

Annual Report 2017

Integrated Development Foundation
Dhaka, Bangladesh

1. INTRODUCTION

Integrated Development Foundation (IDF) is a non-profit, non-political development organization established in December 1992 by Mr. Zahirul Alam, a former ILO staff member and founder member-secretary of the Rural Economics Program of the Economics Department at the University of Chattogram from where Grameen Bank Microfinance Model was developed by Nobel Laureate Prof. Muhammad Yunus in the 1970s.

IDF started its journey with the experiment of Grameen model in Bandarban Hill District in 1993 with a seed capital of US\$7,500.00 (loan) from Grameen Trust. Following the success of this pilot project, Swedish International Development Co-operation Agency (Sida) came forward to support IDF for the expansion of Grameen model in all over Chattogram Hill Tracts in the framework of a long-term (8 years) sustainable plan. The success of IDF in the subsequent years attracted other partners including Government, PKSF, ILO, Helen Keller International (HKI), UNICEF, CARE Bangladesh, AusAID, IDCOL, Grameen Foundation USA, Deutsche Bank, CowBank (Australia), Basic Bank Ltd., Sonali Bank Ltd., Bangladesh Krishi Bank, BRAC Bank Ltd., Bank Asia Ltd., Prime Bank Ltd., One Bank Ltd., Mercantile Bank Ltd., Eastern Bank Ltd., EXIM Bank Ltd., United Purpose (UP) and others.

2. VISION

Create poverty free Bangladesh.

3. MISSION

To combat poverty in the impassable hilly regions and other un-served areas of Bangladesh through organizing the poor and providing them with capital, inputs, various safety-nets and services for their socio-economic upliftment.

4. OBJECTIVES

The main objective of IDF is to assist the poor, the landless, the destitute women and children, small farmers and disabled persons in order to enable them to gain access to resources and undertake various income-generating and other activities for poverty alleviation and to enhance their quality of life in terms of health, nutrition, sanitation, education, safe water, housing, power and the environment through building effective institutions of their own, which they can understand and operate and can find socio-economic strength in it through mutual support.

5. GOVERNANCE

The supreme authority of IDF is General Body which is composed of 19 members from different professions such as university teachers, engineers, medical doctors, retired UN officials etc. IDF has a Governing Body of 7 members elected from the General Body. The General Body is the highest policy and decision making body of IDF. The Governing Body is responsible for the formulation of plan and budget for the programs and projects to be implemented by the organization. The Governing Body evaluates and monitors the implementation of policies, programmes and projects through various monitoring tools and visits to the project areas. A Chairman elected by the General Body heads both General and Governing Body. The Executive Director works as General-Secretary of both the Bodies.

The Executive Director is the Chief Executive of the Foundation and responsible for the smooth implementation of all activities of the Foundation as per guidance of the Governing Body. He implements the activities through the appointed professionals and support staff.

6. THE OPERATIONAL AREA

IDF started from Bandarban Hill District in 1993 and gradually expanded to other districts. At present IDF has operations in 20 different districts. These are Bandarban, Rangamati, Khagrachari, Chattogram, Cox's Bazar, Dhaka, Noakhali, Chandpur, Cumilla, Feni, Laxmipur, Rajshahi, Chapai Nawabgonj, Naoga, Natore, Bogura, Hobigonj, Brahmanbaria, Gazipur and Norshingdi.

IDF started its operation from Chattogram Hill Tracts in 1993 when a war situation was prevailing in the Hill Tracts. Chattogram Hill Tracts (CHT) is a beautiful and strange piece of land with rocks, hills and lakes. These are very difficult and remote areas, inhabited by about thirteen very poor different tribes with different languages and cultures. The area is wedged between the Bay of Bengal and the hills of Mizoram of India.

7. THE ORGANIZATIONAL STRUCTURE

The General body is the supreme authority of IDF. The Governing Body helps General Body in formulating plans, budgets in addition to evaluation and monitoring of programs and projects of the organization. The programs and projects are implemented mainly by Branch offices supported by Head office, Zonal offices and Area offices. The Branch offices work directly with the people in their respective areas; organize them to build a receiving mechanism among the grass root people and implementing various socio-economic programs for them. The branches build receiving mechanism of the target population by organizing them in to centre and groups.

8. FROM MICROFINANCE TO FINANCIAL INCLUSIONS

IDF has been working towards achieving the goal of financial inclusions since its inception. The primary objective of IDF was to deliver the financial services to all un-served people with special focus to disadvantaged and low-income segments of the society at affordable costs.

IDF started its operation through providing financial services to the poor people of Bandarban Hill District and gradually integrated other services such as health, sanitation & water, eye care, health insurance, life insurance and project insurance, education, scholarships, agriculture, livestock, financial literacy, skill development, improve cook, solar home system, mini-grid, mobile banking and disaster management supports based on the needs of the people during the last 25 years. At present IDF implements the above activities in partnership with various government, non-government institutions, banks and national and international partners in 137 upazila of 20 districts in the country. The details of these activities are presented in this report.

9. PROGRAMS/PROJECTS

2017 is the 25th year of IDF operations in poverty alleviation and socio economic upliftment of disadvantaged people of remote and difficult areas of Bangladesh. Based on the needs of the people, IDF innovated and integrated a number of programs and products with financial services in order to achieve its goals and objectives. This annual report presents the overall progress of IDF activities in 2017. It also presents year-wise summary report up to December 2017. The major programs implemented in 2017 are:

Programs:

- 9.1 Microfinance
- 9.2 Renewable Energy (Solar Home System)
- 9.3 Health, Water and Sanitation
- 9.4 Emergency fund (Micro Insurance)
- 9.5 Eye Care
- 9.6 Education
- 9.7 Agriculture, Livestock and Fisheries
- 9.8 Improved Cook Stove
- 9.9 Financial Literacy /Education
- 9.10 Skill Development
- 9.11 Housing
- 9.12 Scholarship
- 9.13 Disaster Management
- 9.14 Environment
- 9.15 Gender Promotion
- 9.16 Remittance

Projects:

- 9.17 Enrich
- 9.18 Mobile Banking
- 9.19 Integrated Firm
- 9.20 Halda River

9.1 Microfinance

IDF started its operation through piloting the Grameen Microfinance Model in Chattogram Hill Tracts, a remote difficult and hilly area of Bangladesh. IDF customised the components of Grameen as per local situation and gradually innovated a number of products which enriched IDF integrated approach for poverty alleviation. More than 30% of IDF beggar and ultra poor members gradually graduated to micro-entrepreneurs. IDF's clients can now be classified into 4 categories as mentioned below:

- Beggar
- Ultra Poor
- Poor
- Micro-entrepreneur

9.1.1 Beggar Program

In order to support the most vulnerable people especially the beggars in the society, IDF launched a separate program called beggar program in May 2006 with the financial and technical assistance of Grameen Trust. The name of the project was “project dignity”. The objectives and status of the program are as follows:

Objectives:

- Build confidence and capacity of beggar;
- Enable them to gain access to resources and provide credit to undertake various income generating activities;
- Turn the beggar into productive manpower;
- Improve their overall socio-economic status.

Basic features are:

- Loans are interest free.
- Protected by IDF insurance program without any premium.
- Each member receives an identity badge with his/her photograph and logo of IDF.
- Give up begging gradually when they achieve self-sufficiency.

Table 1: Status of Beggar Program as on 31 December 2017

Particulars	Upto 2016	In 2017	Upto-2017
No. of Branch	19	-	19
No. Member	260	-	260
Disbursed (m)	2.12	-	2.12
Outstanding (m)	0.30	-0.06	0.24
Repayment Rate	100	100	100
Savings (m)	0.05	-0.01	0.04

9.1.2 Ultra Poor Program

IDF started this program in 1993 in Bandarban Hill District with assistance of Grameen Trust and gradually expanded to different parts of the country. Currently PKSf is supporting IDF to run this program.

The details of the program are as follows:

Objectives:

- Build confidence and capacity of the ultra poor;
- Organize and build a receiving mechanism of the ultra poor through which they can receive their necessary services, inputs and financial assistance for the improvement of their socio-economic status.
- Alleviate poverty of country.

Table 2: Status of Ultra Poor as on 31 December 2017

Particulars	Upto 2016	In 2017	Upto 2017
No. of branch	73	-1	72
No. of member	2,497	1,323	1,174
Loan disbursed (m)	62.20	9.25	71.45
Loan outstanding (m)	18.53	4.03	4.03
Repayment rate (%)	99.98	99.95	99.95
Savings (m)	2.42	3.42	6.34

9.1.3 Poor Program

IDF started this program in Shoalok Mouja of Bandarban Hill District in 1993 and expanded gradually to different parts of the country during the past 25 years. The details of the program are as follows:

Objectives:

- Build confidence and capacity of the poor
- Organize and build a receiving mechanism of the poor through which they can receive their necessary services, inputs and financial assistance for the improvement of their socio-economic status.
- Alleviate poverty from the very grass-root level of the country.

Table 3 : Status of Poor as on 31 December 2017

Particulars	Upto 2016	In 2017	Upto 2017
No. of Branch	85	10	95
No. Member	99,561	94,276	94,276
Loan disbursed (m)	14,591.06	1,903.04	16,494.46
Loan outstanding (m)	1,033.74	26.94	1,060.68
Repayment Rate (%)	99.74	99.75	99.75
Savings (m)	520.16	507.82	507.82

9.1.4 Micro-Enterprise

IDF introduced this product in 2002 for the graduate members who attained capacity to utilize and manage bigger income-generating activities. The loan size depends on the projects and capacity of the members. The objectives of the program are:

- Create new employment opportunities
- Increase income of the family
- Increase living standard
- Increase production of local products
- Enhance efficiency of entrepreneurs

The criteria of selection of a member for micro enterprise are as follows:

Criteria of Graduate Member

- Developed capacity to manage bigger loans.
- Received Enterprise Development and Business Management (EDBM) Training;
- 90% attendance in the weekly/fortnightly meetings;
- 100% proper utilization of previous loans;
- Good track record of running business profitably;
- At least 10% of the proposed loan are accumulated in her savings account;
- Willing and able to contribute at least 10% of the investment ;
- Cooperation and involvement of family members in the Enterprise;
- Regular deposit in savings account;
- Willingness to attend monthly cluster meeting.

Loan terms

- Working Capital : 1 year
- Fixed Capital : 2 years

Loan repayment conditions

- Weekly installment
- Fortnightly installment
- Monthly installment

Table 4: Status of Micro-enterprise as on 31 December 2017

Particulars	Upto 2016	In 2017	Upto 2017
No. of Branch	82	10	92
No. Member	12,840	8,172	21,012
Loan Disbursed (m)	2,597.23	1,446.62	4,043.85
Loan Outstanding (m)	547.35	293.62	840.97
Rate of payment (%)	99.69	99.71	99.71
Amount of Savings (m)	130.24	124.25	254.49

The different categories of members by loan outstanding and savings as of December 2017 are shown in Table-5 below:

Table 5: Members by category, loan portfolio and savings

Categories of members	Member as at Dec. 2016	Member as at Dec. 2017	Loan Outstanding (m Tk)		Savings (m Tk)	
			Upto 2016	As at 2017	Upto 2016	As at 2017
Beggar	260	260	0.30	0.24	0.05	0.04
Ultra poor	2,497	1,174	18.53	4.03	2.42	6.34
Poor	99,561	94,276	1,033.74	1,060.68	520.16	507.82
Micro-entrepreneur	12,840	21,012	547.35	840.97	130.24	254.49
Total	1,15,158	1,16,722	1,599.92	1,905.92	652.87	768.69

Note: A total of 41,034 new member joined IDF while 39,470 inactive members withdraw membership.

