

Annual Report 2016

Integrated Development Foundation
Dhaka, Bangladesh

1. INTRODUCTION

Integrated Development Foundation (IDF) is a non-profit, non-political and a non-government 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 Chittagong 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 for the poor in Shoalok Mouza of Bandarban Hill District in 1993 with a seed capital of US\$7,500.00(loan) from Grameen Trust. Following the success of the above pilot project, Swedish International Development Co-operation Agency (Sida) came forward to support IDF for the expansion of Grameen model in all districts of Chittagong 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. 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 18 members from different professions such as university teachers, engineers, medical doctors, retired UN officials etc. IDF has a Governing Body of 8 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, Chittagong, Cox's Bazar, Dhaka, Noakhali, Chandpur, Comilla, Feni, Laxmipur, Rajshahi, Chapai Nawabgonj, Naoga, Natore, Bogra, Hobigonj, Brahmanbaria, Gazipur and Norshingdi.

As indicated earlier, IDF started its operation from Chittagong Hill Tracts in 1993 when a war situation was prevailing in the Hill Tracts. Chittagong 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.

The CHTs is a 13,295 sq. km. region of hills consisting of Bandarban, Rangamati and Khagrachari hill districts located in the south-eastern part of Bangladesh. As per Population Census 2011, the total population of CHT is 1.598 million of which 52 percent are tribal people. Historically, Chittagong Hill Tracts enjoyed the status of a self-governing territory and administered by Hill King which continued until the British East India Company annexed Bengal in 1,787. Then the Chakma Raja (King) signed an agreement with the British after a long armed conflict, under which Chakma territory became a British tributary on the payment of 20 tons of cotton. This was later extended to other parts of CHTs. In 1860, the British formally annexed CHTs and upgraded its status to a full-fledged district.

The people of Chittagong Hill Tracts are very poor and they live mainly on **Jhum cultivation (shifting cultivation)** and bamboo and wood collection from forests, which are major causes of deforestation and soil erosion in the area. Most people of this area live in absolute poverty. Despite of all the efforts of the government, the people of the Chittagong Hill Tracts still lack access to improved technology and various services such as capital, agricultural inputs and extension services, medical facilities, sanitation and safe drinking water. This is mainly because of i) scattered population, ii) poor communication system, iii) remoteness of the area and iv) security problem.

The sentiment of the people of CHT was hurt when the construction of 666 meters long and 43 meters high hydroelectric dam at Kaptai started in 1957. The immediate impact of dam was the submergence of a vast area of natural forests and 54,000 acres of arable land (40% of total cultivable lands in CHTs). It also made about 1,800 families homeless. The displaced families were given financial compensation but not properly rehabilitated. As a result, their settlement and construction of new houses in the inaccessible regions led to rampant deforestation. It is also said that some families crossed the border.

Adverse economic impacts created by Kaptai Dam gradually resulted in armed insurgency in CHT. The counter-insurgency measures by the then Pakistan Government through military action worsened the situation. The increased military presence in CHT and search for insurgents created unsettled situation among CHT inhabitants. It was prevailing when IDF started its micro-finance program in CHT in 1993. The situation became ease after the signing of Peace Agreement between the Government and Shanti Bahini in December 1997.

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.

The institutional structure of IDF is shown in Figure-1.

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 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 24 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. MEJOR PROGRAMS/PROJECTS

2016 is the 24th 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 2016. It also presents year-wise summary report up to December 2016. The major programs implemented in 2016 are:

- 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 Child Labour & Non Formal 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 Program
- 9.13 Automation
- 9.14 Enrich Program
- 9.15 Mobile Banking
- 9.16 Disaster Management
- 9.17 Environment
- 9.18 Gender Promotion
- 9.19 Zerofly Net

9.1 Microfinance

The 1st activity of IDF was piloting the Grameen Microfinance Model in Chittagong 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:

- All loans are interest free and can repay when they have money. There is no fixed date and time for it.
- Beggar members are protected by IDF insurance program with free premium.
- Each member receives an identity badge with his/her photograph and logo of IDF.
- Beggars can give up begging gradually when they achieve self-sufficiency.

Table 1: Status of Beggar Program as on 31 December 2016

Particulars	Upto 2015	In 2016	Upto-2016
No. of Branch	19	--	19
No. Member	266	-6	260
Disbursed (m)	2.12	--	2.12
Outstanding (m)	0.31	-0.01	0.30
Repayment Rate	99.32	100	--
Savings (m)	0.05	--	0.05

9.1.2 Ultra Poor Program

IDF started this program at the beginning of its journey in Bandarban Hill District and gradually expanded to different parts of the country. Currently IDF is implementing this program with the financial assistance from PKSF.

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 from the very grass-root level of the country.

Table 2: Status of Ultra Poor as on 31 December 2016

Particulars	Upto 2015	In 2016	Upto 2016
No. of Branch	19	54	73
No. Member	484	2,013	2,497
Loan disbursed (m)	29.32	32.88	62.20
Loan outstanding (m)	1.87	16.66	18.53
Repayment Rate (%)	100	99.98	99.98
Savings (m)	.77	1.65	2.42

Loan ceiling : Up to Tk.10,000

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 24 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 2016

Particulars	Upto 2015	In 2016	Upto 2016
No. of Branch	80	5	85
No. Member	104,521	-4,960	99,561
Loan disbursed (m)	12,747.65	1,843.41	14,591.06
Loan outstanding (m)	939.46	94.28	1033.74
Repayment Rate (%)	100	99.74	99.74
Savings (m)	490.11	30.05	520.16

Loan ceiling : Up to Tk.30,000

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

As of December 2016, a total of 12840 members received Tk 2597.23 million under this program. The details are given in Table 4.

Table 4: Status of Micro-enterprise as on 31 December 2016

Particulars	Upto 2015	In 2016	Upto 2016
No. of Branch	75	7	82
No. Member	8,082	4758	12840
Loan Disbursed (m)	1,667.79	929.44	2597.23
Loan Outstanding (m)	319.5	227.85	547.35
Rate of payment (%)	99.66	99.69	99.69
Amount of Savings (m)	72.64	57.60	130.24

The different categories of members by number, loan outstanding and savings as of December 2016 are shown in Table-5 below:

Table 5: Members by category, loan portfolio and savings

Categories of members	Member		Loan Outstanding (m Tk)		Savings (m Tk)	
	No. of member joined in 2016	No. of cumulative member as at Dec. 2016.	In 2016	Cum.	In 2016	Cum. 2016
Beggar	-6	260	-.01	0.30	--	0.05
Ultra poor	2,013	2,497	16.66	18.53	1.65	2.42
Poor	-4,960	99,561	94.28	1,033.74	30.05	520.16
Micro-entrepreneur	4,758	12,840	227.85	547.35	57.60	130.24
Total	1,805	1,15,158	338.78	1599.92	89.30	652.87

Note: Membership of 25,620 inactive members were cancelled in 2016 which had negative impact on membership growth.

