although the World Bank's guideline was quite successful in limiting the corruption to a very minimum level but the

ICRR team was not satisfied with the Bank's choice of PDOs (Project Development Objectives) and monitoring indicators. Additionally the ICRR team considers the WB should have ensured the full, secure financing of all project costs instead of keeping some operating costs of SDF dependent on the additional financing which ultimately led to the need of level-1 restructuring. The ICRR team rated the quality of supervision as **Moderately Satisfactory** as it considered not setting the result framework properly as a shortcoming of supervision. The ICRR team rated the overall Bank performance as **Moderately Satisfactory**.

The ICRR team divided the borrower's performance as the performance of Govt. of Bangladesh (GoB) and the performance of SDF. The ICRR team highly appreciated GoB's relentless effort to make SIPP-II successful and rated the performance of GoB as **Satisfactory**. The ICRR team is satisfied with the GoB's initiative to restore the Governing Body and audit committee which was required by the World Bank. At the same time GoB endowed SDF with a fund of USD 15 million at first and then scaled it up to USD 21.5 million in 2013 with a view to paving the way of sustainability and growth of SDF. The ICRR team has admitted SDF's effort to face the challenges despite having some shortcomings in key positions at the beginning of project. According to ICRR team SDF's performance was overall appreciable. The overall



borrower's performance rated by the ICRR team is **Satisfactory**. It is to be noted that whilst the performance of the World Bank was rated as **Moderately Satisfactory**, Borrower's (GoB and SDF) performance was rated **Satisfactory** on the other hand.

Relevance of objectives, design and implementation was rated as 'Substantial' on a four point scale (negligible=1, modest=2, substantial=3 and high=4) with a final rating value of 2.68. Likewise, achievement of project development objectives was rated as 'Substantial' where final rating value was 3.34. Moreover, efficiency of the project implementation was rated 'Substantial' as well with a final rating value of 3. Final score of justification of overall outcome rating turned out to be 4.34 with an overall rating of 'Satisfactory' on a six point scale after restructuring the Project Development Objectives (PDO) in February 2014.

Key findings of the ICRR team are presented in the following tables:

Key Project data		Key Performance Ratings	
Board date	June 23, 2010	Development Objective	Satisfactory
Effectiveness Date	December 5, 2010	Overall Implementation Progress	Satisfactory
Closing Date	December 31, 2015	Financial Management	Satisfactory
Project Age	5 Years	Procurement	Satisfactory
IDA Amount USD M	115.75	Overall Safeguards	Satisfactory
Disbursed Amount USD M	115.75	Monitoring & Evaluation	Moderately Satisfactory
Disbursement Percentage	100	Project Management	Satisfactory

Performance of SIPP-II rated by the ICRR team

Outcomes	Moderately Satisfactory
Risk to Development Outcome	Moderate
Bank Performance	Moderately Satisfactory
Borrower Performance	Satisfactory

FAO ORIENTATION



The Nutrition Awareness and Support Services intends to achieve the objectives to raise awareness, improve attitudes and practices that eventually enhance nutritional outcomes for targeted beneficiaries allowing them to optimizing their livelihood activities. In this consequence, to have an idea about the basic difference between the Nutrition-Specific and Nutrition-Sensitive interventions, a workshop on 'Livelihood Linked Nutrition Sensitive Interventions' was held on 22 June 2016 at SDF conference room in Dhaka. Chairperson, SDF Board of Directors, Mr. M I Chowdhury, Mr. Naoki Minamiguchi, Chief Technical Advisor, MUCH, FAO and Managing Director of SDF Mr. AZM Sakhawat Hossain were present there along with the RDs and personnel from HQ and regional offices.

The workshop was facilitated by Dr. Lalita Bhattacharjee, Nutritionist, MUCH, FAO Bangladesh, Dr. Mohammad Abdul Mannan, Nutrition Policy Advisor, MUCH, FAO Bangladesh and DGM, Nutrition, SDF. The workshop was provided with ample of valuable review comments and

feedback from the participants contributing to plan effectively for the next regional level orientation.

In an effort to help community people to expand and improve their awareness of health TTL, WB Mr. Seenithamby Manoharan recommended to jointly develop a Nutrition Activity Plan Linked to livelihood Component by the DGM, Nutrition and DGM, Livelihood. Its objective was to orient the nutrition sensitive issues to the cluster team, Gram Parishad and NSC members prior to hire NGOs. Following this plan a two day training was designed where COs and CFs were oriented on SDF nutrition interventions with special emphasis on the roles and responsibilities of SDF staffs and NSC members, linkage building with govt. health and nutrition department etc. Moreover, a brief orientation session of 2–3 hours was also held at GP level regarding the roles and responsibilities of NSC members and also facilitation of NSC members to build up linkages with govt. health and nutrition department.