9.1.5 Savings and credit by size, number and amount**i) Savings**

IDF offers four kinds of savings to its members. Members can use their savings whenever they need. Many borrowers save it for future and emergency. The savings products are:

- Savings Fund
- Special Savings
- Savings Account
- Family Savings

On 31st December, 2017, the total no. of savers and the amount of savings are respectively 116,722 and Tk.768.69 (m). The no. of savers and their savings are shown by savings size in table 6 below:

Table 6: Distribution of Savers as of 31 December 2017 by size and amount

Savings size	Number	Amount (m. Tk.)
Upto 2,000	57,580	76.18
2,001 - 5,000	26,444	108.42
5,001 - 10,000	12,320	104.72
10,001 - 20,000	11,556	195.30
Above 20,000	8,822	284.07
Total	116,722	768.69

ii) Credit

The total number of borrowers and the amount of loan disbursed in 2017 are respectively 108,228 and Tk. 3,358.19 (m). The no. of loans by size and amount are shown in Table-7

Table 7: Distribution of loan disbursed in 2017 by size, number and amount

Loan Size (in Tk)	Number	Amount (M.Tk.)
Up to 10,000	12,560	125.60
10,001 – 30,000	74,885	1691.65
30,001 – 50,000	8,250	288.92
50,001 - 100,000	9,973	728.03
100,001 – 300,000	3,120	374.40
Above 300,000	440	149.60
Total	108,228	3,358.19

9.1.6 Growth of Members and Savings

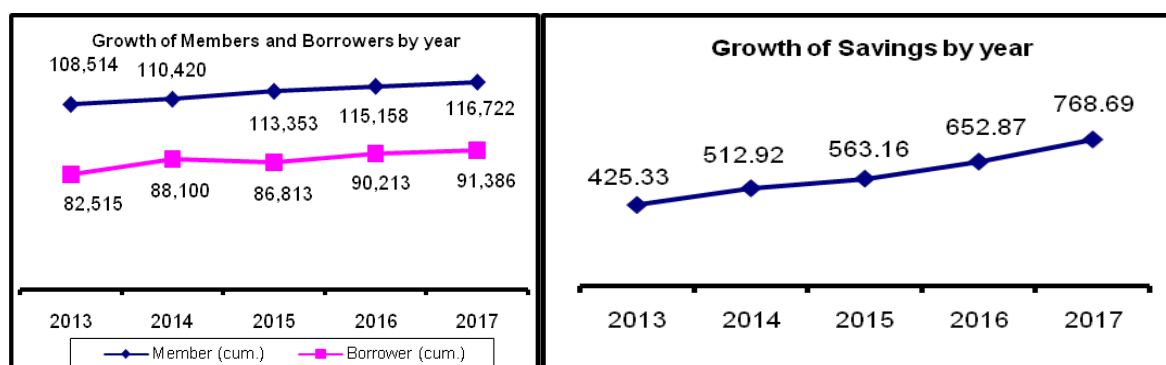
Table 8 below shows the growth trend of members and savings during 2013-17. It also shows trend of geographical expansion of the organization. 41034 new members joined IDF in 2017 while 39,470 inactive members were excluded from the organization during the year. As a result the net increase in the membership is 1,564 in 2017.

The growth of members, savings and geographical size is shown in Table 8.

Table 8: Growth of members and savings during 2013-17

Sl. #	Component	2013	2014	2015	2016	2017
1.	Member (by year)	12,202	1,906	2,933	1,805	1,564
2.	Member (cum.)	1,08,514	1,10,420	1,13,353	1,15,158	116,722
3.	Borrower (net)	82,515	88,100	86,813	90,213	91,386
4.	Group (cum.)	24,808	26,902	27,747	28,324	28,780
5.	Centre (cum.)	5,140	5,243	5,586	5,761	6,220
6.	Branch (cum.)	75	75	80	85	95
7.	Union (cum.)	408	411	413	419	631
8.	Upazila (cum.)	89	97	98	104	70
9.	District (cum.)	13	13	14	15	15
10.	Savings (by year)*	32.67	45.59	47.65	89.30	115.82
11.	Savings (cum.)*	425.33	515.92	563.57	652.87	768.69
12.	Average Savings (cum.)	3,920	4,672	5,154	5,814	6585

Note: 1. cum. = Cumulative, * = Figure in million Taka.

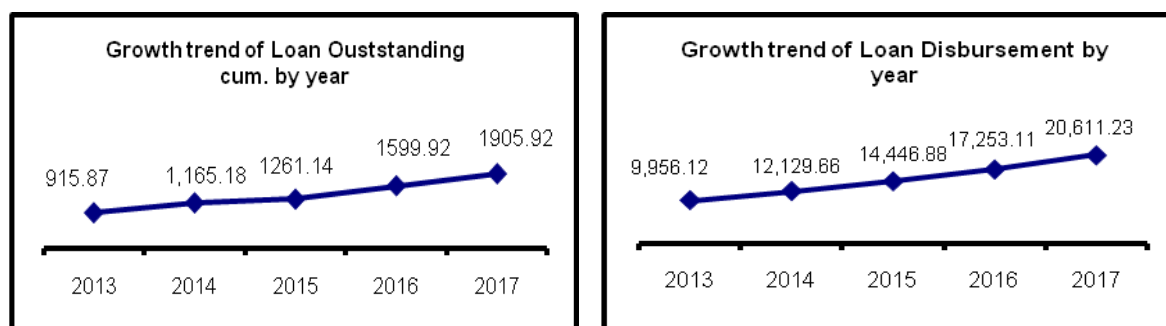


The growth trend of performance of loan operations during 2013-17 is shown in Table 9.

Table 9: Performance of loan operations by year during 2013-17 is shown in table 9.

Sl. #	Component	2013	2014	2015	2016	2017
1.	No. of loans (by year)	83,826	91,910	1,01,464	1,02,312	109,228
2.	No. of loans (cum.)	877,126	9,69,036	10,70,500	11,82,792	12,52,399
3.	Borrower (net)	82,515	88,100	86,813	90,213	91,386
4.	Loan disbursed (by year)*	1,674.17	2173.54	2317.22	2,806.23	3,358.19
5.	Loan disbursed (cum.)*	9,956.12	12,129.66	14,446.88	17,253.11	20,611.23
8.	Loan realized (by year)*	1,557.61	1,924.23	2,221.26	2,467.45	3,052.19
9.	Loan realized (cum.)*	9,040.25	10,964.48	13,185.74	15,653.19	18,705.38
10.	Outstanding increase (by yr.)*	116.56	249.31	95.96	338.78	306.00
11.	Loan outstanding (cum.)*	915.87	1,165.18	1,261.14	1,599.92	1,905.92
12.	Loan overdue*	45.86	58.00	64.52	68.01	94.91
13.	Portfolio at risk >30 days*	4.72	4.58	4.98	4.91	4.98
14.	Average loan size (4/3)	20,289	25,144	26,212	31,110	36,747
15.	Average outstanding (cum.) (11/3)	11,099	13,226	14,527	17,737	20,856
16.	Rate of repayment (by year)	99.58%	99.95%	99.65%	99.72%	

Note: 1. cum. = Cumulative, * = Figure in million n Taka.



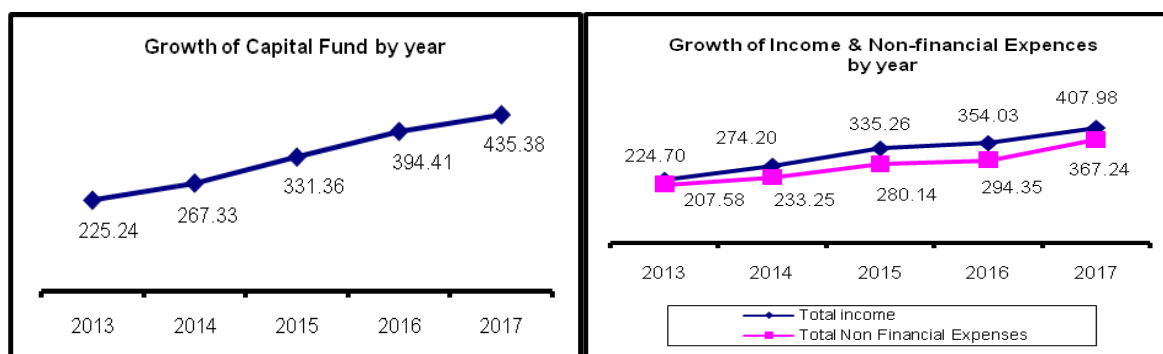
9.1.7. Financial Growth

IDF experienced a moderate and sustainable financial growth during 2013-17. Table 10 shows the trend of financial growth of IDF microfinance during 2013-17.

Table 10: Financial Growth in 2013-17

(Million in Taka)

Particulars	2013	2014	2015	2016	2017
A. CAPITAL FUND					
Capital Fund / Equity (cum.)	225.24	267.33	331.36	394.41	435.38
B. SERVICE CHARGE					
Rate of Service Charge (Declining Method)					
General Loan	25%	25%	25%	25%	25%
Ultra Poor	20%	20%	20%	20%	20%
Housing Loan	5.50%	5.50%	5.50%	5.50%	5.50%
Project Dignity (Beggar)	0%	0%	0%	0%	0%
C. INFLATION RATE	7%	7%	7%	7%	7%
D. INCOME					
Service Charge	210.37	251.33	322.37	345.11	402.92
Other income	14.33	22.87	12.89	8.92	5.06
Total income	224.70	274.20	335.26	354.03	407.98
E. NON-FINANCIAL EXPENSES					
General Operating Expenses (Salaries, rents, utilities, cost of fund etc.)	191.85	221.38	259.30	280.23	335.50
Depreciation on fixed assets	2.42	2.65	3.10	2.74	6.43
Loan loss provision expense	13.31	9.22	17.75	11.38	25.31
Total Non Financial Expenses	207.58	233.25	280.14	294.35	367.24
F. ADJUSTED FINANCIAL EXPENSES					
Adjusted Financial Expenses (Line-1 multiplied by line-3)	15.77	18.72	23.20	27.61	30.47
Total Expenses (Line-10 plus line-11)	223.35	251.97	303.4	321.96	397.71
Operational Self Sufficiency (OSS) (Line-6 divided by line-10)	108.25%	117.56%	119.68	120.27	111.09
Financial Self Sufficiency (FSS) (Line-6 divided by line-12)	100.61%	108.83%	110.58	109.96	102.58



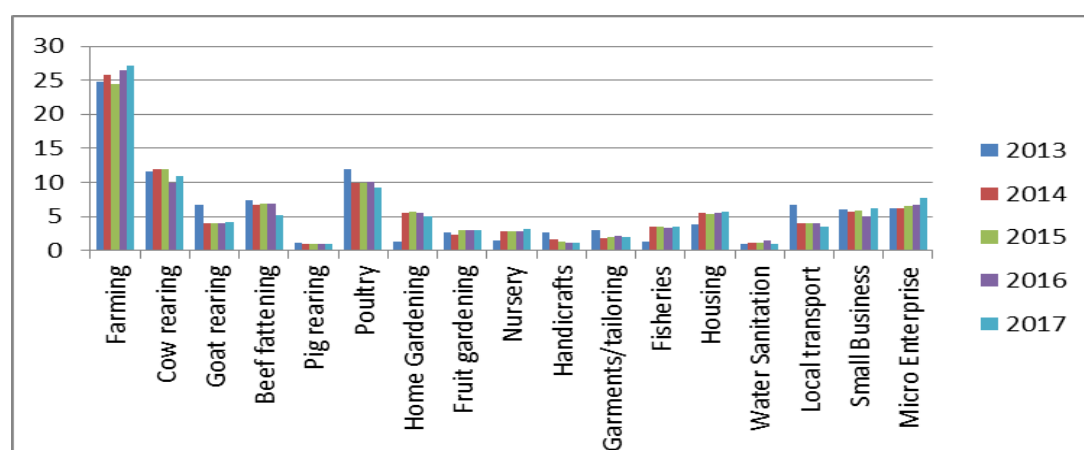
9.1.8 Loan by purpose

IDF members borrow money for various purposes. Most of them are related to agricultural activities, animal husbandry, poultry, gardening and micro-enterprise and businesses. Trend of loan use by purpose during 2013-17 is shown in Table 11.

