



## OVERVIEW OF NGOS AND CIVIL SOCIETY

# BANGLADESH

## Country Context

Bangladesh is located in South Asia, enclosed to the west, north, and east by India, to the southeast by Myanmar, and bordering the Bay of Bengal to the south. Bangladesh declared independence from the then West Pakistan in 1971 and became a republic after successfully fighting a liberation war. The capital is located at Dhaka.

Bangladesh is a parliamentary democracy presently operating under emergency law. The President is Iajuddin Ahmed, while Fakhruddin Ahmed (Chief Advisor) oversees the caretaker government, which has taken an aggressive stance against corruption. The caretaker government was appointed on 11 January 2007 to administer the next general election, which is planned for sometime in 2008 after voting lists have been updated.

The vast majority of the country's 150 million inhabitants are Muslim (overwhelmingly Sunni); most others are Hindu. Bangla is the official and majority language. Hindi and Urdu are minority languages, and English is also widely used. The population is largely rural and youthful, with 60% of the population 25 years old or younger. Bangladesh is one of the most crowded nations, and has an area of 144,000 square kilometers.

The rural economy is largely based on agriculture (crops, livestock, fisheries, forestry, etc.), and garment manufacturing, which is the largest urban-based (and second leading foreign exchange earning) sector. A healthy economic growth rate has helped lift the fortunes of many, but various challenges—including a fast-growing population, an inefficient energy

sector, infrastructure bottlenecks, and frequent natural disasters—pose obstacles to greater progress.

Bangladesh is a country of medium human development, ranked 140<sup>th</sup> in the United Nations 2007 Human Development Index. The adult illiteracy rate is 47.5%. Eighty-four percent of the population lives on less than \$2 per day. Life expectancy at birth is 63.1 years.

## Development of Bangladesh's Modern NGO Sector<sup>1</sup>

A series of natural disasters and political upheavals in Bangladesh during the 1940s and subsequent decades provided the impetus for the development of what is today one of the world's largest nongovernment organization (NGO) sectors. In 1943, a famine took more than 3 million lives, and in 1970, a typhoon killed more than 500,000.

After making his fortune in the coal trading business, Ranada Prasad Shaha built the Kumudini Hospital to offer free medical care and treatment to people from all walks of life, fulfilling its founder's childhood dream. In 1947, R.P. Shaha placed all his companies and businesses in a trust, with a view to use all their proceeds for public welfare. The Kumudini Welfare Trust began its operations in March that same year, offering free quality health care, and increasing access to education and employment opportunities for rural populations, especially women and girls.<sup>2</sup>

Between 1947 and 1970, village-based cooperatives were replaced with union-based multipurpose cooperative societies. During this period, some large cooperative

enterprises (such as the National Industrial Society, National Fishermen Society, Sugarcane Grower's Federation, and transport cooperatives) were established. In 1955, the State Bank began to make agricultural loans to cooperatives. The following year, the Bangladesh Academy for Rural Development (BARD) was established at Comilla<sup>3</sup> and the "Comilla Cooperative Model" was launched in 1959 on an experimental basis. Throughout the 1960s, the **Comilla Academy** provided the conceptual model for two decades of integrated rural development programs supported by major bilateral and multilateral development partners around the globe.

In 1971, the independence war resulted in about 3 million deaths and a similar number of refugees fleeing Bangladesh for India. In 1974, famine killed another 3 million. Floods and droughts destroyed, on average, 1.7 million tons of food crops per year in the 1970s, and 1.46 million tons per year throughout the 1980s. The civil society response to these events was phenomenal. In 1972, Fazle Hasan Abed founded the **Bangladesh Rural Advancement Committee** (now known as **BRAC**) to resettle returning refugees who had fled to India during the independence war.

Agricultural cooperatives and agri-development organizations formed a consultative group called the Agricultural Development Association of Bangladesh, which later transformed itself into the **Association of Development Agencies in Bangladesh (ADAB)**. Among the cooperatives operating in the country are the **Milk Producers' Cooperative Union, Cooperative Bank, and Didar Cooperative**.

Over time, NGOs increasingly shifted the thrust of their work toward social and economic development of vulnerable groups. Moving beyond relief and rehabilitation, new organizations emerged to undertake work in the delivery of services, particularly in the fields of health and education. In 1987, the **Association for Social Advancement (ASA)** was established to serve the less fortunate and in need. ASD played an important role in commercializing microfinance in the country.

NGO policy advocacy on various issues of citizen concern also become more common, including environmental conservation, gender equity, trafficking of women and children, good governance, and aid conditionality.<sup>4</sup>

## Domestic NGOs Today<sup>5</sup>

From relief and rehabilitation, microcredit loan programs, and education to strategies of water-treatment, NGOs have found a niche for themselves in the gap between society and state, seeking to promote the people's welfare through grassroots initiatives and development programs. In a country with large numbers underemployed and unemployed, NGOs also provide much-needed job opportunities, stimulating small enterprise development, and inspiring and equipping people from a traditionally agricultural society to pursue non-farm livelihoods. In short, NGOs play an indispensable role in partnering with international development partners to bring precious resources to the country during times of devastation, and implementing health education and literacy programs.