9.1.4 Savings and credit by size, number and amount

i) *Savings*

IDF offers four kinds of savings to its members. During any crisis, the members can use their saving without any restriction. Many borrowers do not withdraw their savings to use it as capital in future. The savings products are:

- i. Savings Fund
- ii. Special Savings
- iii. Savings Account
- iv. Family Savings

On 31st December, 2016, the total no. of retained savers and amount of savings are respectively 1,15,158 and Tk.652.87(m). The No. of savers and their savings are shown by savings size in the table 6 below:

Table 6: Distribution of Savers as of 31 December 2015 by size and amount

Savings size	Number	Amount (m. Tk.)
Upto 2,000	55,370	87.19
2001 - 5,000	34,574	130.47
5001 - 10,000	10,311	128.17
10001 - 20,000	8,402	144.11
Above 20,000	6,501	162.93
Total	115,158	652.87

ii) *Credit*

The total No. of retained borrowers and amount of loan disbursed on 31 December, 2016 are respectively 102,312 and Tk. 2,806.23 (m). The no. of loans and size are shown in Table-7.

Table 7: Distribution of loan disbursed in 2016 by size, number and amount

Loan Size (in Tk)	Number	Amount (m.Tk.)
Up to 10,000	18,712	173.15
10001 - 30000	71,946	1,654.88
30001 - 50000	6,987	288.17
50001 - 100000	2,359	284.10
100001 - 300000	2,205	379.22
Above 300000	103	26.74
Total	1,02,312	2,806.23

9.1.5 Growth of Members and Savings

Table 8 below shows the growth trend of members and savings during 2012-16. It also shows trend of geographical expansion of the organization. 27,425 new members joined the group in 2016. On the other hand, 25,620 inactive members were excluded during the year. As a result the net increase in the membership in 2016 is 1,805.

Table 8: Growth of members and savings during 2012-16

Sl. #	Component	2012	2013	2014	2015	2016
1.	Member (by year)	9,360	12,202	1,906	2,933	1,805
2.	Member (cum.)	96,312	1,08,514	1,10,420	1,13,353	1,15,158
3.	Borrower (net)	72,806	82,515	88,100	86,813	90,213
4.	Group (cum.)	22,072	24,808	26,902	27,747	28,324
5.	Centre (cum.)	4,284	5,140	5,243	5,586	5,761
6.	Branch (cum.)	75	75	75	80	85
7.	Union (cum.)	325	408	411	413	419
8.	Upazila (cum.)	85	89	97	98	104
9.	District (cum.)	10	13	13	14	15
10.	Savings (by year)*	37.35	32.67	45.59	47.65	89.30
11.	Savings (cum.)*	392.66	425.33	515.92	563.57	652.87
12.	Average Savings (cum.)	4,076	3,920	4,672	5,154	5,814

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

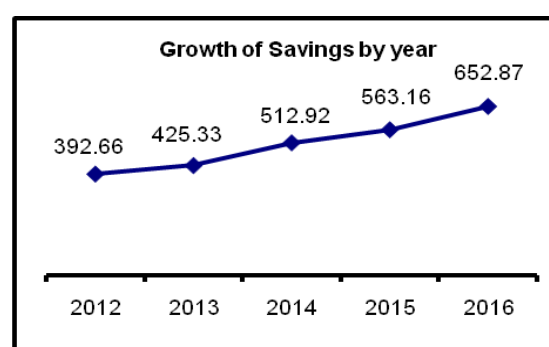
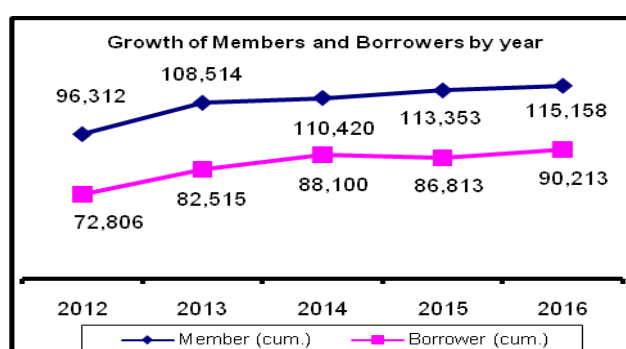
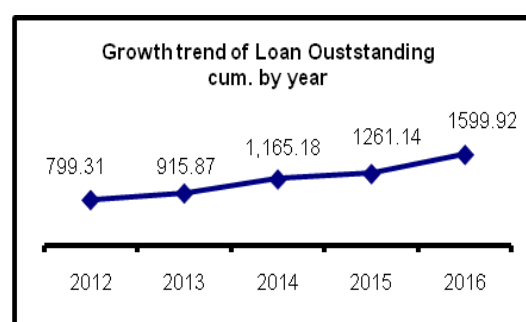
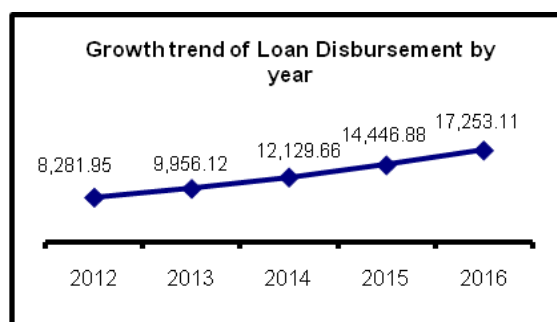


Table 9 below shows the growth trend and status of loan operations during 2012-16.

Table 9: Growth and status of loan operations during 2012-16

Sl. #	Component	2012	2013	2014	2015	2016
1.	No of loans (by year)	77,560	83,826	91,910	1,01,464	1,02,312
2.	No of loans (cum.)	793,300	877,126	9,69,036	10,70,500	11,82,792
3.	Borrower (net)	72,806	82,515	88,100	86,813	90,213
4.	Loan disbursed (by year)*	1,476.90	1,674.17	2,173.54	2,317.22	2,806.23
5.	Loan disbursed (cum.)*	8,281.95	9,956.12	12,129.66	14,446.88	17,253.11
6.	Loan due (by year)*	1,350.6	1,536.74	1,622.53	1,696.33	11,941.81
7.	Loan due (cum.)*	7,540.11	9,076.85	10,699.38	12,395.71	14,339.52
8.	Loan realized (by year)*	1,337.04	1,557.61	1,924.23	2,221.26	2,467.45
9.	Loan realized (cum.)*	7,482.64	9,040.25	10,964.48	13,185.74	15,653.19
10.	Outstanding increase (by yr.)*	139.86	116.56	249.31	95.96	338.78
11.	Loan outstanding (cum.)*	799.31	915.87	1,165.18	1,261.14	1,599.92
12.	Loan overdue*	50.7	45.86	58.00	64.52	68.01
13.	Portfolio at risk >30 days*	3.02	4.72	4.58	4.98	4.91
14.	Average loan size (4/3)	20,285	20,289	25,144	26,212	31,110
15.	Average outstanding (cum.) (11/3)	10,978	11,099	13,226	14,527	17,737
16.	Rate of repayment (by year)	99.54%	99.58%	99.95%	99.65%	99.72%
17.	Rate of repayment (cum.)	99.39%	99.58%	99.95%	99.65%	99.72%

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



9.1.6 Branch Expansion

With a view to expand operation of the organization and extend integrated services to more poor families, IDF gradually opens new branches in the remote and comparatively un-served areas. In 2016, IDF opened 5 new branches under micro finance program. Under solar program seven smaller branched were marched with nearest branched to save operational cost.