Table 11: Trend of loan use by purpose during 2013-17.

(Figures in percent)

Sl. #	Purpose	2013	2014	2015	2016	2017
01.	Farming	24.72	25.72	24.50	26.53	27.11
02.	Cow rearing	11.6	12.01	11.95	10.01	11.03
03.	Goat rearing	6.72	4.00	4.02	4.09	4.19
04.	Fruit gardening	7.47	6.74	6.95	6.98	5.25
05.	Pig rearing	1.22	1.00	.99	1.00	0.99
06.	Poultry	11.88	9.89	10.01	10.04	9.27
07.	Home gardening	1.31	5.59	5.65	5.61	4.98
08.	Local transport	2.66	2.42	3.02	3.07	2.99
09.	Nursery	1.51	2.92	2.91	2.92	3.24
10.	Handicrafts	2.74	1.64	1.36	1.21	1.14
11.	Garments/tailoring	2.98	1.86	2.02	2.18	2.02
12.	Fisheries	1.42	3.59	3.61	3.37	3.54
13.	Housing	3.82	5.52	5.41	5.55	5.67
14.	Water sanitation	0.98	1.15	1.20	1.51	0.98
15.	Beef fattening	6.7	4.05	4.01	4.09	3.47
16.	Small business	6.09	5.70	5.85	5.12	6.31
17.	Micro enterprise	6.18	6.20	6.54	6.72	7.82
Total		100.00	100.00	100	100.00	100.00



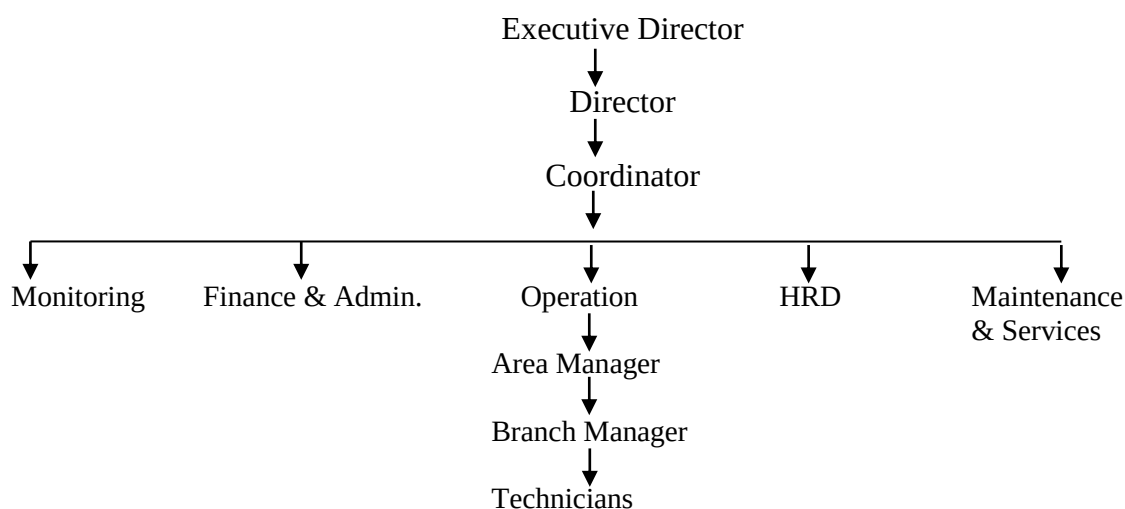
9.2 Solar Power

IDF started installation of Solar Home System in 2003 with the assistance of Infrastructure Development Company Limited (IDCOL), a government owned company. The main purpose of this program was to provide solar electricity to the rural and remote areas where people do not have access to grid power. IDF provided medium and long-term credit facility to the families living in non-grid areas to procure these system still March 2017. IDF started proving

Solar Home System only on cash since April 2017 AS IDCOL stopped refinancing on credit sales. With three other partners IDF established a 100kw mini solar plant in Shandwip, an isolated island of Chattogram district with the financial assistance of IDCOL.

IDF has created a separate management team for the operations of solar program. It has separate area office, branch office and employees for this program. The Solar Power Programme is given below:

Structure of Solar Power Programme



Solar Mini grid: As at December, 2017, IDF established 104 mini grids at different places in the country. The biggest mini grid IDF established in partnership with 4 other organizations is located in Shandwip, an island in Chattogram district. This was the biggest in the country at that time. The capacity of Shandwip mini grid is 100 KW.

Solar Manufacturing and Services Unit: IDF established a manufacturing unit to produce mobile charger and charge controller to ensure quality services to the customers. All required charge controller and mobile charger are produced by this unit. The unit is located in Chattogram.

Local Servicing Centre: IDF has 8 local servicing centres in 8 different locations with expert technicians to provide prompt services to the customers. The technicians must provide service as soon as they receive complains directly or through “call centre”. All kinds of accessories are available at the branch level.

Source of Fund: IDCOL is the main source of fund of IDF solar home system programme. The details of loans and grants received from IDCOL are shown in Table 12.

Table 12: Source of Fund in 2017

Particulars	2017	Cumulative (Tk.)
Grants Received (Tk.)	53,18,832	9,64,31,487
Loan Received (Tk.)	2,48,34,936	79,67,77,970
Loan Repaid (Tk.)	11,48,12,473	43,50,35,418
Loan Outstanding (Tk.)	-	36,17,42,552

Progress:

As of December 2017, IDF solar program installed a total of 87,843 solar home systems. The total loan disbursed for these systems is Tk. 1,451.06 m. The details are shown in Table 13.

Table 13: Progress of Solar Power Program in 2017

Sl. #	System	Upto 2016			In 2017			Total		
		General	KABITA	Total	General	KABITA	Total	General	KABITA	Total
1	Home system	81,447	2193	83640	6,393	9012	15405	87,840	11205	99045
2	Mini grid	68	183	251	36	1344	1380	104	1527	1631
3	Street light	-	96	96	-	1523	1523	-	1619	1619

9.3 Health, Water and Sanitation

In order to provide health services, sanitation and safe water to Hill Tracts people, IDF started this program with the assistance of Sida in Chattogram Hill Tracts in 1995 and gradually expanded to other areas covered by IDF. IDF implements this program through medical officers (MBBS), paramedics, health workers and health agents. Health Workers and Paramedics are paid employees where the Health agents are elected from amongst the group members at centre level.

Health agents are provided training on common diseases, primary health care, reproductive and child health, safe water and sanitation, HIV/AIDS and eye care. Health agents provide health related counseling to the members and report any illness or sickness of members or their family members to the branch managers who immediately visit the sick person and take necessary action for treatment. The health workers work under the guidance of Coordinator, Health Program. However their activities are supervised by the respective Area Managers and Branch Managers.

IDF is piloting a scheme to see how full health support including doctor's check up, and full medicines costs could be provided to the members and their family members with the existing premium in Chattogram Metropolitan area through two medical centers.

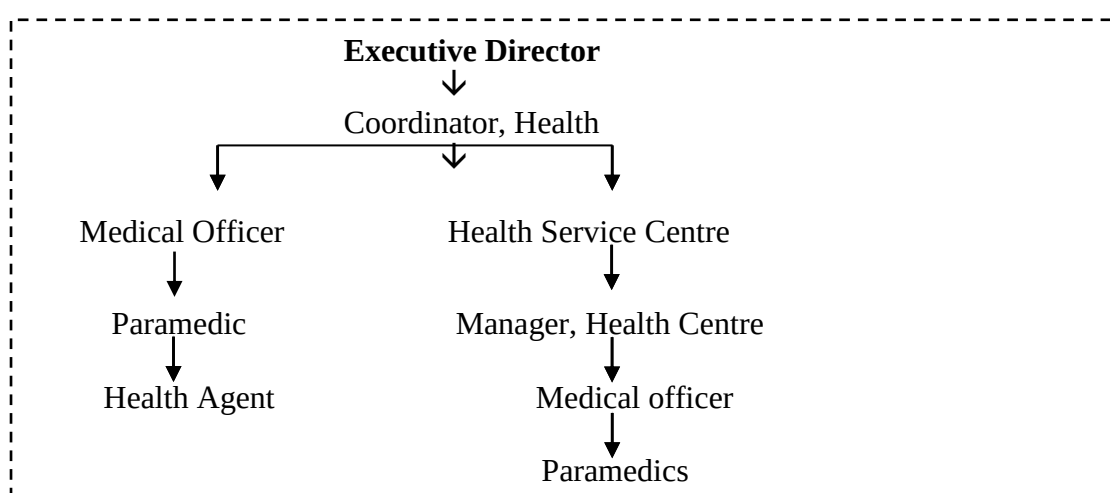
Objectives

- Make the poor people aware of health problems and the causes of common diseases.
- Provide health services to IDF members and their families.
- Facilitate access of the poor people to health services, safe water and sanitation.
- Make the people conscious about the safe motherhood and child health.
- Develop skilled qualified, well trained paramedics and health agents.

In order to achieve the above objectives, IDF runs health insurance program and covers the health risks of all family members of IDF. At present, IDF has one paramedic for two branches who provides both preventive and primary health care services to members and their family members.

Paramedics Service: Currently 45 well-trained paramedics are working in IDF in order to ensure quality counselling & treatment facilities to members. Paramedics get all support from

Area & Branch Managers. All centres have elects health agents who get training on primary health care. Health agents work in her area under the guidance of paramedics.



IDF operates 170 satellite and 2 regular health centers through which people get regular free paramedic services. People get regular MBBS doctor's services with free medicines from two regular health centers while and MBBS doctor's service once a week. In health centre the members and their dependents get regular free doctor service, free medicines and some basic tests. Members get cash money to buy health services where IDF does not have regular health center.

A large number of patients received health services from IDF health program in 2017. Table 15 below shows the number of patients served by health centres and paramedics in 2017.

Table 15: Number of patients received health services by Health Centre in 2017

Name of Health Centre	No. of patients
Health Centre -1	2,728
Health Centre-2	1,783
Satellite clinics	1,11,203
Total	115,714

Apart from health centre and paramedics services at the branch level, IDF organized health and eye camps regularly. The Table below shows the patients served in health and eye camps in 2017.

Table 16 : Patients served through different camps in 2017 and other activities

Type of Camp	No. of program	No. of patients received health service		
Health Camp	8	1,336		
Static Camp	684	39,780		
Total	692	41,116		
Name of Services	Number			
	Up to 2016	In 2017	Up to 2017	
Health Education (session)	1,152	2,112	3,264	
No. of Participants	16,128	33,792	49,920	

9.4 Emergency Fund (Micro Insurance)

9.4.1. Introduction

Immediately after launching credit program in 1993, IDF observed most of the members and their family members suffer from various common diseases and spend a lot of money for medical treatment. Most cases they use money from their business or borrow from money lenders which makes their economic situation worse. Group members requested IDF to find solutions/safety nets to this problem during the review meeting back in 1995.

IDF explored the possibility of getting micro-insurance services to cover these risks from the insurance companies and revealed that the insurance companies were very expensive and not affordable by the poor. Then series of meetings and workshops were organized where group leaders and IDF staff exercised and finally came up with the idea of forming an “Emergency Fund” to address this issue.