THE LAUNCHPAD: BANGLADESH CLIMATE-SMART SME INNOVATION CENTER (BCSIC)

Bangladesh, a country where agriculture accounts for 20% of GDP and 65% of labor force, is one of the vulnerable countries to climate change. Increased incidences of submergence, salinity intrusion and drought are posing newer challenges to Bangladesh agriculture. Many initiatives from public, private and NGOs are taken to build the resilience among smallholders but expected results could not be achieved to make available sound climate adaptations technologies for the small farmers.

The initiatives towards developing climate smart agriculture systems in Bangladesh, is largely public sector driven. The public sector driven Research and Development (Bangladesh Agriculture Research Institute, Bangladesh Rice Research Institute etc.) largely relies on independent public agriculture extension like Department of Agriculture Extension. The systemic limitations that include lack of timely, efficient and effective coordination between research and extension agencies, lack of institutional leadership etc. at times prevents technology dissemination at scale. The public sector initiative in engaging with private sector, for joint technology development and technology dissemination remains 'occasional' and 'limited'. Tapping into the potential of private sector in the climate smart agriculture sector could create technologies, systems and business models that will deliver locally appropriate solutions in the country. Few large national private sector companies have come up with solutions adaptive to local climate change context, but such initiatives are very limited noting the scale and size of the climate change impact in the country. A lot needs to be invested in Research and Development (R&D) and delivery of innovative solutions coming out of it. In sectors like agro-machinery, there are few SMEs, but the required support system for scale impact remains missing.

Absence of competitive agribusiness SMEs creating tools to produce and deliver climate smart tools and technologies such as cold-storage, early warning systems, weather index insurance, climate adaptive agriculture inputs to help the entire agriculture value chain address climate change challenges is a missed opportunity. There are several initiatives led by public sector for SME development. SME foundation has a cell that provides business development support to SMEs, they are also conducting a national level assessment on SME opportunities/constraints on 177 clusters. This activity explores the possibility of establishing an innovative SME development Climate Innovation Centre, through which growth oriented SMEs dealing in Climate Smart Agriculture technology products, could be supported with appropriate business development services and strengthened as per the requirement of venture capital investment firms. If these Climate-SMEs can attract adequate investment and could grow their Climate businesses, then the climate smart technologies would be available at scale for the small farmers in Bangladesh.

Innovative, client focused and sustainable, 'Mission: Launch Pad' is a business incubator that operates a small-scale, business accelerator to empower and teach participants how to launch or grow their tech dependent business. This is an angle of inclusive entrepreneurship. The Launchpad team of World Bank during conducting their 'Implementation Review and Support Mission' of 'Nuton Jibon Livelihood Improvement Project (NJLIP)' of SDF in January-February 2017 has scanned the agro-based SME environment of Bangladesh and identified that the absence of competitive agro-SMEs limiting the delivery of climate smart tools and technologies. However, tapping into the potentials of SMEs could create a delivery model to diffuse locally appropriate climate solutions in rural Bangladesh. Whilst conducting Agri-business sector mapping, the team found that small sized SMEs who struggle to get required attention and support in terms of finance, technology, overcoming regulatory barriers and so forth often fail to grow at their early stage of development and strengthen themselves for sustainable business growth.

Despite having an environment of relatively better resource availability and support measures in Bangladesh, SMEs, those are at seeding and start-up stages are extremely critical to support and nurture. Conducting the situational analysis of the SMEs working in climate adaptation or resilience revealed that a good pipeline of SMEs fail to gain investors' confidence to become 'investment ready' due to the limited capacity for planning, system development and operation for business growth whilst the investors look forward for entities to support the pipeline of SMEs and even bear the costs of nurturing them to get investment ready.

At this stage the World Bank considers accomplishment of series of activities with the aim to inform the design of a business plan for the Bangladesh Climate-Smart Innovation Centre (BCSIC) within the programmatic scope of NJLIP. The Launchpad, a component of World Bank's Global Climate Technology Program, supports the design and delivery of new Climate Innovation Centers (CICs) to respond to growing demand in several low and middle income countries. The CICs support the growth of local climate change mitigation and adaptation technology (climate technology) businesses with a comprehensive set of support services. Each CIC provides a range of services to enable domestic industry and SMEs to pro-actively and profitably develop innovative climate technology solutions

that meet local needs. This supports countries' economic development, job creation and industrial competitiveness in climate technologies, the most promising sectors of the 21st century. To this end, the World Bank envisages furnishing the following activities by July 2017 to kick off the initiative within 'Nuton Jibon Livelihood Improvement Project (NJLIP)' of SDF.