Table 10: Branch Expansion in 2016

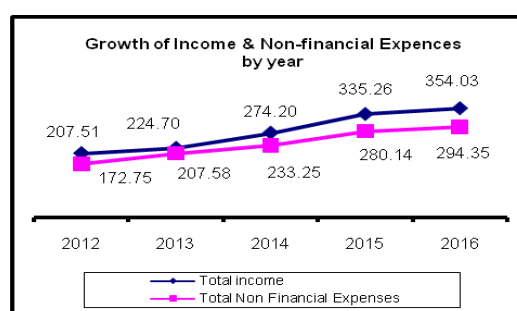
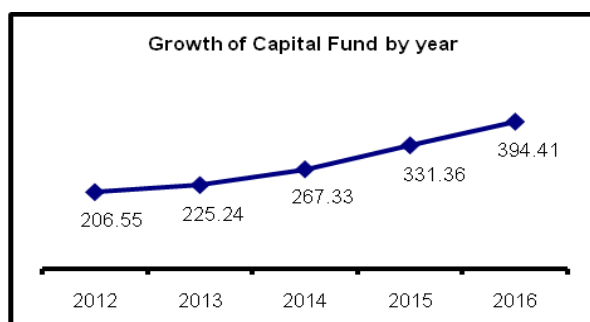
Number of branch under Micro finance Program			Number of branch under Solar Program		
Upto 2015	In 2016	Total	Upto 2015	In 2016	Total
80	05	85	102	(-7)	95

Table 11 below shows the trend of financial growth of the organization for 2012-16.

Table 11: Financial Growth for 2012-16

(Million in Taka)

Particulars	2012	2013	2014	2015	2016
A. CAPITAL FUND					
01 Capital Fund / Equity (cum.)	206.55	225.24	267.33	331.36	394.41
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	7.50%	7%	7%	7%	7%
D. INCOME					
04 Service Charge	193.28	210.37	251.33	322.37	345.11
05 Other income	14.23	14.33	22.87	12.89	8.92
06 Total income	207.51	224.70	274.20	335.26	354.03
E. NON-FINANCIAL EXPENSES					
07 General Operating Expenses (Salaries, rents, utilities, cost of fund etc.)	158.79	191.85	221.38	259.30	280.23
08 Depreciation on fixed assets	2.11	2.42	2.65	3.10	2.74
09 Loan loss provision expense	11.85	13.31	9.22	17.75	11.38
10 Total Non Financial Expenses	172.75	207.58	233.25	280.14	294.35
F. ADJUSTED FINANCIAL EXPENSES					
11 Adjusted Financial Expenses (Line-1 multiplied by line-3)	15.49	15.77	18.72	23.20	27.61
12 Total Expenses (Line-10 plus line-11)	188.25	223.35	251.97	303.4	321.96
13 Operational Self Sufficiency (OSS) (Line-6 divided by line-10)	120.12%	108.25%	117.56%	119.68	120.27
14 Financial Self Sufficiency (FSS) (Line-6 divided by line-12)	110.23%	100.61%	108.83%	110.58	109.96



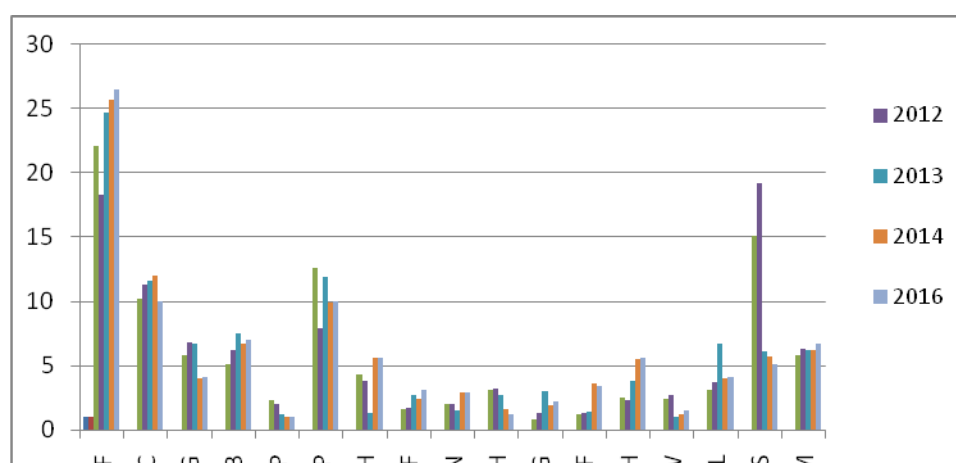
9.1.7 Loan by purpose

IDF clients receives loan for various purposes. Most of them are related to agricultural activities, animal husbandry, poultry, gardening and micro-enterprise businesses. Growth of loan amount by purpose during 2012-2016 is shown in Table 12.

Table 12: Growth of loan amount during 2012-2016 by purposes

(Figures in percent)

Sl. #	Purpose	2012	2013	2014	2015	2016
01.	Farming	23.4	24.72	25.72	24.50	26.53
02.	Cow rearing	12.2	11.6	12.01	11.95	10.01
03.	Goat rearing	7.75	6.72	4.00	4.02	4.09
04.	Fruit gardening	8.6	7.47	6.74	6.95	6.98
05.	Pig rearing	4.4	1.22	1.00	.99	1.00
06.	Poultry	11.7	11.88	9.89	10.01	10.04
07.	Home gardening	4.4	1.31	5.59	5.65	5.61
08.	Local transport	2.5	2.66	2.42	3.02	3.07
09.	Nursery	1.1	1.51	2.92	2.91	2.92
10.	Handicrafts	3.2	2.74	1.64	1.36	1.21
11.	Garments/tailoring	0.75	2.98	1.86	2.02	2.18
12.	Fisheries	1.2	1.42	3.59	3.61	3.37
13.	Housing	3.2	3.82	5.52	5.41	5.55
14.	Water sanitation	2.5	0.98	1.15	1.20	1.51
15.	Beef fattening	4.5	6.7	4.05	4.01	4.09
16.	Small business	3.4	6.09	5.70	5.85	5.12
17.	Micro enterprise	5.2	6.18	6.20	6.54	6.72
Total		100.00	100.00	100.00	100	100.00



9.2 Renewable Energy Program (Solar Home System)

IDF started Solar Home System Program with the assistance of Infrastructure Development Company Limited (IDCOL), a government owned company in 2003. The main purpose of this program was to provide electricity to the rural and remote areas where people do not