“EMERGENCY FUND” was finally created with joint contribution of IDF from its surplus and group members in 1997. The main purpose of this fund was to support group members and their families to address the problems arise from sickness and death. This program was finally launched in October 1997. IDF later created “Risk Fund” for addressing the problems arise from damages or losses of projects undertaken by the members with loans.

9.4.2 Methodology

IDF implements this programme through its network of credit & health programme. One paramedic health worker provides services to 2 branches on an average. Paramedics assess the application for insurance claims and supervise the disbursement of claims. The area manager or his/her representative disburses the claims.

The members pay the premium in one or more installments. The premium is collected by the loan officers along with loan installments during the centre meeting.

In case of any claim for sickness, death or loses of activity, the member informs respective field organizer who along with branch manager investigate the case. The branch manager is authorized to pay upto Tk. 500 for immediate treatment in case of sickness and Tk. 5,000 in case of death. The remaining claims for medical treatment or death are settled after the approval of case by the approving authority. In case of activity damage, the total claims are paid in one installment after the approval of case by the approving authority.

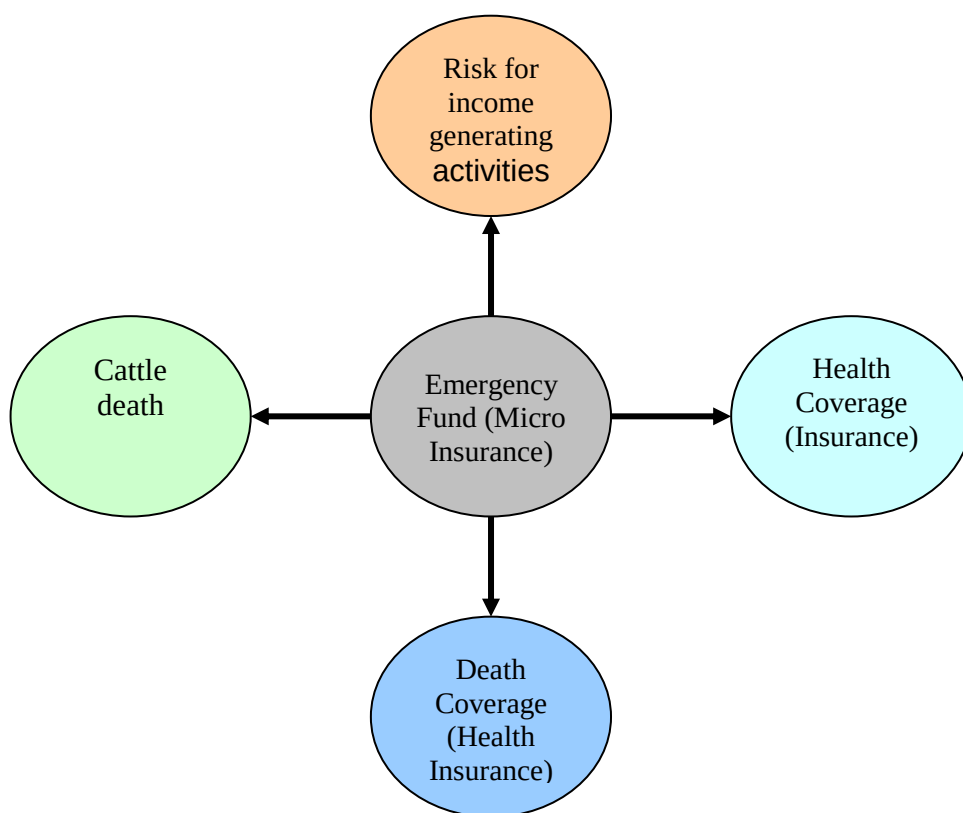
9.4.3 Components

The Emergency Fund (micro insurance scheme) has 4 components.

These are:

- i) Health;
- ii) Death (Life);
- iii) Project coverage (Damage/loss of activities) and
- iv) Cattle death.

Diagram: Components of Emergency Fund (Insurance Scheme)



a) Health and Death Coverage

Premium and Coverage:

1. Health

1.1 Premium: Members receiving loans up to Tk. 25,000 per year, pay Tk. 152 per year. Members pay 0.6% of the loan amount as premium if the loan amount exceeds Tk.25,000.

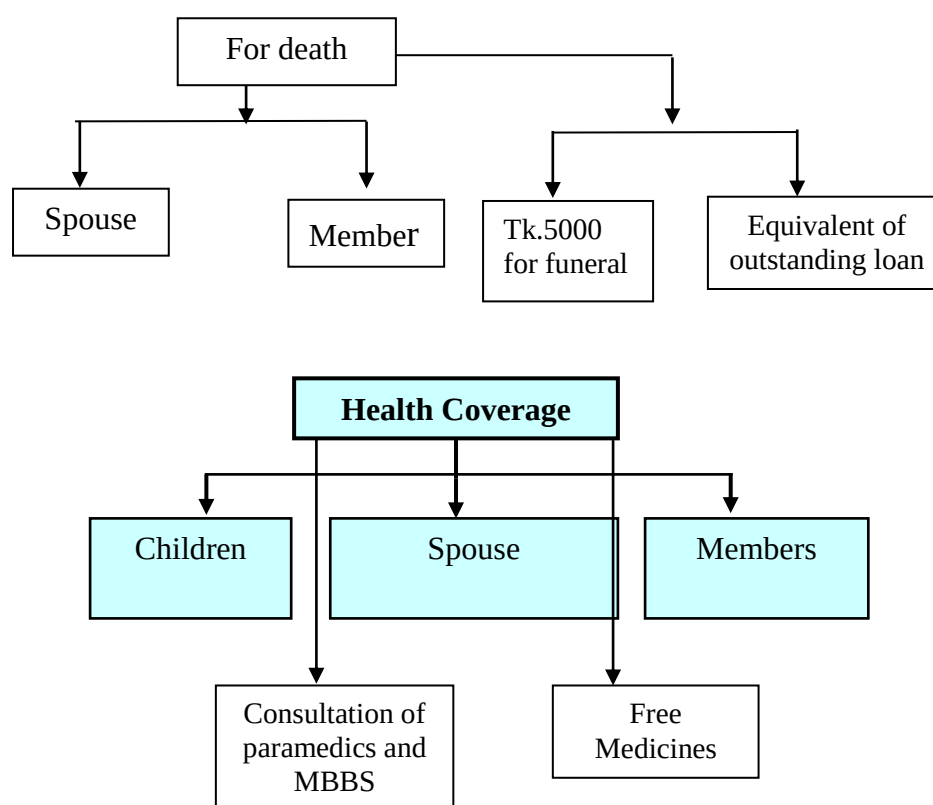
1.2 Coverage: The spouse and children are covered under this scheme. A maximum amount of Tk.2,000 is paid for the treatment in each case. For severe sickness, hospitalization in the govt. hospital for 15 days is entitled. IDF medical officer examines each case before the approval.

2.0 Death

2.1 Premium: Members pay Tk.40 for funeral support and 0.5% of the loan amount for the risk coverage of the death of the respective borrower.

2.2 Coverage: Both member and spouse are covered under this scheme. In case of the death of a member or spouse, the entire outstanding loan amount is paid and the deceased family is given Tk.5,000 for funeral on the day of death.

Diagram: Coverage



b) Project Damage Insurance

Premium: The member pays 0.4% of the loan money as premium to cover damages of projects under this scheme.

Coverage: If, the insured project suffers a damage or loss, the member gets a maximum 50% of the loan money depending on the extent of damage. The coverage is planned to increase gradually depending on the size of fund.

c) Live Stock Insurance

Premium: Members pay 0.5% of the loan amount as premium to cover the death risk of livestock.

Coverage: In case of death of livestock entire amount of loan outstanding is paid from the fund.

9.4.4 Present Status

The members found micro insurance as an important tool for their protection against diseases, death, damage or losses of activities and work as safety-nets against accidents and disasters. The no. of claims and payments against those claims are presented below.

Table 18: Claims by member and payments up to December 2017.

Component	No. of claims met			Amount paid in BDT (m)		
	Up to 2016	In 2017	Up to 2017	Up to 2016	In 2017	Up to 2017
Health Insurance	70,941	13,387	84,328	47.63	11.79	59.42
Life Insurance	9,277	434	9,711	43.72	11.27	54.99
Project/cattle damage or loss	300	245	545	3.12	.92	4.04
Total	80,518	14,066	94,584	94.47	23.98	118.45

9.5 Eye Care

Facilities for eye care are scarce in rural area though eye problem is very common there. The people of Chattogram Hill Tracts are more vulnerable in eye health. IDF initiated this component through eye camps in collaboration with Lions Club of Chattogram Southern in Bandarban in 2002. The costs of surgery cases were shared jointly by IDF and Lions Club. The component was undertaken as project by IDF in 2004 with the assistance of Helen Keller International (HKI) and CEITC (Chattogram Eye Infirmary Training Centre). CEITC provides training to IDF health workers on eye care. CEITC provides treatment including surgery to poor patients referred by IDF. IDF is continuing this activity as a regular program with CEITC after the completion of project in 2006.

Objectives

- Raise awareness on eye care and blindness among the common people;
- Provide primary care, treatment and referral support;
- Arrange surgery services at nominal cost to the poor;

The services provided in 2017 are shown in table 19.

Table 19: Eye related services and activities in 2017

Name of Services	Number		
	Up to 2016	In 2017	Up to 2017
1. Operation	110	54	164
2. Treatment	4,107	2,561	6,668
3. Refractive error treatment	2,408	546	2,954
4. Eye camp	10	8	18

9.6 Education for Children

IDF has been implementing this component since 1994. The main objectives of this program are:

Objectives

- Raise awareness on child rights and education;
- Provide basic education (read, write and count) to poor children who are dropped-out;
- Provide tuition/coaching support to poor student to prevent drop out.
- Piloting higher education.

IDF runs three types of education centres.

1st type: Education is provided up to class-II level. Free education materials including books and writing materials are provided to the students.

2nd type: Tuition services are provided to the students who are already in the school to prepare school lessons for the following day.

3rd type: Piloting higher education.

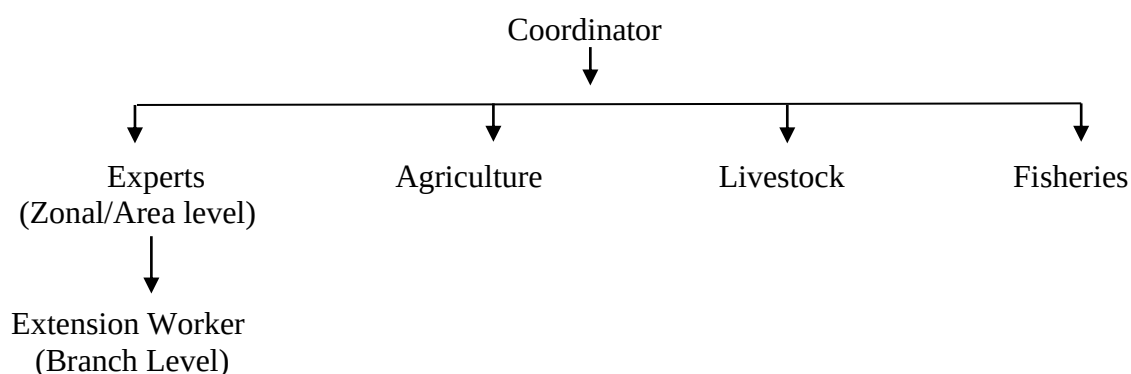
The present status of the program is shown in Table 20.