NGOs in Bangladesh are participating in grassroots legal reform to target and empower the most vulnerable portions of the population, in the hopes that such a reform will provide at least a satisfactory solution to disputes where none was previously available. Few countries have witnessed the dramatic growth of NGOs as much as Bangladesh, which currently has a total of 26,000 NGOs registered with the NGO Affairs Bureau (*see below*).

As a result of the legal vacuum in which vulnerable groups are unable to enforce their rights, NGOs in Bangladesh have taken on an increasingly broad role in addressing legal and political issues beyond their traditional focus, such as strengthening economic and social programs. Evidence of NGO participation in judicial and legal reform in Bangladesh is growing. On a local level, NGOs are partnering with bilateral aid agencies, such as the United States Agency for International Development to strengthen traditional dispute resolution and mediation procedures in rural villages, a technique used increasingly in developing countries where customary law still predominates.

NGOs, such as the **Bangladesh Environmental Lawyers Association (BELA)** and **Bangladesh Legal Aid and Services Trust (BLAST)**, are working to expand public interest litigation, in part by providing greater representation for poor people, and bringing them to light in both the public and private sectors. Additionally, public interest litigation work done by BLAST has resulted in victories in the Supreme Court of Bangladesh against the police for illegal detentions, abuse, and corruption.

Another marked trend over the past years has been NGOs acting as service providers, acting in effect as consulting firms.

The anticorruption group, **Transparency International-Bangladesh (TI-Bangladesh)**, published a study<sup>6</sup> in October 2007 highlighting problems in the NGO sector. The study was motivated by reports and complaints that some of the country's NGOs have moved away from the values of volunteerism and self-less service to the poor and needy. TI-Bangladesh also noted that there have been allegations that while NGO intervention has significantly helped in facilitating the uplift of the poor, it is only a relatively much lesser portion of the resources that reach the real target group.

Among the challenges confronting NGOs that are cited in the study are:

- lack of financial sustainability;
- shortage of efficient employees and high employee attrition;
- inadequate infrastructure;
- undue interference and control by the Government;
- lengthy process for releasing funds;
- low level of inter-sectoral cooperation;
- inadequate training and low level of true professionalism among employees, often aggravated by lack of job security;
- lack of information and relevant research;
- religious conservatism and militancy, and threat of terrorism;
- political pressure and political instability;
- unfavorable tax regime; and
- natural calamities.

The TI-Bangladesh study makes 23 specific recommendations for the NGO sector, Government, and development partners to strengthen the capabilities, regulatory environment, and integrity of NGOs.

## Leading Domestic NGOs

Following is a sampling of some of the largest homegrown NGOs in Bangladesh.

The **Bangladesh Rural Advancement Committee**, known as **BRAC**, is the largest NGO in Bangladesh and one of the largest in the world. BRAC was founded by Fazel Hasan Abed in 1972 to resettle refugees returning from India after the Pakistan–Bangladesh war. A year later, the organization turned to long-term poverty alleviation and empowerment of the poor, especially women. Today, BRAC works in health, education, and microfinance. It is active in 68,408 villages in all 64 districts of Bangladesh. It has 4.8 million group members, 4.2 million borrowers, and 31,000 single-room, one-teacher schools. Eighty per cent of BRAC's annual budget of \$235 million comes from its own enterprises, and 20% from external sources.<sup>7</sup>

**BRAC Centre**  
75 Mohakhali  
Dhaka-1212  
Bangladesh  
Tel +880 2 988 1265–1272  
Fax +880 2 882 3542, 882 3614  
brac@brac.net  
www.brac.net

**Bangladesh Women's Health Coalition (BWHC)**, a national NGO, was established in 1980 with the vision of "Equality of Women in a Just Civil Society." The organization aims to provide mothers with access to health care services and the information required to make informed choices. BWHC works in safe motherhood; child survival; family planning; management of unwanted pregnancy; prevention and control of sexually-transmitted diseases, including HIV/AIDS; counseling; awareness-raising; and adolescent family life education.

**BWHC**  
10/2 Iqbal Road, Mohammadpur  
Dhaka-1207  
Bangladesh  
GPO Box – 2295  
Tel +880 2 811 0974–0976  
Fax +880 2 811 7969  
bwhc@bdonline.com  
www.bwhc.org

**Dhaka Ahsania Mission (DAM)** is an NGO founded upon Islamic principles, working at the grassroots and national levels to focus on poverty alleviation and socio-economic empowerment of the poor, particularly women. Specifically, DAM's programs support human resource development through formal and nonformal basic and higher education; environmental preservation; drug use prevention and rehabilitation for drug users; prevention of human trafficking; and curative health services, including establishment of general and specialized hospitals, health clinics, maternity and child health centers, and homes for the elderly.

**DAM**  
House #19, Road #12 (new),  
Dhanmondi  
Dhaka-1209  
Bangladesh  
Tel +880 2 811 952 122, 912 3420  
Fax +880 2 811 3010, 811 8522  
dambgd@bdonline.com  
www.ahsaniamission.org

**Proshika** was founded in 1976 and has grown to be one of the largest NGOs in the world. The NGO's name is an acronym of three Bangla words, which stand for training, education, and action. Proshika works in structural poverty alleviation, environmental protection and regeneration, improvement in women's status, increasing people's participation in public institutions, and increasing people's capacity to gain and exercise democratic and human rights. Spread across 23,475 villages and 2,101 urban slums in 57 districts, Proshika now works with about 2.75 million men and women members drawn from rural and urban poor households, and has organized them into 146,798 primary groups.