1. Designing, development and testing of prototype for CIC in Bangladesh, understanding thereby the business development support services for the Climate-SMEs, as appropriate for the investment readiness criteria of the venture funds. The accrued learnings from this exercise will inform the business plan preparation and help articulate the piloting of a CIC in Bangladesh.
2. Define the landscape of existing financing mechanisms available to SMEs through venture funds, financial intermediaries and local banks.
3. Identify capacity needs of the Client (Social Development Foundation) to lead implementation of CIC.

4. Identify and evaluate WBG financing options (IDA resources, WB managed TFs) and scout external resources (donors).
5. Define an institutional and financial framework, and develop a business plan for a Climate Innovation Center (CIC) within the project framework of NJLIP.

During carrying out the 'Implementation Review and Support Mission' by the World Bank from January 16-February 2, 2017, the Launchpad initiative was labeled as appropriate and timely initiative within the programmatic scope of NJLIP to advance climate solutions in rural Bangladesh and SDF, being the sole implementing agency of NJLIP together with other relevant stakeholders from public and private sectors is considered to be well placed to anchor and facilitate the designing and development of the Launchpad initiative in Bangladesh.

Accordingly, at this stage, SDF comprehends the urgency to ensure accomplishment of necessary steps to go-ahead with the proposed SME Business model in a bid to get on with the step-wise actions planned by the Launchpad team of World Bank.





ANNUAL GENERAL MEETING 2016

To ensure the efficacy and effectiveness of organizational management and control, the Annual General Meeting (AGM), 2016 of Social Development Foundation (SDF) was held on 17th December, 2016 at SDF, HQs. The annual report-2016 of Board of Directors of SDF, the audit reports of the fiscal year 2015-16 and the balance sheet were presented in the meeting for review and approval by the General Body of SDF. After meticulous discussions and with some comments the General Body were pleased to approve the reports as mentioned above. The members of the General Body demonstrated their utmost satisfaction as there had been no report of misappropriation at SDF head office along with its all the areas under three regions. In addition the members expressed their deep satisfaction at the financial management and control of the organization. Furthermore, the audit firms were selected for auditing SDF's financial reports of fiscal year 2016-17.

SDF'S COVERAGE



KHULNA REGION

SI	District	# of Cluster	# of Upazila	# of Union	# of Village
1	Kurigram	6	3	19	190
2	Rangpur	13	7	32	410
3	Nilphamari	6	2	13	190
4	Dinajpur	5	4	14	160
5	Gaibandha	13	5	43	480
6	Naogaon	6	3	14	180
7	Satkhira	11	5	34	350
8	Khulna	8	3	17	240
Total		68	32	186	2200

MYMENSINGH REGION

SI	District	# of Cluster	# of Upazila	# of Union	# of Village
1	Sirajganj	8	4	14	230
2	Jamalpur	16	7	48	543
3	Sherpur	8	4	21	260
4	Mymensingh	12	6	36	360
5	Sylhet	6	4	23	200
6	Comilla	8	3	24	240
7	Chandpur	11	5	33	350
Total		69	33	199	2183

BARISAL REGION

SI	District	# of Cluster	# of Upazila	# of Union	# of Village
1	Barisal	13	6	23	300
2	Potua khali	7	2	7	100
3	Borguna	14	3	11	251
4	Bagerhat	13	4	19	252
5	Pirojpur	13	4	19	256
6	Shariyatpur	4	2	12	130
7	Gopalganj	3	1	8	90
Total		67	22	99	1379



POLICY DIRECTIVES

SDF is constantly evolving and coping with the changing needs of society. We aim to achieve self sustainability by ensuring implementation of planned activities in line with the goals and objectives of organization. We explore tomorrow's challenges and build solutions to empower people living in poverty. In this context, the organizational and management arrangements are a vital part of making solid foundations for policy formulations and keeping the organization safe and secured. SDF's Board of Directors and General Body are there to protect the rights, interests and wellbeing of all the members for whom the organization is working. They do this by making sure the organization runs smoothly and can achieve the goals and objectives.