Table 20: Status in 2017

Sl. No.	Type	No.	Students	Teacher	Supervisor
1	Type-1	11	330	11	1
2	Type-2	120	2,840	120	3
3	Type-3	1	94	9	1

9.7 Agriculture, Livestock & Fisheries

Agriculture, Livestock and Fisheries are the major areas of income generating activities of IDF group members. Chattogram Hill Tracts has immense potentials of employment generation in these sectors. IDF has been giving special focus on these areas since its inception. IDF initially got support from Sida to integrate agriculture with micro-credit in 1996. HKI joined IDF in 1998 to support in the fields of home-gardening, nutrition, fruits gardening and local poultry raising by improved method. IDF created a separate department to provide services in these sectors through professional staff and extension workers. The structure of this department is as follows:



The progress of activities under this department in 2017 is presented below:

9.7.1. Agriculture

The main purpose of initiating this program was to help the tribal jhum cultivators in CHTs to transform their traditional practice into improved one. Other activities like home- gardening, fruits gardening, seed production, nursery, organic food production, value chain development for safe food, spices production and processing, production of vermi-compost, pheromone trap and establishment of a residential agriculture training centre for the farmers with demonstration farms are remarkable activities in 2017.

Present Status

The present status and the progress in 2017 are as follows:

- i) Central Nursery - 1
- ii) Nursery at Branch level - 2
- iii) Nursery at member level - 92
- iv) Model Home Garden - 482
- v) Home gardening - 4,796

9.7.2 Agriculture & Livestock Activities with PKSf supports

The Agriculture & Livestock team with the support of PKSf completed a number of activities on Livestock and Poultry in 2017. These are mainly on goat rearing, layer rearing, beef fattening, Red Chattogram Cattle (breeding, rearing and fattening), vermi-compost production, poultry birds rearing, animal health, vaccination etc. The details activities completed in 2017 are as follows:

Demonstration

Sl. No.	Activities	No. of Demonstration	No. of beneficiaries
1	Goat rearing	60	60
2	Dairy cows	30	30
3	Layer rearing	10	10
4	Quail rearing	15	15
5	Buck centre	22	22
6	Beef fattening	10	10
7	Vermi-compost	200	200

Activities in 2017

- Vermi-compost plant : 3
- Demonstration farm (Capicum) : 2
- Demonstration farm (Zinc rich) : 2
- Organized 3 training on rice cultivation for 75 farmers.
- Organized 5 training on vegetable cultivation for 125 farmers.
- 570 persons received agriculture advice through Agriculture advice centre..
- Organized 6 exchange visits for 280 farmers to see application of Agriculture Technology (Transfer for 320 farmers.)
- Conducted 6 knowledge workshops for staffs.
- Supported 40 farmers to establish improved homestead gardening and 4 farmers to establish nursery.
- Distributed 80 medicinal plants, 20kg turmeric and 20kg zinger seeds, 1000 forest plants and 600 fruit seedlings in 2017.

Training:

Sl. No.	Description	No. of Training	Participants
1	Goat rearing	3	75
2	Dairy cows	1	25
3	Layer rearing	2	50
4	Broiler rearing	2	50
5	Vermi-compost production	8	200

- i) **Black Bengal Goat:** Black Bengal goat is a local breed. In 2016, IDF provided Tk.10.0 million loan to 600 farmers in addition to various technical supports such as vaccination, antihelmentithes, establishment of scaffold, repair of house, balance diet and medication. IDF has been running a demonstration breeding centre in Khagrachari which is used for training and supplying mother goats to farmers.
- ii) **Red Chattogram Cattle (RCC):** IDF has started an action research project on the 'Preservation, Development and Expansion of Red Chattogram Cattle' and thereby generating sustainable income and employment opportunity for the poor people with the technical and financial assistance of Palli Karma-Shahayak Foundation (PKSF) in November 2014.

Red Chattogram cattle are one of the internationally recognized varieties of cattle livestock in the world. It is indigenous and most potential type of domestic animal genetic resource in Bangladesh. It is one of the improved and promising varieties of cattle in the country. This variety is now at the stage of extinct. It is mainly originated in the greater Chattogram district of southern Bangladesh. It is found throughout the district, especially in Satkania, Anawara, Raozan, Hathazari, Chandanaish and Patiya upazilas.

RCC differ from other indigenous breeds by their red coat color. The color is deep red to light brick-red to yellowish red to whitish red. The color of other parts of the body like horn, hoof, ears, eyeball, eyebrow, vulva and tail switch are also red. Special features of RCC are:

1. Immune of RCC is much higher than the other variety of cattle.
2. Breeding and rearing of RCC are not expensive. Farmers can rear it in local environment with local feeds.
3. Good reproductive performance (one calf per year).
4. Fat contents in meat is lower than the other variety of cattle.
5. The average lactation length of RCC 242 days.
6. Lactation milk yield 960-1450 liter.
7. Daily milk yield 4-6 liter.
8. Average weight at birth 15 kg.
9. Weaning weight 47.04 kg,
10. Age at weaning is 8 months.

The main objectives of this project are:

Objectives

- Preserve and protect RCC;
- Develop and expand RCC in the country;
- Provide practical training to people on RCC;
- Establish Demonstration Farm;
- Supply pure variety of RCC to farmers;
- Generate sustainable income and employment for the poor;
- Meet the demand of quality milk and meat in the country.
- Create a quality parent stock of RCC.
- Provide technical and financial support to people for rearing RCC.
- Establish an Institute on RCC in the long-run.

The present status of this project is as follows:

- Established a Demonstration Farm with one of maternity shade, one training room, one store room, machinery room, one A1-Chute, one labour room and one quarantine.
- Demonstration farm has 34 Red Chattogram Cattle.
- Cultivated improved Napier grass in 2 acres of land.
- Established 3 vermi compost production units.
- Project has 1 University Livestock graduate, 1 Para vet and 3 workers and part time trainer and researchers from the Government Department and Veterinary University in Chattogram.
- Provided training to 150 people and distributed 80 RCC.

The Project has started contributing in meeting nutrition deficiency through supplying milk and meat. It will contribute in the economy through generating sustainable employment and income for the poor families. IDF has plan in the long run to establish an Institute on RCC.

9.7.3 Fisheries: IDF provides various services on modern fish farming, ponds digging, fish feeds etc. to fish farmers at the remote areas.

The following activities are completed under Fisheries in 2017.

1. Conducted 3 training for transfer modern production technology of carp-mola, carp-shrimp, carp-telapia poly culture to 100 farmers.
2. 35 farmers established 20 demonstration of carp-telapia poly culture
3. 4 customers established 4 demonstrations of Carp-Shing-Magur-Tangra poly culture
4. 5 customers established 5 demonstration of Vietnam koi monoculture.

9.7.4 Conservation of Halda River

Integrated Development Foundation (IDF) has been implementing this project on “Conservation of Natural Breeding Ground of Fishes and Development Project in the Halda River” under the “Promoting Agriculture Commercialization and Enterprises (PACE)” Project of PKSf and International Fund for Agricultural Development (IFAD) for last 2 years.

Halda River occupies an important position as a natural breeding ground of Indian major carps among existing open inland water bodies of Bangladesh. This river is unique and distinct due to genetically purity of fertilized spawn of Rui and carp fishes collected directly. Simultaneously this river has also great significant role in livelihood of a huge number of people who are egg collectors and Hatcher, and supply freshwater fishes. 50 years ago, about 40-50 thousand Kgs. of eggs could be collected from Halda river.

In addition any species of fishes are afraid to have become extinct from Halda River. Amongst extinct species of fishes viz Bani Koksa (*Bailius barila*), Ghor Poia (*Garra gotyla*), Guijja Ayre (*Sperata aor*), Pangas (*Pangasius pangasius*), Mad/ Kata Chanda (*Pseudambassis baculis*), Kata Bhukh, Goni Chapila (*Gonialosa manminna*), Baila (*Stigmatogobius sadanundio*), Meni/ Bheda (*Nundus nandus*), Koi Punti (*Puntius sp*), Kuichcha (*Monopterus cuchia*), Rata Borua (*Moringua raitaborua*) etc. are important.

Halda river in threat to destruction because of different types of anthropogenic hazards including indiscriminate catching and killing of the brood fishes by using illegal gill net, destruction of natural habitation of fishes. Navigation of the engine operated water vehicles, cutting of the river's serpentine bends and oxbow lakes, disposal of industrial effluents and sewage contamination, unplanned construction of a good number of sluice gates and rubber dam for irrigation purpose, massive quarry of sands from river bed illegally by a section of unscrupulous traders use of excessive toxic insecticide in cultivation lands near to river bank, tobacco farming in upstream area of the river etc. are mostly significant.

In 1945, around 5,000 kg fertilized eggs of major carps were collected from the River Halda. But only 12 kg fish roe were possible to collect in 2016. As far as memory goes, such disparity of the Halda River has never been seen earlier.

In this state, for conserving natural breeding ground of major carps in the River Halda has been taken as a value chain project titled as "Conservation of Natural Breeding Ground of Fishes and Development Project in the Halda River" by IDF was undertaken PACE project of PKSf in order to conduct various conservational endeavors and development activities. Within the conservational endeavors- patrolling around the sanctuary announced area of the river throughout the year conducting research on protecting natural environment of the river, arranging workshops for increasing public awareness, creating alternative livelihood of egg collectors. Production of lethal insecticide free vegetables, supplying modern and developed technologies (e.g. sex pheromone trap, organic pesticide and organic fertilizer) for production of insecticide free vegetables, improving efficiency in hatching fish fries from fertilized spawn and management of hatchery, providing training on hatching strategy in mud- made scoop to produce carp fries on the riverbank and carp fish culture, expanding fish market of Halda carp fries and building relation among people who related to the Halda River, training on navigation of water vessels and fishery legislation for growing public consciousness etc. are the main. The progress of activities are reviewed by the technical and expert committee on regular basis. The recommendation of these committees are implemented carefully.

Goal of the Project

To intensify the production of fish, conserve the species of fish from threat to extinction and create the opportunity of livelihood of entrepreneurs by conserving and developing natural breeding ground of carp fishes (Rui/ Rohu, Catla, Mrigal and Kalibaush) in the Halda River.

Objectives of the Project

With the help of government concerned department and administration:

- a. Convert the project area as a cluster for production of standardized fishes, fish fries and increasing the production of eggs by preventing illegal killing of the brood fishes with the help of local people and administration.
- b. Produce quality standard carp fish fries by applying modern methods in mud-made scoop and increase the capacity of entrepreneurs to easily identify distinctions between highbred / crossbred fish fries and the Halda River's fries.
- c. Introduce fish friendly pesticide instead of toxic insecticide on agriculture lands adjacent to the river bank area.
- d. Build up green circumambient for conservation of biodiversity of the Halda River by implementing tree plantation program.
- e. Create self-livelihood and alternative livelihood opportunity for the fish cultivators near to bank of the Halda River.
- f. Stop Tobacco cultivation along the banks of Halda at up stream.

Duration of the Project

Three years (From April, 2016 to March, 2019)

Working Area of the Project

- i) **Hathazari Upazila:** Mekhal, Garduara, Uttar Madarsa, Dakshin Madrsha and Burirchar Union Parishad,
- ii) **Raojan Upazila:** Gahira, Binajuri, Raojan Paurosabha , Paschim Guzara and Noajispur Union Parishad in Chattogram District.