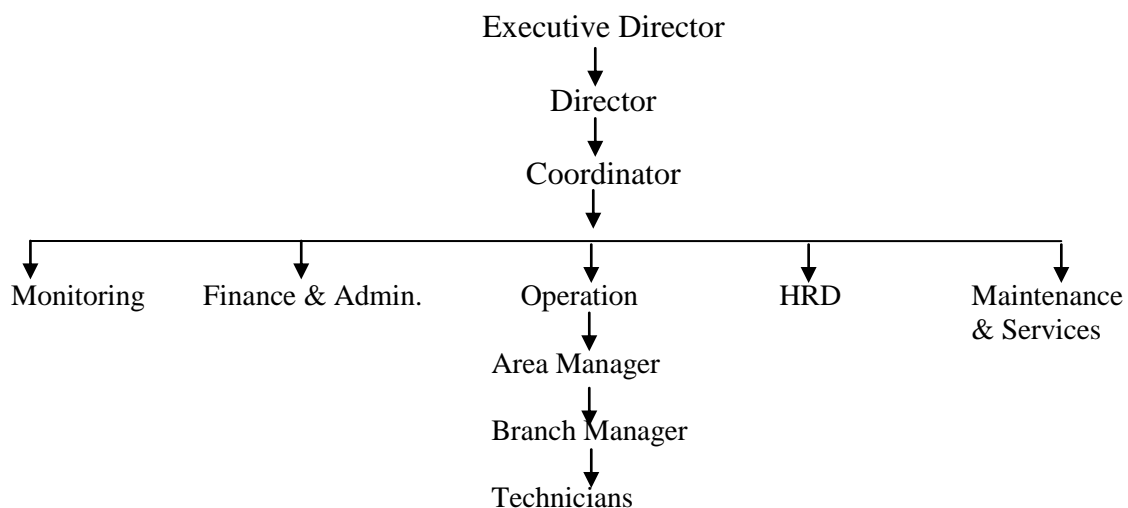
have access to grid power. IDF provides medium and long-term credit facility to the families living in non-grid areas to procure these systems. IDF with three other partners established a 100kw mini solar plant in Shandwip, an isolated island of Chittagong district with the assistance of IDCOL.

IDF has established a separate management team for maintaining quality of service as well as operations of solar program. It has also a separate coordination office from where the whole operation is managed. It has also separate area office, branch office and employees for this program. There is a strong monitoring and evaluation mechanism in IDF’s solar program. The recovery rate of loan in the solar program is 99.23%.

An efficient servicing facilities system is developed to support the clients. Efficient services to clients are ensured in two ways through following mechanisms:

- Through technicians at the field level.
- Customers training on the use of SHS.
- Local Service Unit
- Customer Care Service Centre (call centre)

Structure of Renewable Energy Program



Solar Mini grid: As at December, 2016, IDF established 24 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 Chittagong 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: Charge controller and mobile charger are important tools of solar home system. IDF established a manufacturing unit to produce mobile charger and charge controller to ensure quality services to the customers.

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.

Customer Care Service: In order to provide efficient service and develop a close relationship with customers, IDF has established “Customer Care Centre” in the Coordination Office. The main objectives of the centre is to contact with the customers over phone on a regular basis in order to ensure quality service to the customers. About 200 customers are covered in one day and thus in one week a total of 1200 customers are covered. The results of this centre are very encouraging.

Improved Transport System: In 2015, IDF started to provide e-bike to its staff members in order to improve the mobility, efficiency and thereby productivity. All staff members will gradually receive e-bikes for their field work at affordable costs.

Area Coverage: IDF solar program is in operation in 20 districts. These are in Chittagong, Sylhet, Dhaka and Rajshahi divisions. IDCOL is the main source of fund of IDF SHS Program. The details of loans and grants received from IDCOL are shown in Table 13.

Table 13: Fund available in 2016

Particulars	2016	Cumulative (Tk.)
Grants Received (Tk.)	1,30,55,668	9,11,12,656
Loan Received (Tk.)	7,63,26,120	77,19,43,035
Loan Repaid (Tk.)	11,57,67,096	32,02,22,945
Loan Outstanding (Tk.)	-	45,17,20,090

Progress: As of December 2016, IDF solar program installed a total of 81,447 solar home systems. The total loan disbursed for these systems is Tk. 1391.13 m. The details are shown in Table 14.

Table 14: Progress of Solar Home System Program in 2016

Particulars	Upto 2015	In 2016	Cumulative (Tk.)
System installed (No.)	70167	11280	81,447
Loan disbursed (m)	1266.9	124.13	1391.13
Loan repaid (m)	964.3	172.8	1137.03
Loan outstanding (m)	302.6	-48.55	254.05
Repayment rate	99.23	99.23	99.23
Stock (Panel and others)	243.08	106.14	136.94
Fixed deposit DSR account (m)	99.53	108.77	208.30

9.3 Health, Water and Sanitation

In order to provide health services, sanitation and safe water to Hill Tracts people, IDF started this program in 1995 with the assistance of Sida in Chittagong Hill Tracts 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.

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 respective Area Managers or Branch Managers depending on the place of posting.

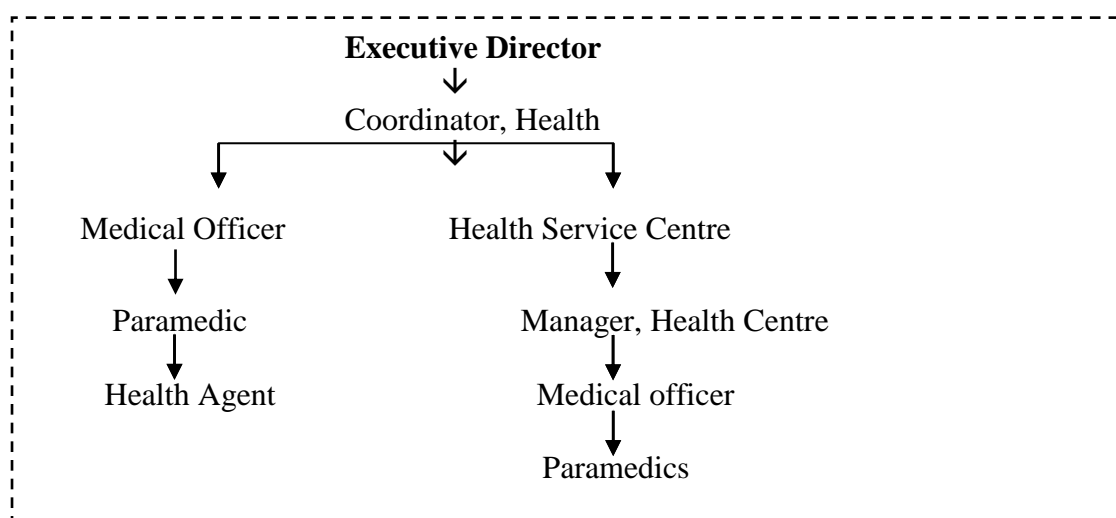
IDF is piloting a scheme to see how full health support including doctor’s check up, and full medicines costs could be provided to the members and their family members with the existing premium.