#### **Information and Documentation**

##### **Resource Cell (IDRC), Proshika**

I/1-Ga, Section-2, Mirpur

Dhaka-1216

Bangladesh

Tel +880 2 801 5812

Fax +880 2 801 5811

idrc@proshika.bdonline.com

www.proshika.org

**The Grameen Bank** is one of the most well-known development success stories in Bangladesh. The organization was founded in 1976 by Professor Muhammed Yunus, head of the rural economics program at the University of Chittagong. There are now more than two dozen organizations within the Grameen family of enterprises, including the replication and research activities of Grameen Trust, handloom enterprises of Grameen Uddog, and fisheries pond management by Grameen Motsho (the Fisheries Foundation). The Grameen Bank aims to:

- extend banking facilities to poor men and women,
- eliminate the exploitation of the poor by money lenders,
- create opportunities for self-employment for the vast multitude of unemployed people in rural Bangladesh, and
- bring the disadvantaged—mostly the women from the poorest households—within the fold of an organizational format that they can understand and manage by themselves.

#### **Grameen Bank**

##### **Grameen Bank Bhaban**

Mirpur, Section-2

Dhaka-1216

Bangladesh

Tel +880 2 900 5257–5268

grameen.bank@grameen.net

www.grameen-info.net

**Thengamara Mohila Sabuj Sangha (TMSS)** is a national NGO working for poverty alleviation, socio-economic development, and empowerment of women. The beggar women of Thengamara Village in the Bogra district established this organization in 1980. By 2004, 700,000 women were organized into groups within TMSS's operational area (covering 34 districts throughout Bangladesh). Women who are literate, have less than 0.50 acres of land in the family and the worst victims of oppression and exploitation are the beneficiaries of TMSS.

#### **TMSS**

Thengamara, Gokul

P.O. Box: 66

Bogra-5800

Bangladesh

Tel +880 2 516 5719

Fax +880 2 517 3563

tmss@bttb.net.bd

www.tmss-bd.org

## **International NGOs**

Numerous international NGOs carry out operations in Bangladesh. Among the more important are **ActionAid Bangladesh, Care, Caritas Bangladesh, Concern Bangladesh, Concern Universal, Damien Foundation, Handicap International, Helen Keller International, Leprosy Mission International, Pathfinder International, Plan International Bangladesh, Practical Action, Save the Children USA, Save the Children UK, Save the Children, Sight Savers Royal Commonwealth Society for the Blind, Swedish Free Mission, and Terre Des Hommes.**

## **Legislation Regulating NGO Activities**

NGOs in Bangladesh are registered under different acts. The main ones are The Societies Registration Act, 1860; The Trust Act, 1882; Voluntary Social Welfare Agencies (Regulation and Control) Ordinance 1961; Co-operative Societies Act, 1925; and The Companies Act, 1913 (amended in 1914). NGOs registered under these abovementioned acts are controlled in accordance with The Voluntary Social Welfare Agencies (Regulation and Control) Ordinance 1961; The Foreign Donation (voluntary activities) Regulation Ordinance, 1978 (amended in 1982); and The Foreign Contribution (Regulation) Ordinance, 1982. The highest number of NGOs is registered under The Societies Registration Act, 1980.<sup>8</sup>

## Department of Cooperatives

The Department of Cooperatives is the principal government organization responsible for the promotion, development, and registration of cooperative societies in Bangladesh. It works directly under the supervision and control of the Rural Development and Cooperative Division of the Ministry of Local Government. Parliament passed the Cooperative Societies Act in 2001, and amended it in December 2002.

## Department of Social Services<sup>9</sup>

The principal role of the Department of Social Services is to register and assist NGOs who render welfare service in the fields listed above. It also dispenses public funds under a government assistance program to social welfare NGOs. When an applicant registers with the Department, the officers and departmental clerks, who know the process best, give the applicant both oral and written guidelines.

If the applicant meets the guidelines, the Department's inspector and field officer process the application and inspect the NGO's offices. A decision on the registration is made on the basis of the report and site inspection. If there is a problem or objection to the registration or the application form, the Department works with the NGO to correct and/or amend its application. The Department also works with NGOs to develop their constitutions, though there is no indication that any formal recommendations are made with respect to internal governance standards.

All registered NGOs must file annual reports and audited accounts at the end of every year. The Department has the authority to inspect the accounts and other records of the agency, the securities, cash and other properties held by the NGO and all related documents. NGOs cite frequent delays and problems with registration, including rent-seeking by Department officials. NGOs and others report that the Department only infrequently conducts audits of registered NGOs and that it does not have adequate capacity to perform its functions properly.

## NGO Affairs Bureau<sup>10</sup>

This NGO Affairs Bureau (NGOAB) was set up in the Prime Minister's Office in 1990 to oversee the Foreign Donation Regulation (FDR) and Foreign Currency Regulation (FCR) Ordinances. The Government assigned NGOAB all responsibilities under the FDR and the FCR. All NGOs seeking to be legal entities would have to establish themselves under the Societies Act or the Companies Act. NGOs engaged in activities defined by

the Social Welfare Ordinance would still have to register with the Social Welfare Department.