The following activities were completed during 2017:

Sl. No.	Name of Activity	No. of Participants received training
1	Hatchery management using modern technology	300
2	Egg collection & Produce quality standard carp fish fries by applying modern methods in mud-made scoop and increase the capacity of entrepreneurs to easily identify distinctions between highbred / crossbred fish fries and the Halda River's fries.	2,000
3	Introduce fish friendly pesticide instead of toxic insecticide on agriculture lands adjacent to the river bank area.	950
4	Create self-livelihood and alternative livelihood opportunity for the fish cultivators near to bank of the Halda River.	500
5	Boat using at Halda River & government Law	25
6	Workshop between suppliers & fish farmers of fish faring tools to increase relationship among them.	25

9.7.5 Integrated Farm

Integrated Farm in Matiranga of Khagrachari is a pilot project of IDF. The Farm was established in Rasulpur of Matiranga Thana in Khagrachari District in 2009. The main purpose of this pilot project was to see whether sustainable improvement of livelihood of hilly poor people is possible through integrated farm. The total area of this farm is about 50 acres consisted of hills, lakes and plains. The farm has various horticulture, fish culture, paddy cultivation, ginger and turmeric cultivation, home gardening, beef fattening, bee keeping, goat rearing, nursery and milk cow rearing.

Currently around 38 types of fruit trees are planted in 20 acres of land and various kinds of herbal trees are planted in 1 acre of land in the farm. A total of 9,500 trees are planted in 2016. Some sheds and structures are made for cattle and goat in 2016 also. For fish culture, small dams are made to create water body.

At present 1 coordinator, 1 supervisor, 1 farm manager, 2 permanent workers and 12 part time workers are working in the farm. The status of the farm as at 2017 is presented in Table 24.

Table 24: Status of Integrated Farm in 2017

Sl. No.	Description	Up to 2016	In 2017	Total
Agriculture activities				
1	Fruit Trees	8,820	995	9,815
2	Forest/Wooden Trees	2,400	50	2,450
3	Herbal Trees	1,682	110	1,792
4	Various spices Trees	1,100	50	1,150
5	Home Garden	2	-	2
6	Nursery	1	-	1
7	Agriculture Training Centre	1	-	1
Fisheries				
1	Fish Farm in small lake (acres)	2	1	3
2	Fishery Ponds	2	1	3
Live stock				
1	RCC	16	-	16
2	Black Bengal breeding centre	1	-	1

9.7.6 Agriculture Training Centre

IDF established an Agriculture Training Centre for the poor and marginal farmers in Khagrachari in 2015 with the assistance of Japan Government and PKSf. 800 farmers and 40 staff members (ToT) are expected to provide training every year in this centre in different areas covering both production and processing. The trained farmers will receive required capital and technical services for production, quality control and marketing.

The training will be residential for 3 days. The farmers will be provided both theoretical and practical training. The training centre will have demonstration farms for each subject where the farmers can practice their theoretical lessons. The Training Centre has qualified and experienced faculty members and demonstrators. The training centre at present is providing training in the following areas:

- i) Horticulture
- ii) Nursery
- iii) Home gardening
- iv) Poultry
- v) Beef fattening
- vi) Milk cow rearing
- vii) Bee keeping
- viii) Fisheries
- ix) Goat Raring (Black Bengal)

The following table shows the name of training course and the number of participants received training in 2017.

Sl. No.	Course Name	No. of Farmer received training
1	Milk cow Rearing	78
2	Cow Fattening	110
3	Home Gardening	95
4	Horticulture	46
5	Goat Rearing	215
6	Nursery	80
7	Cow Rearing	167
8	Poultry farm	150
9	Fish farming	65
10	Bee keeping	43
11	Turmeric & Zinger cultivation	95
12	Staff Training	325

9.8 Improved Cook Stove

IDF undertook this program in May 2008 with the assistance of German Technical Cooperation (GTZ).

Based on the demand at the field level, IDF has established 4 clusters in 4 different upazilas (Bandarban, Khagrachari, Boalkhali and Fatikchari) for the production and marketing of ICS with the assistance of IDCOL.

IDF Improved Cook Stove (ICS) is a stove that produces more heat with less smoke and fuel wood compare to traditional stoves. ICS has been proved to be cost effective, safer and environment friendly. IDF provides financial and technical support to the clients for its installation and use.

The main advantages of ICS are:

- Decrease the use of fire-wood and save environment;
- Reduce fuel crisis and cooking cost in the families which use traditional wood-stoves;
- Mitigate health hazards of wood-stove users.
- Save cooking time and Improve cooking efficiency.
- Cooking pots comparatively remains clean.
- The kitchen does not get much dirty.
- Less possibility of fire accident.
- Less amount of carbon dioxide produce.

In the year, 2017, IDF has installed 657 ICS which makes a total of 7,409 ICS.

9.9 Financial Literacy/Education

IDF started financial education programme for its members since its inception. IDF provides knowledge on literacy, rational expenses and budgeting, simple accounting, group management and terms and conditions of microfinance to its members before they enrolled as members of IDF. The members had to go through a test before they are recognized as members.

IDF restructured and improved the methodologies and materials of its financial education programme after the participation in the Citi-FT Financial Education Summit in New Delhi about 10 years ago. IDF later also improved and intensified the financial education programme for the graduate members, particularly by improving training module and strengthening the training on “Enterprise Development and Business Management”. IDF has established an Agricultural Training Centre for the poor farmers in Chattogram Hill Tracts in 2015 where they will receive lessons on financial education with practical demonstration on various income generating activities.

9.9.1 Financial Literacy Training

IDF organized a Financial literacy training program for its staff member from April 09-13, 2017 at Dhaka Head office. A total of 25 senior and mid level staff member from both Head office and field level attended the training. Sophie Paine, Managing Director of A+B=3, Hong Kong facilitated the training.

At the end of this training, IDF selected 08 trainers who are currently providing training to members at the field level.

9.10 Skill Development

IDF provides various types of training to its members for enhancing their functional skills through which they can earn additional income. These are mainly business management, nursery, home-gardening, vegetable and fruits gardening, cutting & tailoring, cattle fattening, milk cow rearing and mushroom production.

Objectives

- Assess needs and organize skills training for its group members;
- Train members on business management, nurseries, home-gardening, cattle fattening etc. as per needs;
- Increase income of the poor and
- Raise awareness of woman on rights.

9.10.1 Micro Enterprise Development and Business Management Training

In addition to training on Agriculture and livestock, IDF provides Enterprise Development and Business Management (EDBM) training to the members. This EDBM training is one of the major activity of Micro Enterprise Department. In 2017, IDF organized 6 EDBM training at 6 branches and a total of 180 participants participated. The details on EDBM training are shown below in Table 26.

Table 26: Members received EDBM training in 2017

Upto 2016	In 2017	Total
3,649	180	3,829

9.10.2 Business Sharing Meeting

Business sharing training/meeting is another important activity of Micro Enterprise department through which entrepreneurs gets opportunity to share their problems prospects and experiences with others. In 2017, IDF organized 2 business sharing meeting at 2 branches.

Table 27: Members received knowledge from Business sharing meeting

Upto 2016	In 2016	Total
294	40	334

9.11 Housing

IDF introduced this program in 2004 with the assistance of Grihayan Tahabil, Government of Bangladesh. The main objective of this program is to provide shelter to poor homeless families with safe water and sanitation facilities. The government project was completed in 2009. IDF covered 300 families under this project. After that IDF continued this project with its own source in different formats.

In 2017, IDF received some more allocation from “Grihayan Tahabil” of the Government and assisted 37 families at Chattogram and Bandarban district. This 37 families received individually Tk70,000 which makes a total of Tk. 25,90,000 to construct their houses.

The status of Housing Program under Grihayan Tahabil is shown Table 28.

Table 28: Status of Housing Program under Grihayan Tahabil

Sl. No.	Description	Up to 2016	In 2017	Total
1	No. of houses built	300	37	337
2	Total disbursed (Tk.)	60,00,000	25,90,000	85,90,000

9.12 Scholarship

In order to stop the dropout of children of the poor members, IDF introduced this program with the Award Money of US\$ 10,000 (Taka 6,00,000) from Grameen Foundation USA in 2004. Grameen Foundation USA was very pleased at the use of “Award Money” and success of scholarship program and added US\$ 1,00,000 to this fund in 2006. The scholarship fund is mainly created with these two funds. The details of scholarship program are as follows.

Objectives

- i) Provide financial support to the children of poor families, particularly IDF members to get access to education.
- ii) Encourage children to make good result
- iii) Contribute to human resources development of the country

Eligibility

- i) Children of grade 3 to undergraduate level.
- ii) At least 60% marks in the last annual exam in case of class III-X.
- iii) Grade-A in SSC, HSC and undergraduate and graduate levels.

Source of Fund

- Income from
 - i) GFUSA Award Money
 - ii) GFUSA grants
 - iii) IDF contribution
 - iv) Others

Selection Procedure

- Applications are received by branch manager with the help of field organizers;
- Results of last annual exam, performance in the class and manners are mainly considered during the selection ;
- Scholarship Committee selects new students and reviews the old one for renewal of scholarships.

In 2017, IDF provided Tk. 11,98,000 to 320 students. The details are shown in Table 29-31.

Table 29: Number and amount of scholarships by class per year

Class	No. of Students	Amount of Scholarship/ month/student	Scholarship in 2015 (Tk.)	Books and other materials (Tk.)	Total (Tk.)
III – V	120	100	1,44,000	24,000	1,68,000
VI – VIII	90	150	1,62,000	45,000	2,07,000
IX – X	50	175	1,05,000	50,000	1,55,000
XI – XII	40	300	1,44,000	40,000	1,84,000
Undergraduate (4 years)	20	600	1,44,000	20,000	1,64,000
Total	320	1325	6,99,000	1,79,000	8,78,000

Table 30: One time Scholarship provided (Regular)

Year	Class	No.	Amount
2005	HSC	15	15,000
2006	HSC	20	20,000
2007	SSC	20	20,000
2008	SSC	20	20,000
2009	SSC	30	30,000
2010	SSC/HSC	20	20,000
2011	SSC/HSC	10	10,000
2012	SSC/HSC	10	10,000

Total 31: Year wise scholarship 2005-2017

Year	No.	Amount	Cumulative
2005	26	54,000	54,000
2006	50	104,000	158,000
2007	60	168,300	3,26,300
2008	192	386,700	7,13,000
2009	192	390,900	11,03,900
2010	278	752,300	18,56,200
2011	306	770,300	26,26,500
2012	314	842,800	34,69,300
2013	316	8,11,600	42,80,900
2014	320	8,78,000	51,58,900
2015	320	8,78,000	60,36,900
2016	320	8,78,000	69,14,900
2017	320	11,98,000	81,12,900
Total	3,014		81,12,900

9.13 Automation

IDF started to move from station based software to wave based software at October 2016 in collaboration with Data soft company. As at December 2016, all 85 branches managed to transfer MIS to web based system using microfin360 software and thereafter at January 2017, IDF has completely managed to move from station based to web-based software system with both MIS & AIS successfully.

Currently, all branches, Regional office, Head Office including some projects of the organization are operating all kinds MIS & AIS activities through this software.

9.14 Enrich Programme

IDF has started this project in June 2012 with the financial assistance of PKSf. Shoalok union (Bandarban) & Satkania (Chattogram), Wagga (Rangamati) were included in this project in 2015 and there after in the year 2018 Kodolpur union (Chattogram). The objectives of this project are as follows:

- a) Ensure health facilities to all families in the union;
- b) Control drop out of poor children at primary level;
- c) Employment generation for the poor;
- d) Saqnitary/pit latrin and safe water for all families;
- e) Samall development small infrastruture;
- f) Credit facilies for all ultra poor families;
- g) Tree plantation.

The achievements of the projects so far are as follows table 32.