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 members and their family members.

Paramedics Service: Currently 45 well-trained paramedics are working at different in order to ensure quality counselling & treatment facilities to IDF customers. Paramedics get all support from Area & Branch Managers. All centres have elected health agents who got training on primary health care. Health agents work in her area under the guidance of paramedics and medical officers.



IDF operates 170 satellite and 2 regular health centres. People get free regular paramedic service and MBBS doctor’s service once a week. In health centre the members and their dependents get regular free doctor service, free medicine and some basic tests. Members get cash money to buy health services where IDF does not have health center.

A large number of patients received health service from IDF health program in 2016. Table 15 below shows the number of patients served by health centres and paramedics in 2016.

Table 15: Number of patients received health services by Health Centre in 2016

Name of Health Centre	No. of patients
Health Centre -1	2,593
Health Centre-2	1,480
Satellite clinics	87,347
Total	91,420

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 2016.

Table 16 : Patients served through different camps in 2016 and other activities

Type of Camp	No. of program	No. of patients received health service
Eye Camp	4	3,487
Health Camp	12	3,687
Static Camp	2,150	32,250
Total	2,166	39,424

Name of Services	Number		
	Up to 2015	In 2016	Up to 2016
Health Education	9,281	2,150	11,431
Staffs/Health agents training	61	2,016	2,077
No. of Participants	24,327	25,800	50,127

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 meeting and workshops were made with group members and field staff for about a year and finally came up with the idea of forming on “Emergency Fund” to address this issue.

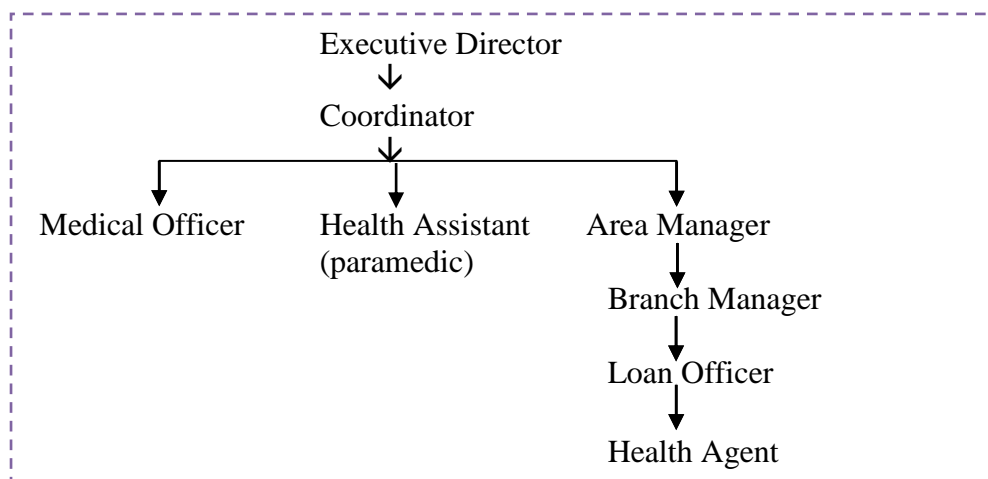
“EMERGENCY FUND” was finally created with joint contribution of IDF and group members in 1997. The main purpose of this fund was to support group members and their families in case of sickness or death. This program was finally launched in October 1997. IDF later created “Risk Fund” for damages or losses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

9.4.2 Methodology

IDF uses its branch and the network of health program to implement its Emergency fund/micro-insurance program. IDF reaches its clients through its branches. One paramedic/health worker provides services to 2 branches on an average. Paramedics also assess the application for insurance claims and supervise the disbursement of claims.

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

Diagram: Institutional Structure



In case of any claim for sickness, death or disaster of activity damage the client 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 the case by the approving authority. In case of activity damage, the total claims are paid in one installment after the approval of the case by the case by the approving authority.

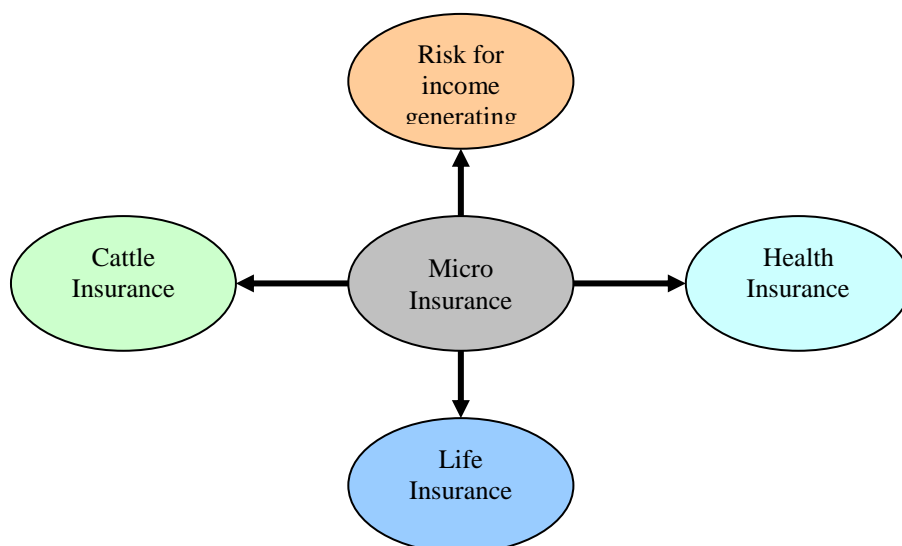
9.4.3 Components

IDF micro insurance scheme has 4 components.

These are:

- i) Health;
- ii) Death (Life);
- iii) Risk Insurance (Damage/loss of activities) and
- iv) Cattle.

Diagram: Components of Insurance Scheme



a) Health and Death Insurance

In 2014, IDF has brought some changes in line with PKSf insurance schemes. Accordingly, some revisions on premiums and coverage are made. These details are presented below:

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.

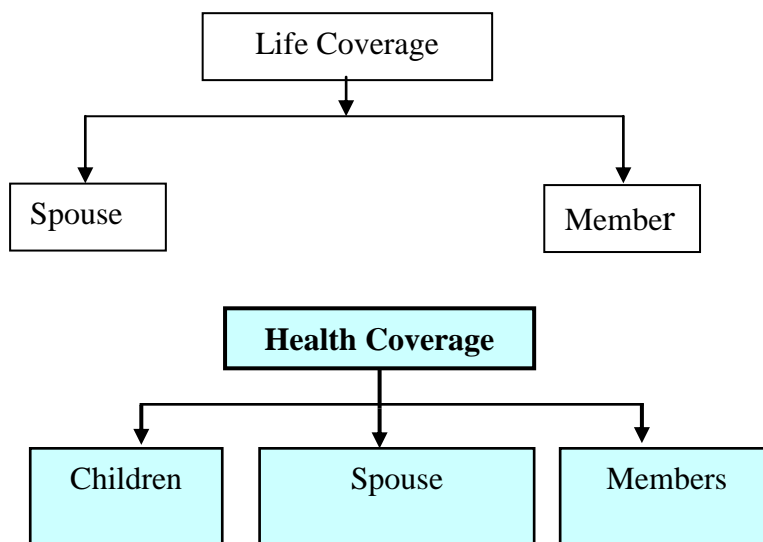
1.2 Coverage: The spouse and children are insured under this scheme. A maximum amount of Tk.2,000 is paid for the treatment in each case. In case of hospitalization, the claim is estimated on the basis of expenses of public hospital. IDF medical officer examines each case before the approval.