Nevertheless, NGOAB became a focus of oversight for many NGOs because many of them, at the time, were largely supported by foreign funds. NGOAB functions include the following:

- NGO registration,
- Approval of project proposals and releasing funds,
- Approval of expatriate consultants,
- Scrutiny and evaluation of statements and reports on projects,
- Monitoring and evaluating NGO projects,
- Receiving information on foreign travel by NGO personnel, and
- All other matters relating to NGOs receiving foreign funds.

To register with NGOAB, an NGO must be approved by the Home Ministry and at least one line ministry. The NGO must also submit a 5-year plan along with the application. For each grant, an NGO must submit a project proposal and letter of intent from a development partner. All foreign funds must go through a specific bank account, and the bank in which the NGO has its account must provide full reports to the central bank, which reports to NGOAB. NGOs must submit annual audits done by auditors who are approved by NGOAB.

Registration-related delays by NGOAB are frequent and often prolonged despite strict deadlines stated in the laws (FDR and FCR). NGOAB had the same number of staff in 2005 as in early 1990's—approximately 65—yet the number of registered NGOs has tripled. Analysis by the **Asia Foundation** indicates that NGOAB lacks capacity in the most fundamental aspects of its ability to perform its functions, such as accounting expertise, and is in need of information technology assistance, both hardware and software.

## Registrar of Joint Stock Companies and Firms

The Registrar of Joint Stock Companies and Firms registers companies and societies. In the latter instance, the Registrar, operating under the Society Registration Act, 1860, registers charitable societies involved in, for example, the promotion of science, culture, education, and the arts. A minimum of seven persons is required to form a society for charitable purposes. The income or profit of a society can only be used for the pursuit of its objectives and may not be divided among its members as a dividend.

## Government–NGO Relations

The Government's attitude toward the NGO sector, as manifested in its successive 5-year plans and other official documents, has generally been positive.<sup>11</sup> The Government acknowledges that NGOs can play creative roles in overcoming gaps in delivering services to poor people. Among other things, NGO service delivery creates competition between government organizations and NGO programs addressing poverty, bringing into sharper focus issues such as cost-effectiveness, transparency, and accountability of the use of public funds.<sup>12</sup>

Palli Karma-Sahayak Foundation (PKSF), established in 1990, is a state-run microcredit funding institution. Established in 1990, it works as an apex microcredit funding and capacity-building organization for eradicating poverty by providing microcredit to poor people through its partner NGOs. In English, the organization's name means "Rural Employment Support Foundation," although PKSF expanded beyond its rural base to include work in urban areas. ADB and other major international financial agencies have provided resources to PKSF.

Under the ADB-financed Primary Urban Health Care Project, essential primary health care services were contracted through NGOs or private providers via competitive partnership agreements. The project covered the city corporations of Chittagong, Dhaka, Khulna, and Rajshahi, particularly the slums located in populous areas inhabited by poorer city dwellers. Completed in 2005, the project had a significant positive impact on the primary health, family welfare, and nutrition of the urban population, and particularly women and children.

## Organizations of NGOs in Bangladesh

**The Association of Development Agencies in Bangladesh (ADAB)** is an apex organization consisting of local, national, and international NGOs working in Bangladesh. It has 1,071 members.

### ADAB

1/3, Block-F, Lalmatia  
Dhaka-1207  
PO Box 5045 (New Market)  
Bangladesh  
Tel +880 2 911 6184, 912 6415, 812 2845–2847  
Fax +880 2 811 3095  
adab@bdonline.com

**Bangladesh Disaster Forum (BDF)** is a Dhaka-based national disaster preparedness network of 70 humanitarian and development agencies, research institutions, government departments, and independent activists working on various disaster and environmental issues

with a special focus on preparedness. Since 1994, BDF has worked to ensure the accountability of humanitarian and development agencies and to promote the rights of all vulnerable people.

### BDF

5/1 Sir Syed Road  
Block A, Mohammadpur  
Dhaka-1207  
Bangladesh  
Tel +880 2 912 8963  
Fax +880 2 812 8146  
df@bangla.net  
www.disasterforum.org

**Bangladesh Shishu Adhikar (Child Rights) Forum** is a national apex body of 235 NGOs working in the child rights sector, advocating a child-friendly world. The Forum works as a networking entity, bringing together and assisting child rights organizations to pursue common goals. It helps synthesize the viewpoints of member organizations and works to mobilize material and human resources to take child rights programs to scale. The Forum was established in 1990.

### Bangladesh Shishu Adhikar (Child Rights) Forum

House 24 B, level 3  
Road 14 A Dhanmondi R/A  
1209 – Dhaka  
Bangladesh  
Tel +880 2 811 0857  
Fax +880 2 911 0017  
bsaf@bangla.net  
www.bsafchild.org

**Campaign for Popular Education (CAMPE)** is a coalition of about 700 NGOs engaged in literacy and education in the country. It promotes participation of the people in the literacy and non-formal education movement.