**Mr. M I Chowdhury**

Chairperson, Board of Directors and General Body
Former Secretary, Government of Bangladesh

Mr. M I Chowdhury, former Secretary, Ministry of Land and Information, Government of the People's Republic of Bangladesh, served in various capacities of the Government of Bangladesh and earned immense knowledge on the technicalities of both field and secretariat administration. He is also the Chairman of the Audit Committee of Delta BRAC Housing Corporation Limited, Independent Director of Prime Finance Ltd, Chairman of Governing Body of Rajdhani Mohila College, Mirpur, Dhaka and also the advisor of ENT Foundation and Cancer Hospital, Dhaka.

He completed post graduation from the University of Dhaka and also completed M.S. in Agricultural Extension Program from the University of Wisconsin, Madison, USA.

**Mr. Arijit Chowdhury**

Member, SDF General Body
*Additional Secretary (Policy-2),
 Bank and Financial Institutions Division,
 Ministry of Finance*

Mr. Arijit Chowdhury joined BCS Cadre in 1988. He earned his MSC in Development Finance from the University of Birmingham of the United Kingdom. He received a good number of trainings from the United Kingdom, Singapore and India. Apart from this he also participated in seminars, study tours and symposiums in the United States, United Kingdom, Australia, and New Zealand.

**Dr. Mahfuzul Haque**

Member, SDF General Body
Economist

Dr. Mahfuzul Haque started his career as a lecturer in the Department of Economics of the University of Dhaka. He also served as the Departmental Head of General Economics Department of the Planning Ministry and Director of Bangladesh Bureau of Statistics. He was also a Professor of the Department of Economics in Khartum University of Sudan. Furthermore, he served as the Team Leader of Bangladesh Perspective Plan (2010-2021).

**Dr. Shafiq uz Zaman**

Member, SDF General Body
*Professor, Department of Economics
 University of Dhaka*

Renowned Economist Dr. Shafiq uz Zaman is a professor of the University of Dhaka and simultaneously he is serving as the Director of Economics Research Bureau. He possesses sound expertise in research fields as well as teaching. He has published many research papers in and outside the country. He has specialization in Industrial and Public Sector Economics.

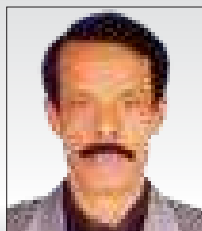
**Mr. Md. Abdul Karim**

Member, SDF General Body
*Former Principal Secretary, Government of Bangladesh
 Managing Director, Palli Karma-Sahayak Foundation*

Mr. Abdul Karim served as Secretary of the Ministry of Livestock, Ministry of Commerce and Industry, Ministry of Home Affairs, Ministry of Communications (Bridge Division). Beyond this, he served as a secretary of the Internal Resource Division of the Ministry of Finance and Chairman of the National Board of Revenue. He was also an Economic Counselor of Bangladesh High Commission in Belgium. What is more important to mention here is that he was the Principal Secretary to the Hon'ble Prime Minister.

**Mr. Anwarul Karim****Member, SDF General Body***Director General, Department of Youth*

Mr. Anwarul Karim joined BCS (Administration) Cadre in 1982. He did his BA Honors and MSS in Public Administration from the University of Dhaka. He got distinction in his M.Phil degree from Norway. He has received several trainings from the USA, UK, Singapore and India. Moreover he has attended seminars and trainings in the USA, UK, Norway, Sweden, Denmark, Malaysia, Singapore, Philippine, Saudi Arabia, Bahrain, Kuwait, Dubai, Egypt, Pakistan and Maldives.

**Syed Aftear Hossain Pear****Member, SDF General Body***Director, Bangladesh Development Bank*

Syed Aftear Hossain Pear is a prominent businessman and journalist. He is also an experienced politician. He contributed in the liberation war of Bangladesh in 1971. He is also involved in various social development works.

**Dr. Moazzem Hossain Khan****Member, SDF General Body***Professor, the Department of Economics
Rajshahi University*

A renowned Economist Dr. Moazzem Hossain Khan is a professor of Economics at the University of Rajshahi. He was also the Chair of the Department of Economics and held the position of Vice President of Bangladesh Economic Association. He earned his Ph. D in Economics from Russia. He attended numerous seminars, trainings and workshops organized by reputed national and international organizations both in country and abroad.

**Mr. Mohammad Ali****Member, SDF General Body***Former Secretary, Government of Bangladesh*

A retired CSP, Mr. Mohammad Ali served in five ministries of the Government of Bangladesh as a secretary with utmost efficiency and reputation. He was also the Secretary of Establishment and Secretary of Health and Family Planning. He retired from service in 1998 and took responsibility of Sonali Bank and Janata Bank as the Chairman (1998-2001). Simultaneously he was also a syndicate member of the University of Dhaka. Currently he is the Chair of Social Marketing Company.