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: In case of the death of a member or spouse, the entire outstanding loan amount is paid and the deceased family immediately gets Tk.5,000 for funeral.

Diagram: Coverage



b) Risk Insurance

Premium: The member pays 0.4% of the loan money as premium to cover risks 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 will be increased 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 17: Claims by member and payments up to December 2016.

Component	No. of claims met	Amount paid in BDT (m)
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	Up to 2015	In 2016	Up to 2016	Up to 2015	In 2016	Up to 2016
Health Insurance	59,764	11,177	70,941	42.25	5.38	47.63
Life Insurance	8,851	426	9,277	34.97	8.75	43.72
Risk Insurance/ Cattle	271	29	300	2.56	0.56	3.12
Total	68,881	11,582	80,518	79.78	14.69	94.47

9.5 Eye Care

Facilities for eye care are scarce in rural area though eye problem is very common there. The people of Chittagong Hill Tracts are more vulnerable in eye health. IDF initiated this component through eye camps in collaboration with Lions Club of Chittagong 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 (Chittagong 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 2016 are shown in table 18.

Table 18: Eye related services and activities in 2016

Name of Services	Number		
	Up to 2015	In 2016	Up to 2016
1. Operation	99	11	110
2. Treatment	959	3,148	4,107
3. Refractive error treatment	403	2,005	2,408
4. Eye camp	6	4	10

9.6 Child Labour and Non-formal Education

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.

IDF runs two types of education centres. In one type, education is provided up to class II level. Free education materials including books and writing materials are provided to the students. In other type, tuition services are provided to the students to prepare school lessons for the following day.

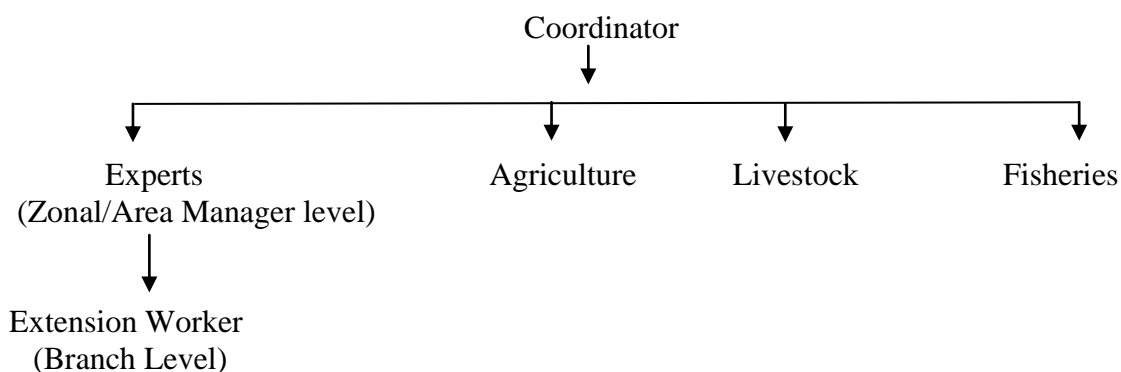
The present status of the program is shown in Table 19.

Table 19: Status of Non-formal Education in 2016

Components	As at Dec. 2016
No. of Centre	112
No. of Students	2,860
No. of Teacher	112
No. of Supervisor	4

9.7 Agriculture, Livestock & Fisheries

Agriculture, Livestock and Fisheries are the major areas of income generating activities of IDF group members. Chittagong 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 vegetable, 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 2016 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 with demonstration farm are remarkable activities in 2016.

Present Status

The present status and the progress in 2016 are as follows:

i) Central Nursery	-	1
ii) Office Nursery	-	2
iii) Village Model Farm	-	185
iv) Home gardening	-	426

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 2016. These are mainly on goat rearing, layer rearing, beef fattening, Red Chittagong Cattle (breeding, rearing and fattening), vermi-compost production, poultry birds rearing, animal health, vaccination etc. The details activities completed in 2016 are as follows:

Demonstration

Sl. No.	Activities	No. of Demonstration	No. of beneficiaries
1	Goat rearing	102	102
2	Dairy cows	43	43
3	Layer rearing	45	45
4	Quail rearing	18	18
5	Buck centre	34	34
6	Beef fattening	19	19
7	Vermi-compost	289	289

Activities in 2016

- Vermi-compost plant - 70
- Demonstration farm (Capicum) - 2
- Demonstration farm (Zinc rich) - 1
- Organized 02 training on rice cultivation for 50 farmers.
- Organized 07 training on vegetable cultivation for 175 farmers.
- 1200 persons received agriculture advice through Agriculture advice centre..
- 5,800 persons received agriculture advice through Agriculture Advice Centres.
- Organized 5 exchange visits for 250 farmers to see application of Agriculture Technology Transfer for 250 farmers.
- Conducted 1 knowledge workshops for staffs.
- Supported 150 farmers to establish improved homestead gardening and 4 farmers to establish nursery.
- Distributed 1,500 medicinal plants, 450kg turmeric and 250kg ginger seed, 1000 forest plants and 600 fruit seedlings in 2016.

Training:

Sl. No.	Description	No. of Training	Participants
1	Goat rearing	4	100
2	Dairy cows	3	75
3	Layer rearing	2	50
4	Broiler rearing	2	50
5	Vermi-compost production	9	180

- i) **Black Bengal Goat:** Black Bengal goat is a local breed. In 2016, IDF provided Tk.10.0 million loan to 600 farmers for 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 Chittagong Cattle (RCC):** IDF has started a research project on the ‘Preservation, Development and Expansion of Red Chittagong 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 Chittagong cattle are one of the renowned 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 Chittagong 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:

Special features of RCC

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 this variety;
- 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 milk in the country.
- Create a quality parent stock.
- 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 25 Red Chittagong Cattle.
- Cultivated improved Napier grass in 2 acres of land.
- Established 2 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 Chittagong.
- Provided training to 125 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 2016.

1. Conducted 4 training for transfer modern production technology of carp-mola, carp-shrimp, carp-telapia poly culture to 100 farmers.
2. 25 farmers established 20 demonstration of carp-telapia poly culture
3. 5 customers established 5 demonstrations of Carp-Shing-Magur-Tangra poly culture
4. 6 customers established 6 demonstration of Vietnam koi monoculture.

9.7.4 Halda Project

Integrated Development Foundation (IDF) has been implementing this value chain 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) since last 2 years.