### CAMPE

5/14, Humayun Road, Mohammadpur  
Dhaka-1207  
Bangladesh  
Tel +880 2 913 0427  
Fax +880 2 811 8342  
campe@bdonline.com  
www.campebd.org

**Credit and Development Forum (CDF)** is an umbrella NGO comprising 1,500 microfinance NGOs. It works to improve its members' competencies so they can provide effective microfinance services to poor people. CDF also works to facilitate an enabling environment for microfinance practitioners.

#### **CDF**

House #5/8, Block - D, Lalmatia  
Dhaka-1207  
Bangladesh  
Tel +880 2 814 2998, 814 3001  
Fax +880 2 814 3001  
cdf@online.com, edcd@citecho.net  
www.cdfbd.org

**Coalition for the Urban Poor (CUP)** is a networking organization of more than 90 national and international NGOs and development partners working to improve the conditions of the poor in the country's major cities. CUP focuses on the habitat rights and other related needs (water, sanitation, poverty alleviation, housing, human rights, awareness building on important aspects of life) of poor urban people living in the slums and squatter settlements. The coalition also engages in policy advocacy and resource mobilization activities.

#### **CUP**

159, Block Ka, Pisciculture Housing Society  
Block-KA, Shymoli  
Dhaka-1207  
Bangladesh  
Tel +880 2 913 2887  
cup@bdonline.com  
www.cupbd.org

**Federation of NGOs in Bangladesh (FNB)** was formed in 2003 by NGOs who felt that ADAB had been active in party politics. It claims 944 members, many of them influential organizations

#### **FNB**

House # 64/A, Road # 15/A, Dhanmondi,  
Dhaka-1209  
Bangladesh  
Tel +880 2 815 1920, 815 1921  
Fax+ 880 2 812 2334  
fnb@bdmail.net

Among the other leading NGO networks in the country are the Association for Land Reform and Development, which advocates land and agrarian reform; and the Voluntary Health Services Society, which has helped to bring the citizen voice into health policy plans and programming.

## **Development Organization Directory**

The international Directory of Development Organizations includes a section on Bangladesh, featuring dozens of entries divided into nine categories:

- international organizations;
- government institutions;
- private sector support organizations;
- finance institutions;
- training and research centers;
- civil society organizations;
- development consulting firms, including references to job opportunities and vacancy announcements;
- information providers (development newsletters/journals); and
- grant makers.

It can be accessed at [www.devdir.org/files/Bangladesh.pdf](http://www.devdir.org/files/Bangladesh.pdf).

## **Sources of Funding for NGOs**

NGOs have been able to flourish in Bangladesh due significantly to the availability of funding, especially from foreign development agencies and international NGOs (INGOs). Smaller NGOs tend to receive a greater proportion of their financing from northern INGOs, while larger organizations receive more from development agencies. Most NGOs rely on funds received from foreign sources, such as INGOs, development partners, foreign private organizations, and multinational organizations.

A World Bank Report (2003–2004) indicated that 34.1% of the foreign aid (\$379.4 million) received by Bangladesh was allocated for the NGO sector. There are no estimates of funds from other sources involved in this ever-growing sector. The NGO sector is also an important employment generator. There is no estimate of the number of people employed in the sector, but BRAC, for example, the second largest employer after the Government, employed 93,843 people as of June 2006.

Some civil society experts believe that Bangladesh NGOs rely too heavily on foreign development partners. Rehman Sobhan of Dhaka's **Centre for Policy Dialogue** suggests the ubiquity of foreign funding has contributed to an enormous NGO sector, which has pushed the Government out of the provision of public services through delegitimization of the State. "The reality of the matter is that NGOs cannot substitute the Government any more than the private sector can...so whilst this may not have been the intention of the donor community, the objective results have been not just a downsizing, but also a devaluation of the State. And an increasing reliance, at least in the social sector, on NGOs which has

become a counterproductive exercise.”<sup>13</sup> Members of the NGO community have argued that the Government does not have the capacity to provide these services, regardless of NGO involvement.

Some NGOs have sought to mobilize resources through commercial ventures. BRAC has been able to meet three quarters of its financial requirements with resources earned from such ventures. Gono Shasthya Kendra operates a pharmaceutical factory and two hospitals. ASA, another national NGO involved in large-scale microcredit programs, meets its administrative costs entirely from interest earned on its loans. A few NGOs, including Proshika, run internet services on a commercial basis.<sup>14</sup>

However, some NGO commercial ventures have been subject to severe criticism from the private sector as the latter reportedly face uneven competition since NGOs do not pay taxes on some of their commercial ventures. NGOs argue that they do not appropriate profit from ventures, but rather spend income earned on development works for the community. The ongoing debate is whether NGO commercial ventures should enjoy tax relief for financing their philanthropic activities, or should incentives be provided in some other form.<sup>15</sup>

### ADB-NGO Cooperation in Bangladesh

ADB recognizes NGOs as significant players in the development process and cooperates with them to

improve the impact, sustainability, and quality of its services. Bangladesh, along with Pakistan, boasted the largest number of new loans approved in 2007 (10) involving NGOs or other civil society groups of any ADB member country. ADB maintains an ongoing dialogue with advocacy NGOs interested in ADB operations, frequently drawing on NGO suggestions to improve the effectiveness, quality, and sustainability of projects.