Table 32: Achievements of the enrich projectsas on December, 2017

Sl. no.	Description	Number				Comments
		Wagga	Shoalok	Satkania	Kodolpur	
1	Establishment of afternoon session school	25	30	40	25	
2	Student	455	706	1,004	675	Running
3	Estabilishment of Deep Tuebwel	4	5	8	-	Regular
4	Sanitary latrin distribution	30	25	25	-	Good condition
5	Sanitary slab distribution	1,635	200	300	-	Running
6	Bridge/culvert	20	05	05	-	Running
7	Seed distribution (families)	2,000	1500	1,400		Good condition
10	Health assistant	9	9	12	2	Running
11	Health service received	8,500	7,600	10,500	-	Running
12	Rehabilitation of Beggar	10	4	6	-	Running
13	Establishment of Enrich centre	9	9	9	-	Running
14	Establishedment of Enrich house	10	5	4	-	Running

Rehabilitation

As at December, 2017 a total of 20 beggars were rehabilitated in 03 unions, with the financial assistance from PKSf. 1,00,000 taka was allocated for each beggar. The beggars first used a portion of the money to build or rennovate their houses and the remaining amount was used on income generating activities.

Sl. No.	Name of Union	No. of Beggar Rehabilitated
1	Wagga union, Rangamati	10
2	Satkania union, Chattogram	6
3	Shualok union, bandarban	4

9.15 Elderly People (Senior Citizen) Program:

In Bangladesh due to improved quality of life the number of people over 60 years is increasing rapidly. This should be seen as an emerging challenge as the elderly will have special needs and require different care-giving services. Previously the society of Bangladesh took care of the elderly but now the situation is becoming changed due to change of social, psychological and economic standpoint. Specially, in the village community, the elderly people are most vulnerable and burden of the family as they are unable to contribute any financial support. Moreover, they become dependent of the other family member and thus they loose respect and gradually fall in many frustrations. To address these challenges and ensure welfare of elderly people, IDF in collaboration with PKSF introduced this program at Wagga and Raikhaly union under Rangamati district in 2016. Under this program IDF is implementing the following activities:

01. Subsidized credit facilities
02. Health service under special care
03. Transportation and entertainment facilities along with enhanced coverage
04. Old Age Allowance for most vulnerable elder person
05. Formation of elderly committee in each ward
06. Provide burial & funeral support when an elder person die
07. Recognition as best Senior citizen

As at December 2017, the progress of this program are as follows:

Sl. No.	Description	Achievement
01	Establishment of elderly centre	1
02	Village committee of elderly people	9
03	Provide Old Age Allowance	100
04	Provide burial & funeral support	27
05	Special assistance (distribution of blanket)	150
06	Provide health service	1,203
07	Recognition as best senior citizen	1

9.16 Mobile Banking

In order to speed up the work of the organization and extend more support to the borrowers, IDF started piloting mobile banking in 2013. IDF is piloting this program in collaboration with Progoti System and First Security Islamic Bank Ltd.

The progress of Mobile Banking as of December 2017 are as follows:

- i) All the members of 03 centres at Uttar khan branch opened mobile banking account to run group wise transaction process.
- ii) Trained Branch Manager, Field organizer and IT staffs of 44 branches;
- iii) A total of 23,744 members have opened mobile banking account and some of them have started transactions using this account;
- iv) 4 branches (Bahaddarhat, Mariumnagar and Uttar khan) have started financial transactions including loan disbursement and instalment collection on experimental basis.

- v) IDF has opened many Agent account in 2017 in the Hilly remote area to receive stipend money for scholarship.

9.17 Disaster Management

IDF identified risks for both natural and man-made disasters in its working area and developed a disaster management plan. IDF has arrangements for shelters within its working area in case of floods, tornadoes, cyclones, fires, earthquake and other natural disasters. Members get grant and loan when disaster occurred. A new soft loan can also be provided for the required rehabilitation.

IDF trains staff and family members of its clients on disaster management. These trained people are fielded for search and rescue in case of any disaster. IDF provides transport, food and honorarium to the members of such volunteers. The spirit of such work is humanitarian and voluntary in character.

9.18 Environment

The southern part of the country is covered with semi to deep forests. Chattogram and the Chattogram Hill Tracts (CHT) are popular for hills and forests. The reserve forests in these areas are reducing gradually though the government is continuously taking initiatives to improve the situation.

From the very beginning IDF introduced Forestation and Agriculture Extension Program with a view to creating new plantations in Chattogram Hill Tracts and Chattogram which contribute to a balance environment. In 1997, with technical assistance from Helen Keller International (HKI), IDF introduced a Home Gardening & Nursery Projects, which helped to create social afforestation and thereby environment protection in the area.

IDF established two central nurseries in Bandarban, one in Rangamati and one in Khagrachari for demonstration and making saplings available to the common people. IDF provided technical and credit support to the members for establishing village nurseries and home gardens. This created a great response; more and more household garden holders can buy saplings of fruits and wood trees at a cheaper rate.

In collaboration with Chattogram South Forest Department, 175 beneficiaries were provided training on social forestation and 55,000 various saplings were distributed among them for plantation on 175 hectors of garden. IDF itself also produced about 100,000 saplings through 1 Central Nursery and 1 Office Nurseries, and sold as well as distributed them under social forestation program. IDF has been distributing “improved stove” to rural families for the last 9 years. Improve stove reduce fuel consumption (by about 50%) and carbon emission.

9.19 Gender Promotion

IDF has been working on gender issues since its inception. IDF organizes poor women and provides training and necessary inputs for both economic and social empowerment as indicated below:

1. Women’s access to economic resources;
2. Promotion of men and women’s joint participation in decision-making at all levels;
3. Improvement of women’s access to education and health care;
4. Promotion of social rights of women;

5. Eliminating discrimination against women.

With respect to above, IDF has great success in creating leadership and women's access to economic resources. IDF organized a number of workshops on reproductive health in Bandarban and Rangamati Hill Districts to create awareness on common diseases, reproductive and child health. The Medical Officer and Health Workers visit villages on regular basis and provide health care facilities. IDF also gives priority to women during its recruitment in order to balance the gender.

9.20 ZeroFly Net

In order to improve the condition of livestock health IDF has been distributing a vector preventing medicated and long-lasting Net. The brand name of the net is ZeroFly livestock Net which is produced by Vestergaard Frandsen of Switzerland.

ZeroFly livestock Net controls all major livestock flies, mosquitoes, and midges. A fence made of ZeroFly Net around a farm or cowshed prevents all vectors and flies to enter into the farm. When the vectors land on the fence, 10-20 second exposure to the treated surface is sufficient to kill most of them. The fence is approved by FAO for agricultural use and WHO for use in public health. It is considered safe for human, livestock and environment.

Benefits of using ZeroFly Net

1. ZeroFly Net keeps livestock feed fresh for a longer time by preventing flies.
2. ZeroFly Net prevents flies to reach the cows and increase the quality of milk.
3. When there is no fly in the cowshed, the cows remain calm and take food peacefully which increase the quality of milk.
4. ZeroFly Net prevents flies from spreading diseases and thus reduces the cost of treatment.
5. It improves health and sanitation condition of the farm and its surroundings.
6. It keeps the farmer's house and neighbors free from unexpected flies.

IDF distributes ZeroFly net to Dairy and livestock Firms in Bangladesh through its branches and general outlets.

9.21 Remittance

IDF started this program in 2016 in collaboration with United Commercial Bank and Western Union to serve the most remote people whose family members and relatives send money from abroad. The progresses of the program as at 2017 are as follows:

1. Branch managers of 97 branches received training on this activity.
2. ID accounts of 99 branches are opened.
3. Various kinds of publicity and awareness program were done about this activity.
4. 122 transactions were completed in 2017 through which 122 families enjoyed remittance program of IDF.

9.22 Humanitarian Support to Rohingya Refugees

From the very 1st week of arrival of Rohingya Refugees at Ukhiya, Cox's Bazar, IDF provided various supports to them from its humanitarian responsibilities. At the beginning stage, IDF participated with other organizations and individuals to provide food, blanket, cloths, drinking

water and primary health service from its own resources informally and there after established a health centre through which a MBBS doctor and two paramedics served there for longer period.

Health Service: At the later stage, IDF in collaboration with UP (United purpose) established two formal health centre through which two MBBS doctors, two Paramedics are still serving. The main objectives of this two health centre are to serve mainly pregnant and lactating women, children, adolescents people with disabilities and older persons living in a sub section of Balukhali 2 camps.

Solar Facilities: In collaboration with PKSF, IDF established a solar mini grid through which 200 house holds were given lighting facilities in the evening and then in collaboration with UP, IDF has established another mini grid and installed 100 street lights in different places.

10.0 MANPOWER

The total manpower of IDF in various programs and projects as of December 2017 is 1,272. The total manpower is shown by programs/projects and sex in table 34 below.

Table 34: Distribution of staff by program and sex in 2017

Name of Program		No. of Staff		
		Male	Female	Total
1	Micro Finance	595	50	645
2	Renewable Energy	349	4	353
3	Health, Sanitation and Water	46	7	53
4	Education programs	1	13	14
5	Agriculture, Livestock and Fisheries	15	-	15
6	Enrich Programme	22	160	182
7	Improve Cook Stove (ICS)	10	-	10
Total		1,038	234	1,272

Table 34.1: Manpower of Micro Finance Program by position and sex

Sl. No.	Designation	Male	Female	Total
1	Executive Director	1	-	1
2	Director & Chief Executive Officer	1	-	1
3	Director (Acting) Human Resource	1	-	1
4	Director , Microfinance	1	-	1
5	Consultant Human Resource	1	-	1
6	Deputy Coordinator	5	-	5
7	Senior Assistant Coordinator	2	1	3
8	Assistant Coordinator	-	-	-
9	Program Manager	7	-	7
10	Consultant	5	-	5
11	Senior Program Organizer	23	4	27
12	Program Organizer	51	5	56
13	Deputy Program Organizer	16	1	17
14	Assistant Program Organizer	42	9	51

15	Senior Field Organizer	107	20	127
16	Field Organizer	210	7	217
17	Assistant Field Organizer/office assistant	-	-	-
18	Trainee Program Organizer	37	-	37
20	Trainee Field Organizer	69	1	70
21	Receptionist	-	2	2
22	Messenger	5	-	5
23	Security Guard	2	-	2
24	Driver	9	-	9
Total		595	50	645

Table 34.2: Manpower of Solar Home System by position and sex in 2017

Sl. No.	Designation	No. of Staff		
		Male	Female	Total
1	Director	-	1	1
2	Coordinator	1	-	1
3	Senior Manager	5	-	5
4	Manager	5	-	5
5	Assistant Manager-1	4	3	7
6	Assistant Manager/ Sub-assistant Eng.	53	-	53
7	Senior Field Supervisor	5	-	5
8	Senior Solar Technician	189	-	189
9	Solar Technician	80	-	80
10	Driver	5	-	5
11	Messenger	2	-	2
Sub Total		349	4	353

Table 34.3: Manpower of Health, Sanitation and Water program by position and sex

Sl. No.	Designation	No. of Staff		
		Male	Female	Total
1	Health Coordinator	-	1	1
2	Medical Officer	1	1	2
3	Manager	-	2	2
4	Paramedics	44	-	44
5	Receptionist	1	1	2
7	Service Staff		2	2
Total		46	7	53

Table 34.4: Manpower in Education program by position and sex

Sl. No.	Designation	No. of Staff		
		Male	Female	Total
1	Project Coordinator	1	-	1

2	Program Officer	-	-	-
3	Teacher	3	14	17
Sub Total		1	13	14

Table 34.5: Manpower of Agriculture, Livestock and Fisheries by position and sex

Sl. No.	Designation	No. of Staff		
		Male	Female	Total
1	Project Coordinator		-	
2	Senior Program Organizer (Agri)	1	-	1
3	Senior Program Organizer(Livestock)		-	
4	Senior Program Organizer(Fisheries)	-	-	-
5	Assistant Agriculturist	2	-	2
6	Field Organizer/Senior Field Organizer/Agriculture worker	9	-	9
7	Farm Manager	1	-	1
8	Worker	2	-	2
Sub Total		15	-	15

Table 34.6: Manpower of Enrich Project (PKSF) by position and sex

Sl. No.	Designation	No. of Staff		
		Male	Female	Total
1	Coordinator	4	-	4
2	Agriculture Officer	3	-	3
3	Health Assistant	6	-	6
4	Health Worker	-	37	37
5	Social Development Worker	2	2	4
6	Teacher	-	120	120
7	Teacher Supervisor	4	-	4
8	Computer Data Entry Operator	3	1	4
Sub Total		22	160	182

Table 34.7: Improve Cook Stove (ICS) by position and sex

Sl. No.	Designation	No. of Staff		
		Male	Female	Total
1	Project Manager	1	-	1
2	Production In-charge	1	-	1
3	Cluster In-charge/Supervisor	1	-	1
4	ICS Worker	7	-	7
Sub Total		10	-	10

11.0 HUMAN RESOURCES DEVELOPMENT

IDF has human resources policy for the development of both its staff and beneficiaries. The staffs are provided intensive training immediately after recruitment while the group members are required to undergo intensive training before getting recognition as group member.