The 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 national fish 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. Because of pollution, constructions of sluice gates in the branch rivers and rubber dam and hunting mother fishes, the quality of eggs released in the river by mother fishes gradually reduced to an alarming situation. In the last year, only about 12 Kgs of egg were collected from Halda by the Eggs Collector. Many 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 Puntti (*Puntius sp*), Kuichcha (*Monopterusuchia*), Rata Borua (*Moringua raitaborua*) etc. are important.

Today as the nation's and possibly south Asian's major natural breeding ground for Indian major carps is in threat to destruction because of natural disasters and 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, using excessive toxic insecticide in cultivation lands near to river bank, tobacco farming upstream area of the river etc. are mostly significant.

In 1945, around 5,000 kg fertilized eggs of major carps were laid in 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 “Conservation of Natural Breeding Ground of Fishes and Development Project in the Halda River” in order to conduct various conservational endeavors and development activities. Within the conservational endeavors- patrolling around the sanctuary announced area of the river during spawning time, tree plantation on the both sides of riverbank, conducting research on protecting natural environment of the river, arranging workshops for increasing public awareness, creating alternative livelihood of egg collectors. Through involving them in-sustainable income generating activities, increasing capability of 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 with 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 Chittagong District.

Targeted Population of the Project: 3,750

Activities of Value Chain Project

1. Training on production of carp fish fries from fertilized spawn by using modern technology and hatchery management practice.
2. Training on modern egg collecting technique, hatching of fish fries in mud-made scoop and conducting various income-generating activities of egg collectors and fishermen during off season.
3. Training on culture practice of Halda River's carp fish by using advanced technology.

4. Training on using sex pheromone trap and organic pesticide instead of toxic insecticide on the agricultural land of farmer and fishermen who live in adjacent area of the Halda River and creating fish friendly environment.
5. Training on water navigation and fishery legislation to maintain fish friendly environment in the Halda River.
6. Introducing improve technology for production of fingerlings of the Halda River and making exhibition plot.
7. Making exhibition plot of improve hatching technique of fish fries in mud-made scoop among local entrepreneurs.
8. Making exhibition plot of sex pheromone trap as an alternative of insecticide, bio-pesticide, and vermi-compost.
9. Taking initiatives to release carp fish fries and expanding it other areas through IDF.
10. Exchange Visit of hatchery owners and fish cultivators of other places of the country to observe the Halda brood fishes and fish fries production from the Halda stock for aiming to expand fish production.
11. Undertake tree plantation program for protection of the river bank and biodiversity.
12. Patrolling in the area of sanctuary area through local people.
13. Organizing workshops, seminars, expert and technical and advisory committee meetings to review the project progress of project activities.
14. Celebration of fish week festival and participating in fish fair, making during spawning time, signboard installation, distribution of leaflets and publishing report.
15. Survey of pre and post status of Halda.
16. Explore alternative crops of Tobacco along the banks of upper part of Halda.

9.7.5 Integrated Farm

Integrated Farm in Matiranga of Kharachari 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 2016 is presented in Table 20.

Table 20: Status of Integrated Farm in 2016

Sl. No	Description	Up to 2015	In 2016	Total
Agriculture activities				
1	Fruit Trees	8,300	520	8,820
2	Forest/Wooden Trees	1,900	500	2,400
3	Herbal Trees	1,632	50	1,682
4	Various spices Trees	900	200	1,100

5	Home Garden	1	1	2
6	Nursery	1	-	1
7	Agriculture Training Centre	1	-	1
Fisheries				
1	Fish Farm in small lake	6 acres	1 acres	7 acres
2	Fishery Ponds	2	-	2
Live stock				
1	RCC	12	4	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)

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, 2016, IDF has installed 1,193 ICS which makes a total of 6,752 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 9 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 Chittagong Hill Tracts in 2015 where they will receive lessons on financial education with practical demonstration on various income generating activities.

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. Currently members and their spouses are participating in this training. In 2016, IDF organized 8 EDBM training at 8 branches and a total of 233 participants participated. The details on EDBM training are shown below in Table 21.

Table 21: Members received EDBM training in 2016

Upto 2015	In 2016	Total
3,416	233	3,649

9.10.2 Business Sharing Meeting

Business sharing training/meeting is another important activity of Micro Enterprise department through which members of small entrepreneurs gets opportunity to share their problems prospects and experiences of their projects with others. In 2016, IDF organized a couple of business sharing meeting at branch level.

Table 22: Members received knowledge from Business sharing meeting

Upto 2015	In 2016	Total
124	170	294

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. IDF is expecting to extend soft loan to 300 members in 2017 with the help of “Grihayan Tahabil” of the Government.

The status of Housing Program under Grihayan Tahabil is shown Table 23.

Table 23: Status of Housing Program under Grihayan Tahabil

1.	No. of houses (no.)	300
2.	Total amount disbursed (Tk.)	60,00,000
3.	Total amount repaid (Tk.)	60,00,000
4.	Total amount outstanding (Tk.)	-

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

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

In 2016, IDF provided Tk. 8,78,000 to 320 students. The details are shown in Table 24-26.

Table 24: 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 25: 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 26: Year wise scholarship 2005-2016

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
Total	2694		60,36,900

9.13 Automation

At the end of 2016, IDF started to move from station based software to web-based software with the help of Data soft company. All the IT staff including Branch Managers, Area Managers and Zonal Managers were given training on web-based system. Migration of all branches from station based to web- based system is completed in December 2016.

9.14 Enrich Programme

IDF has started this project in June 2012 with the financial assistance of PKSF. Shoalok union (Bandarban) satkania (Chittagong) were included in this project in 2015. 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 27.

Table 27: Achievements of the enrich projects

Sl. no.	Description	Number			Comments
		Wagga	Shoalok	Satkania	
1	Establishment of afternoon session school	25	25	34	Running
2	Student	447	675	640	Regular
3	Establishment of Deep Tuebwel	4	2	1	Good condition
4	Sanitary latrin distribution	30	25	25	Running
5	Sanitary slab distribution	1335	100	200	Running
6	Bridge/culvert	20	05	05	Good condition
7	Seed distribution (families)	2,000	1,000	1,200	Running
8	Disbursement of small loan (million)	Tk.5.0	Tk.2.3	Tk.2.4	Running
10	Health assistant	9	9	12	Running
11	Health service received	8,500	7,600	10,500	Running
12	Rehabilitation of Beggar	10	3	2	Running
13	Establishment of Enrich centre	9	9	8	-
14	Establishedment of Enrich house	10	1	2	-

Begger Rehabilitation

In 2014-15, 10 beggars were rehabilitated in Wagga union 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.

9.15 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 2016 are as follows:

- i) Trained Branch Manager, Field organizer and IT staffs of 44 branches;
- ii) 23,744 members have opened mobile banking account and some of them have started transactions using this account;
- iii) 4 branches (Bahadarhat, Mariumnagar and Uttar khan) have started financial transactions including loan disbursement and instalment collection on experimental basis.

9.16 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.

9.17 Environment

The southern part of the country is covered with semi to deep forests. Chittagong and the Chittagong 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 Chittagong Hill Tracts and Chittagong 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 Chittagong 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.