NGOs provide value-added services in promoting sustainable development through:

- **innovation**—identifying new approaches and models for specific development activities and drawing upon their close knowledge of local communities;
- **accountability**—helping ensure that project components are implemented as envisaged and planned;
- **responsiveness**—encouraging the implementation of projects to respond to local needs;
- **participation**—serving as bridges between project authorities and affected communities, and providing structures for citizen participation; and
- **sustainability**—nurturing continuity in project work, especially when implementing agencies lack capacity or when staffing changes.

ADB’s resident mission in Dhaka acts as a focal point for relations with NGOs in Bangladesh. The resident mission often organizes roundtable discussions and briefings with NGOs.

### NGO Involvement in ADB-financed Loan Projects

Project Title	Project Objective and NGO Involvement
<b>2000</b>	
Chittagong Hill Tracts Rural Development (\$30 million) Approved: 26 Oct 2000	The project aims to increase incomes and employment opportunities for landless and marginal farmers through improved rural infrastructure; and improve effectiveness of local institutions, including NGOs, responsible for rural development. NGOs participated in project-designed mission meetings. In addition, three NGOs are implementing the microfinance component available to PKSF, and six NGOs are implementing the community development component. PKSF has opened a \$3.6 million lending window for the project. NGOs act as community facilitators and help communicate project information, form community development committees and train their members, and ensure participation of local ethnic population in subproject activities.
Northwest Crop Diversification (\$46.3 million) Approved: 21 Nov 2000	The project’s objective is to improve farm incomes and reduce poverty in the country’s northwest region. Specific objectives were to promote production and more efficient marketing of high value crops and to build sustainable partnerships with—and capacities of—NGOs and the public sector agencies in agriculture extension and crop finance. Four NGOs have delivered about \$16 million to farmers: BRAC, Proshika, Grameen Krishi Foundation, and Rangpur/Rinajpur Rural Services. These NGOs have identified beneficiaries, organizing them into groups, implementing training on high-value crop cultivation, and processing technology and assisting in product marketing. For more details, see <a href="http://www.dae.gov.bd/template/NCDP/index.htm">www.dae.gov.bd/template/NCDP/index.htm</a> .

Project Title	Project Objective and NGO Involvement
Road Maintenance and Improvement (\$94 million) Approved: 29 Nov 2000	<p>The project's aim was to contribute to poverty reduction and economic growth by improving transport efficiency.</p> <p>Community associations, women's groups, and other NGOs assisted with the implementation of project components. The Christian Commission for Development in Bangladesh was responsible for the implementation, monitoring, management, and evaluation of the resettlement plan, and undertook a public information campaign. It also facilitated group discussion on land acquisition, entitlements of compensation, and problems.</p>
Southwest Flood Damage Rehabilitation (\$54.8 million) Approved: 21 Dec 2000	<p>The project supported restoration and rehabilitation of roads, growth center markets, water resources, railways, public health engineering, and agricultural development facilities. The project was designed in consultation with NGOs that were involved in relief response during the floods, particularly the members of ADAB. As a result of these consultations, a revolving NGO-managed socioeconomic rehabilitation fund was established.</p> <p>Project funds of \$10 million were loaned by the Government to PKSF, which was mobilized as credit resource through its partner organizations. The revolving fund helped improved people's socio-economic condition through micro credit services. It also ameliorated poverty in the project area.</p>
<b>2002</b>	
Road Network Improvement and Maintenance (\$65 million) Approved: 10 Oct 2002	<p>The project contributed to improved transport efficiency and greater integration of road networks linking national, regional, and feeder roads. NGOs supported the implementation and independent monitoring of the land acquisition and resettlement plan. They were also included in the consultation process to select 27 candidate roads.</p>
Jamuna–Megha River Erosion Mitigation (\$42.17 million) Approved: 25 Nov 2002	<p>The project aims to sustain the incomes of people in the affected areas through reliable, cost-effective, and sustainable riverbank erosion mitigation measures. Such measures comprise adaptive riverbank protection works, and a range of nonstructural instruments to adapt to the morphological processes of the Jamuna and the Meghna rivers.</p> <p>NGOs act as service providers and members of project management. They also contribute to an awareness campaign about groundwater arsenic, health, and hygiene, and training on practical knowledge for income generation.</p> <p>The Development Organization of the Rural Poor is responsible for the implementation, monitoring, management, and evaluation of the resettlement action plan of the project.</p> <p>The Hilful Fuzul is responsible for implementing, monitoring, managing, and evaluating the grant project connected with the Social Development for Erosion-Affected Poor in Jamuna Medgha Floodplains, which is financed by the Japan Fund for Poverty Reduction.</p>
Dhaka Clean Fuel (\$72.6 million) Approved: 26 Nov 2002	<p>The project contributed to improved air quality in Dhaka, developing the use of domestic natural gas resources as a substitute for imported fuel for the transport sector. NGOs were part of the resettlement plan, and were appointed to assist in delivering supplementary payments for replacement costs.</p>
Urban Governance and Infrastructure Improvement (\$60 million) Approved: 28 Nov 2002	<p>The project is helping selected municipalities to enhance governance in the provision of municipal services. NGOs are engaged in consultation work, community participation, and provision of microcredit. They support community-based activities, facilitation of community mobilization, and institutional capacity-building programs.</p>
Road Maintenance and Improvement (\$94 million) Approved: 29 Nov 2000	<p>The project's aim was to contribute to poverty reduction and economic growth by improving transport efficiency.</p> <p>Community associations, women's groups, and other NGOs assisted with the implementation of project components. The Christian Commission for Development in Bangladesh was responsible for the implementation, monitoring, management, and evaluation of the resettlement plan, and undertook a public information campaign. It also facilitated group discussion on land acquisition, entitlements of compensation, and problems.</p>
<b>2003</b>	
The Second Primary Education Development Program (\$100 million) Approved: 3 Nov 2003	<p>The project's overall goal is to reduce poverty through universal primary education, and contribute to sustainable socioeconomic development and equity in Bangladesh society. Monitoring and evaluation services—such as studies, formative research on the implementation process, and performance audits—are outsourced to local institutions, including NGOs.</p>