**Mr. Md. Matiur Rahman****Member, SDF General Body***Former Secretary, Government of Bangladesh*

Mr. Md. Matiur Rahman participated in the liberation war in 1971 and started his career in 1972. He served as the Deputy Commissioner and also served in other important positions. He retired from service as a Secretary of the Ministry of Liberation War Affairs. He is also associated with different organizations serving the humanity in the sphere of poverty alleviation and social services.



Mr. Gazi Mohammad Nurul Kabir

Member, SDF General Body

Director General, Department of Social Welfare

Mr. Gazi Mohammad Nurul Kabir is an Additional Secretary of the Government of Bangladesh. He joined the railway cadre in 1984 after completing Masters from the University of Chittagong. He has been serving in various important positions in different ministries. He travelled in India, Malaysia, China, Thailand, Japan, Singapore, Canada, USA and Australia.



Professor Md. Nurul Alam

Member, SDF General Body

Professor Md. Nurul Alam is the ex-chairman of the Secondary and Higher Secondary Education Board, Rajshahi. He served as the Director of National Computer Training and Research Centre in Bogra. He has a long career of 29 years in teaching profession.



Mr. Masih Malik Chowdhury

FCA, Member, SDF General Body

A Chartered Accountant by profession, Mr. Masih Malik Chowdhury, is a Director of Janata Bank. He is the selected member by the Bangladesh Government of the Governing Council of the Water Development Board and the Micro Credit Regularity Authority and BTCL Board. He was also the President of the Institute of Chartered Accountants of Bangladesh (ICAB).



Mr. Debasish Naag

Member, SDF General Body

Project Advisor, Amader Gram Climate Care Project

Former Deputy Secretary, Government of Bangladesh

Mr. Debasish Naag served as a Deputy Commissioner of Feni and Moulovi Bazar and served in various important positions in the Public Administration Training Centre. Moreover, he served in different administrative positions in local government.



Ms. Shaheen Ahmed Choudhury

Member, SDF General Body

Director General, Department of Women Affairs

Ms. Shaheen Ahmed Choudhury joined Bangladesh Administrative Service in 1986 and worked in different department of the Government of Bangladesh such as Ministry of Post and Telecommunications, Ministry of Local Government and Cooperatives and Bangladesh Public Administration Training Centre in various capacities. She received a Masters Degree in History from the University of Dhaka. She completed a second Masters in Public Policy and Management in Bangladesh. During her service career, she attended a number of training programs abroad. Currently, she is an Additional Secretary to the Government of Bangladesh.



Dr. Shaikh Shamsuddin Ahmed

Member, SDF General Body

Professor, Department of Finance, University of Dhaka

Dr. Shaikh Shamsuddin Ahmed started his career as a lecturer at the University of Dhaka. Additionally, he also served as the Senior Economist at the World Bank. He earned his Ph. D in Economics from the Birmingham University of the United Kingdom. He has attended a good number of trainings, seminars and workshops in home and abroad. He is also involved in different social and professional societies.

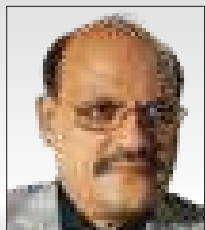


Mr. K M Abdus Salam

Joint Secretary, Member, SDF General Body

Director General (Acting), NGO Bureau

KM Abdus Salam is the Joint Secretary of the People's Republic of Bangladesh. A first class Magistrate Mr. Salam, served as UNO, ADC and Secretary of Rajshahi City Corporation.



AZM Sakhawat Hossain

Member-Secretary,

SDF General Body and Board of Directors

Managing Director, SDF

Prior to joining SDF, AZM Sakhawat Hossain worked in BRAC, the largest and leading NGO for long 23 years in different capacities. He also served as Head of Field Operations, BRAC Education Program and other leading development organizations, such as Save the Children International as Director. He received his first Masters in Economics from the University of Dhaka and later completed another Masters in Organization, Planning and Management from University of Reading, UK.

Social Development Foundation (SDF)

Holding 6/6
Block F, Lalmatia
Mohammadpur
Dhaka-1207
Bangladesh

T +8802-8100505, 8100480,
8100435, 8100445
F +8802-8100497
E info@sdfbd.org
W www.sdfbd.org

Photo Credit:
Aminul Islam Khokon
Fazle Rabbi Polash
&
SDF Archive