11.2.1 Pre and In-service Training

Pre and in-service training are organized for IDF staff members. The nature of training provided during 2017 is described below.

i) *Pre-service Training*

After recruitment, the Field Organizers (FOs) and Program Organizers (POs) are required to undergo intensive training on group and office management and disciplines, credit rules and conditions, accounting, reporting and monitoring system for six months. The trainees complete their training in 3 phases. They are required to sit for a test after the completion of each assignment. The trainees are terminated if they cannot pass the tests in two consecutive chances. A total of 119 new staff member of different positions were recruited and provided pre-service training in 2017.

ii) *In-service Training*

In-service training is organized both for Field *Organizers* and Program Organizers. The purpose of in-service training is to develop the capability of staff members so that they can implement the project activities efficiently. In-service training deals mainly with day-to-day issues, problems, account keeping, monitoring & reporting, loan supervision and other issues requested by the participants.

11.2.2 Outside Training in 2017

IDF staff members received training on various aspects in 2017. Table below shows the details of outside training received by the IDF staff members and Beneficiaries.

Table 35: Outside Training

Sl. No.	Name of Training	No.		
		Manage-ments staff (PO & above)	Field staff (DPO & below)	Total
1	Financial Product Design and Product Diversification.	3	-	3
2	Monitoring & Supervision	4	1	5
3	Internal Audit for Operation of NGO - MFI	5	-	5
4	Training of Trainer (TOT)	4	-	4
5	Accounts & Financial Management	2	4	6
6	Savings and microcredit management	1	-	1
7	Micro-Enterprise(ME), small & Medium Enterprise Operation and Management	-	1	1
8	Improved production technology of flower in Bangladesh	-	1	1
9	Value chain project design and management	1	-	1
10	Agricultural training and workshop	6	-	6

11	Hands on training on rice production practices		7	7
12	Higher microfinance and institutional management	2	-	2
13	Enterprise operation and management	1	1	2
14	Enterprise Management and Promotion of Private Business	2	-	2
15	How to address and cope with only VAT	1		1
16	Risk management of MFIs	1		1
17	Microfinance training on accountant/coordinator/zonal & branch manager	-	1	1
18	Microfin360 refreshment training	1	1	2
19	Organizational Development & Management Training	1		1
Total		35	17	52

12. OTHER EVENTS

Generally Governing Body Meeting takes place every after 3 months and the Annual General Meeting once a year. In case of any emergency and extra-ordinary general meeting is organized. Mostly the policy making issues are discussed in those meetings. The following meetings were held in 2017.

12.1. Annual General Meeting in 2017

Meetings	Date	Venue
23 AGM	17/6/2017	IDF Head Office, Dhaka

12.2 Governing Body Meeting in 2017

Meetings No.	Date	Venue
99 GBM	28/01/2017	IDF Head Office
100 GBM	20/04/2017	IDF Head Office
101 GBM	15/07/2017	IDF Head Office
102 GBM	20/12/2017	IDF Head Office

12.3 Exposure visit for IDF staff member to Nepal

IDF organized an exposure visit of its 10 senior staff member in Nepal from October 24—Nov 01, 2017. The main purpose of the visit was to learn and gather experiences about the policies and practices of different microcredit organizations of Nepal, such as Swabalamban Laghubitta Bikas Bank Ltd., Kathmandu; Manushi, Kathmandu; Shreejana Development Center, Kaski; Muktinath Bikas Bank Ltd., Kaski and Mahila Adhikar Tatha Bikas, Kathmandu. CSD (Centre for Self-help Development), Nepal assisted IDF to organize the visit.

During the visit, the participants observed the operational modalities of each of the MFIs and also interacted with the clients and the staff to understand the impact of various services of MFIs. They also enquired about the repayment procedure and effectiveness of joint liability with the groups.

12.4 Exposure visit to IDF

IDF organize exposure visits for the interested organizations and persons both at national and international levels to learn the experiences of microfinance in Bangladesh. IDF organizes visits not only in IDF, it also organize visits to Grameen Bank, BRAC, ASA and other organizations as per need of the visiting organizations.

In 2017, IDF organized 8 exposure visits for 78 participants of different MFIs from Nepal. The list of the organizations is as follows:

Sl. No.	Date of Visit		Organizations	No. of participants
	From	To		
1	04.02.2017	13.02.2017	RMDC,RWDC, NWCSC, SCDC	10
2	26.02.2017	04.03.2017	CSD, UNCYC, MSLBS, MUM, RWDC, SCDC, UNYC	8
3	21.04.2017	28.04.2017	CSD, MMDB, MUM, MMBS	10
4	16.05.2017	24.05.2017	FORWARD Community microfinance Bittiya Sangstha	9
5	09.09.2017	16.09.2017	CSD,SAHARA,UMCL,MUM, KSCC,SUMC, Grameen Samaj	11
6	04.11.2017	11.11.2017	CSD, RWDC, SCDC, DCRDC, SCDC, CWRD, JBS	10
7	18.11.2017	26.11.2017	CSD, SCDC, UNYC, CYC, MMBS, RWDC	10
8	17.12.2017	25.12.2017	SDC, Pokhara	10
Total				78

Abbreviation:

RMDC-Rural Microfinance development Centre, CSD--Centre for Self-help Development, RWDC--Rural Woman Development Centre, NWCSC--Nepal Woman Community Service Centre, SCDC--Srijana Community Development Centre, MSLBS-- Mohila Samudayic Laghubitia Sangstha, MUM--Mohila Upkar Monch, MMDB-Mirmire Microfinance Development Bank, MMBS--Mero Microfinance Bithiya Sangstha, UMCL-Udaydev Multipurpose Cooperative Ltd., KSCC--Kanail Saving & Credit cooperative, SUMC--Shree Udaydev Multipurpose Cooperative, JBS--Jibon Bikash Samaj.

12.5 Staff summit/workshop

In the year 2017, IDF organized a number of staff summit where all the staff member including Branch Managers, Area Manager and Zonal Manager of that particular area attended. It was two days long participatory summit on the current progress/plans of individual staff, branch, area and zone as well including various kinds of entertainment. The main objective of the workshop was to encourage the staff member in their work. Executive Director and other senior officials of the organization attended the events.

12.6 Strategic Business Plan

A 5-years Strategic Business Plan for July 2017 to June 2022 is prepared in a 3-day workshop organized by IDF in November, 2016 at Chattogram Office. The selected branch managers, area managers, zonal managers, higher management staff including the executive director of the organization participated in the workshop. Executive Director played the role of facilitator

of this workshop. The workshop reviewed the achievements of the last 5-year plan and present strengths and weaknesses of the organization before starting the exercise of new 5-year plan. The summary of the 5-year plan is presented below.

Table 39: Summary of Budget Plan (2017-18 to 2021-22)

(Million Tk.)

Particulars	Expected in June 2017	Plan				
		2017-18	2018-19	2019-20	2020-21	2021-22
No. of Branches	90	105	125	145	170	201
No. of Members	115,191	134,773	154,989	181,338	208,538	241,904
No. of borrowers	93,177	114,557	131,741	154,137	177,258	205,619
Loan Disbursement	3,500.00	4,655.00	6,191.15	8,048.50	11,187.41	13,984.26
Loan Outstanding	1,899.92	2,560.25	3,405.13	4,426.67	6,153.07	7,691.34
Saving Fund Balance	759.97	1,024.10	1,396.10	1,859.20	2,615.06	3,307.28

13. PLAN AND BUDGET

Under the framework of five-year plan, IDF prepared annual plan and budget for 2016-17 through a participatory process. The plan for membership growth, loan disbursement, loan repayment, savings mobilization was done by the field organizer at branch level. Each field worker submitted his/her annual plan to the branch manager. The branch manager then organized a one-day workshop to discuss and review the individual plans and annual budget of the branch. When the plan and budget for the branch was finalized, the branch manager submitted it to the planning and budget division at head office.

A workshop was organized at Head Office, where the plan and budget of individual branches, Regional Office and Head Office were presented. The Planning department finalize the budget through detail discussion and review thoroughly in the workshop and submit to Governing Body for approval. The summary of annual plan and budget for 2017-18 is Annex-4.

14. REVIEW MEETING

Monthly review meeting and workshops are organized on regular basis for reviewing the progress and problems of various project activities. At branch level, the branch manager conducts the review meeting where the village organisers participate the meeting.

Monthly review meeting of branch managers is held every month at the area level. Review of the previous month's progress, implementation of the plan, problems at branch level and their solutions, quality of work and utilization of loan are discussed elaborately and decisions are also taken accordingly in these meetings.

Monthly review meetings of Area Managers are held at the IDF Regional office in Chattogram. Beside the Area Managers and concerned officials of the programs, Executive Director of IDF participated in these meetings. In the meeting, monthly progress reports, various problems of the programs and their solutions, quality of the groups, centres, branches and loan supervision

and audit are discussed and necessary decisions taken. Moreover, other development programs such as Health Services, Education and Awareness, Micro-insurance, Solar Home System, Village Nursery, Agriculture, Forestation, Fisheries and other project activities are also discussed in the meeting.

15. AUDIT

15.1 Internal Audit

IDF established independent Internal Audit Team in 2000 with a view to maintaining and improving the quality of work of its Microfinance and other programs. The Team is consisted of 7 members headed by a Deputy Coordinator. The Team is responsible directly to the Executive Director for their work.

The team members visit branches, area, regional and head offices to examine the books of accounts, various registers, loans and savings, collection sheets, various ledgers and collection sheets with the records and pass books of members. The team also examines the utilisation of loans by the members.

The team allows the staff member to correct the mistakes and errors at the spot which are possible. The mistakes and errors, which are not possible to correct at the branch, one-month time is allowed to correct them and report to the Executive Director. For wilful minor mistakes, administrative measures are taken while for misappropriation major action like dismiss from the job is taken.

In the year 2017, all 90 branches, areas and regional office have been audited by turn. The internal audit was found to be a very fruitful tool for maintaining and improving the quality of work.

15.2 External Audit

AGM appointed Nasir Mohammad & Co. a Chartered Accountancy Firm to audit the accounts of the organization for 3 years (2015-16 to 2017-18) on the condition that the appointment for the following year would depend on the performance of previous year. The Audit Report for 2016-17 is given in Annex -5.