Project Title	Project Objective and NGO Involvement
Road Network Improvement and Maintenance II (\$126 million) Approved: 20 Nov 2003	The project will promote economic growth by improving transport efficiency and strengthening integrated road networks. It will also help to improve and maintain farm-to-market roads, and provide access to social services and employment opportunities for rural farmers. NGOs are part of the steering committee for the HIV/AIDS component implemented by the Ministry of Women and Children Affairs. NGOs have also been appointed to carry out public awareness of the risks of HIV/AIDS and trafficking of women. NGO capacity to fulfill these roles has been strengthened. NGOs supported the implementation and independent monitoring of the land acquisition and resettlement plan.
Participatory Livestock Development II (\$20 million) Approved: 19 Dec 2003	The project will increase income-generating activities and employment from livestock-related enterprises for the rural poor, particularly landless households. NGOs are managing microcredit from PKSF for onward lending to poor households. The responsibilities of the 15 NGOs engaged in the project include social mobilization, group formation, social awareness training, skill training, monitoring, loan collection, and other extension services. They also provide technical training on poultry rearing, hatchery, feed selling, beef fattening, and goat rearing for more than 350,000 selected households.
<b>2004</b>	
Teaching Quality Improvement in Secondary Education (\$68.91 million) Approved: 9 Nov 2004	The project aims to enhance the quality of secondary education in Bangladesh by improving the quality of teaching. An awareness program was developed for NGOs, among others, to promote better understanding and support for teachers working with poor and disadvantaged groups.
Secondary Towns Integrated Flood Protection Project—Phase 2 (\$80 million) Approved: 2 Dec 2004	The project is providing flood protection works, improving existing urban drainage system, and making other environmental improvements. NGOs help implement solid waste management, and support implementation of the resettlement plan. They have also set up a grievance redress committee with representation of affected people, including women.
Chittagong Port Trade Facilitation (\$30.6 million) Approved: 20 Dec 2004	The project is facilitating increased international trade and port capacity. NGO representatives are part of the grievance and redress mechanisms to hear complaints relating to resettlement or any other issues arising from project implementation. NGOs also supported the implementation and independent monitoring of the land acquisition and resettlement plan.
<b>2005</b>	
Second Urban Primary Health Care Project (\$30 million) Approved: 31 May 2005	The project will improve the health status of the urban poor in six city corporations and five municipalities by ensuring the delivery of a package of preventive, promotive, and curative health services. Specifically, the project will improve access to and use of urban primary health care services; the quality of urban preventative health care services; and cost-effectiveness, efficiency, and institutional and financial sustainability of preventative health to meet the needs of poor urban residents. NGOs will be engaged to carry out preventative health care services through partnership agreements pioneered under the first Urban Primary Health Care Project, which was completed in 2005. Sixteen national and local NGOs are providing primary health care services to areas with an average population of 500,000. The services include immunization; micronutrient support, particularly vitamin A; family planning; prenatal obstetrical and postpartum care; systematic case management of pneumonia and diarrhea in children; case management of tuberculosis and reproductive tract infections in adults; and health education on selected topics related to above activities. NGOs working on the project include Anannya Samaj Kallyan Sangstha and Marie Stopes Clinic Society.
Agribusiness Development (\$42.5 million) Approved: 27 Oct 2005	The project will generate income and employment for the rural poor through expanded activities of rural enterprise engaged in commercial agriculture production, input supply, marketing, processing, and transportation. It will also promote small-scale agri-business by channeling credit through NGOs, and strengthening the ability of participating NGOs to implement and manage the credit.
Gas Transmission and Development Project (\$230 million) Approved: 27 Oct 2005	The project will improve and expand the natural gas transmission and distribution network and field appraisal support for gas sector companies. It also aims to develop an enabling regulatory framework for private sector participation. NGOs are helping administer resettlement plans and ensure good communications with stakeholders. Vocational training packages (community health, family welfare, use of fuel-efficient ovens) have been contracted out to NGOs.