9.18 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.

9.19 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 firm 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.

10.0 MANPOWER

The total manpower of IDF in various programs and projects as of December 2016 is 1,261. The total manpower is shown by programs/projects and sex in table 28 below.

Table 28: Distribution of staff by program and sex in 2016

Name of Program		No. of Staff		
		Male	Female	Total
1	Micro Finance	536	64	600
2	Renewable Energy	429	4	433
3	Health, Sanitation and water	48	6	54
4	Education programs	1	13	14
5	Agriculture, Livestock and Fisheries	21	2	23
6	Enrich Programme	8	114	122
7	Improve Cook Stove (ICS)	15	-	15
Total		1,058	203	1,261

Table 28.1: 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	-	2
8	Assistant Coordinator	1	1	2
9	Program Manager	7	-	7
10	Consultant	5	-	5
11	Senior Program Organizer	20	4	24
12	Program Organizer	59	5	64
13	Deputy Program Organizer	15	1	16
14	Assistant Program Organizer	39	12	51
15	Senior Field Organizer	107	23	130
16	Field Organizer	205	12	217
17	Assistant Field Organizer/office assistant	3	1	4
18	Trainee Program Organizer	13	1	14
19	Trainee Senior Field Organizer	16	2	18
20	Trainee Field Organizer	19	-	19
21	Receptionist	-	2	2
22	Messenger	4	-	4
23	Security Guard	3	-	3
24	Driver	8	-	8
Total		536	64	600

Table 28.2: Manpower of Solar Home System by position and sex in 2016

Sl. No.	Designation	No. of Staff		
		Male	Female	Total
1	Director	-	1	1
2	Coordinator	1	-	1
3	Senior Manager	6	-	6
4	Manager	5	-	5
5	Assistant Manager-01	7	3	10
6	Assistant Manager/ Sub-assistant Eng.	47	-	47
7	Senior Field Supervisor	8	-	8
8	Senior Solar Technician	252	-	252
9	Solar Technician	98	-	98
10	Driver	3	-	3
11	Messenger	2	-	2
Sub Total		429	4	433

Table 28.3: 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	45	-	45
5	Receptionist	1	1	2
7	Service Staff	1	1	2
Total		48	6	54

Table 28.4: 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	-	1	1
3	Teacher	-	12	12
Sub Total		1	13	14

Table 28.5: Manpower of Agriculture, Livestock and Fisheries by position and sex

Sl. No.	Designation	No. of Staff		
		Male	Female	Total
1	Project Coordinator	1	-	1
2	Senior Program Organizer(Agri)	1	-	1
3	Senior Program Organizer(Livestock)	1	-	1
4	Senior Program Organizer(Fisheries)	-	1	1
5	Assistant Agriculturist	2	-	2
6	Field Organizer/Senior Field Organizer/Agriculture worker	15	-	15
7	Farm Manager	1	-	1
8	Worker	-	1	1
Sub Total		21	2	23

Table 28.6: Manpower of Enrich Project (PKSF) by position and sex

Sl. No.	Designation	No. of Staff		
		Male	Female	Total
1	Coordinator	3	-	3
2	Agriculture Officer	1	-	1
3	Health Assistant	2	-	2
4	Health Worker	-	27	27
5	Social Development Worker	-	3	3
6	Teacher	2	82	84
7	Computer Data Entry Operator	-	2	2
Sub Total		8	114	122

Table 28.7: 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	4	-	4
4	ICS Worker	9	-	9
Sub Total		15	-	15

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 2016 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 153 new staff member of different positions were recruited and provided pre-service training in 2016.

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.

In 2016, a total of 368 staff member were attended in various types of internal training organized by human resources department of the organization.

11.2.2 Outside Training in 2016

IDF staff members received training on various aspects in 2016. Table below shows the details of outside training received by the IDF staff members and Beneficiaries.

Table 29: Outside Training

Sl. No.	Name of Training	No.		
		Managements staff (PO & above)	Field staff (DPO & below)	Total
1	Financial Product Design and Product Diversification.	1	-	1
2	Monitoring & Supervision	6	-	6
3	Strategic Planning for NGO And MFI	1	-	1
4	Training of Trainer (TOT)	1	-	1
5	Accounts & Financial Management	2	2	4
6	Group Dynamics savings & Micro credit Management	3	2	5
7	Micro-Enterprise(ME), small & Medium Enterprise Operation and Management	-	6	6
8	Microfinance training on accountant/coordinator/zonal & branch manager	1	-	1
9	Improved production technology of flower in Bangladesh	-	1	1
10	Integrated Pest and diseases Management of Crops	1	-	1
11	Seed Production technology through Maria Model	1	-	1
12	Year round fruits and vegetables production on the homestead	1	-	1
13	Microfinance Operation & Management	-	2	2
	Total	18	13	31

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 2016.

12.1. Annual General Meeting in 2016

Meetings	Date	Venue
22 nd AGM	22/6/2016	IDF Agriculture Training Cetnre, Matiranga, Khargachari

12.2 Governing Body Meeting in 2016

Meetings No.	Date	Venue
94th GBM	27/03/2016	IDF Head Office
95th GBM	20/05/2016	IDF Head Office
96th GBM	22/07/2016	IDF Head Office
97th GBM	06/10/2016	Hotel Sea World, Cox's Bazar
98 th GBM	02/12/2016	IDF Head Office

12.3 Exposure visit for IDF staff member to Nepal

IDF organized an exposure visit of its 8 senior staff member in Nepal from May 22-29, 2016. 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 Dhaulagiri Community Resource Development Center (DCRDC), Baglung. 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 organizes visits to Grameen Bank, BRAC, ASA and other organizations as per need of the visiting organizations.

In 2016, IDF organized 8 exposure visits for 64 participants of different MFIs from Nepal. The list of the organizations are as follows:

Sl. No.	Name of organization	Country	No. of participants
1	CSD (Centre for Self-help Development)	Nepal	2
2	RMDC (Rural Micro-finance Development Centre Ltd.)	Nepal	2
3	SLISHA	Nepal	4
4	SAHARA NEPAL	Nepal	10
5	Jeevan Bikas Samaj	Nepal	12
6	United Youth Community (UNYC)	Nepal	11
7	MANUSHI	Nepal	2
8	Shrijana Community Development Centre	Nepal	2
9	Rural Woman Development Centre (RWDC)	Nepal	3
10	Udaydev Cooperative Ltd.	Nepal	2
11	Solve	Nepal	2
12	Mohila Sahayata Microfinance Bittiya Sangtha	Nepal	2
13	Mohila Samudayik Laghubitta	Nepal	2
14	Moohila Upkar Monch	Nepal	4
15	SCDC	Nepal	2
16	Udaydev Cooperative Ltd.	Nepal	2
Total			64

12.5 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 Chittagong 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 30: 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 2016-17 is attached Annex-3.

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 Chittagong. 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 2016, all 85 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 Khan Wahab Shafique Rahman & 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 2015-16 is given in annex-4.