<b>Project Title</b>	<b>Project Objective and NGO Involvement</b>
<b>2006</b>	
Rural Infrastructure Improvement II (\$96.1 million) Approved: 18 Aug 2006	The project aims to improve access to income, employment opportunities, and social services for poor persons, and promote economic growth by improving rural infrastructure facilities. NGOs are part of the multistakeholder project steering committee, which provides overall policy guidance for project implementation. NGOs are also contributing to the implementation of the Gender Action Plan with a view to increase women's participation in development activities, infrastructure construction, and maintenance.
Secondary Towns Water Supply and Sanitation (\$41 million) Approved: 16 Oct 2006	The project aims to improve living conditions and health standards in the participating secondary towns (pourashava). It also aims to improve sustainable access to improved and safe water and sanitation services in the project areas. NGOs are assisting in the development and implementation of the project's sanitation improvement component of the project. They are also managing the process of constructing community infrastructure, and conducting information campaign on tariffs and metering.

## NGO Involvement in ADB-financed Technical Assistance

<b>Project Title</b>	<b>Project Objective and NGO Involvement</b>
<b>2003</b>	
Southwest Areas Integrated Water Resources Management (IWRM) (\$900,000) Approved: 14 Jan 2003	The technical assistance has supported government efforts to promote IWRM through integrated planning at subregional levels and implementation of priority schemes. National NGOs facilitated the consultation process, conducted orientation and consultation meetings at Upazilla (Translation) level, held focus group discussions, collected information from unions within Upazila, carried out consultation meetings at the district level, and compiled and documented findings received from focus group discussions and consultation meetings.  The following organizations were involved: Bangladesh Centre for Village Development, Resource Integration Centre, Padakhep Manobik Unnayan Kendra, Palli Unnayan Andolon, Rural Management Consultant, Socio-consult Ltd., and TMC Consortium.
<b>2004</b>	
Social Protection of Poor Female Workers in the Garment Sector in the Context of Changing Trade Environments (\$420,000) Approved: 16 Mar 2004	The technical assistance helped the Government design and pilot test interventions to prevent retrenchment, provide social protection to female garment workers, and facilitate re-employment of those losing their jobs. Selected NGOs were contracted to implement activities for the labor market pilot programs, and the social protection pilot programs.
<b>2005</b>	
Dhaka Water Supply and Sanitation (\$1 million) Approved: 22 Sep 2005	The technical assistance prepared a project designed to provide sustainable and safe water supply facilities in Dhaka to improve health conditions and introduce public health and hygiene concepts; enhance the standard of living and quality of life of households; and accelerate industrial and commercial development. NGOs were contracted to monitor full implementation of the Government's policy and conduct surveys and social mobilization.
Participation of the Urban Poor in Municipal Governance (\$480,000) Approved: 2 Dec 2005	The technical assistance enhanced the capacities of poor urban residents in selected municipalities to access high-quality urban services. It also provided an institutional mechanism to increase the poor persons' access to decision-making processes at the municipal level. It also developed a participatory, pro-poor planning and monitoring systems for adoption in selected municipalities. A lead NGO was engaged to coordinate and implement the technical assistance, while local NGOs were subcontracted to assist in the project implementation.
Supporting Good Governance Initiatives II (\$750,000) Approved: 19 Dec 2005	The technical assistance contributed to a more effective, efficient public sector with less corruption and improved public confidence in government institutions through skilled human resources, clear functions, streamlined business processes, modern equipment, and better understanding of the context and impact of corruption. Civil society was represented on the project steering committee, which provided policy oversight and guidance for the project components.

Project Title	Project Objective and NGO Involvement
<b>2006</b>	
Skills Development (\$500,000) Approved: 15 Jun 2006	The project prepared a proposal for a project loan financing technical and vocational education and training (TVET). The loan is intended to improve the country's skills base, provide more people with income-generating opportunities, and help reduce poverty. The roles of NGOs as training providers were reviewed and lessons were derived from their experiences. Stakeholder workshops were conducted to solicit inputs and feedback on TVET from government agencies, the private sector, and NGOs.
Development of Transport Corridor for Trade Facilitation (\$950,000) Approved: 26 Jul 2006	The technical assistance is preparing projects that could improve transport links, ancillary facilities, or finance equipment necessary to facilitate cross-border movement of goods to complement the physical improvements. The technical assistance will also recommend and formulate an implementation plan for procedural improvements to facilitate cross-border trade to complement the physical improvements that may be carried out. NGOs involved in monitoring adverse effects of human trafficking and monitoring in the project areas have been identified for engagement.
Urban Governance and Infrastructure Improvement (Sector) II (\$700,000) Approved: 7 Nov 2006	The technical assistance is preparing a project to improve the welfare of municipal residents, including the urban poor, and enhance the quality of the urban environment of 25–35 municipalities. It will also develop effective measures to improve women's participation in municipal management and services, and upgrade the conditions of the poorest and most needy groups in slum areas. The technical assistance will involve various stakeholders, including the Government, NGOs, development partners, and the private sector in developing the project design through consultation and joint planning workshops.

### NGO Involvement in JFPR Projects

The Japan Fund for Poverty Reduction (JFPR) is an untied grant facility established by the Government of Japan and ADB in May 2000. From an initial contribution of \$90 million, the Fund now stands at more than \$360 million, of which \$224 million has been committed. JFPR assists ADB clients to provide direct relief to the poorest and most vulnerable segments of society, while building up their capacities for self-help and income generation.

JFPR is a tool for local communities and NGOs to actively participate in the development process. In particular, it:

- initiates and supports innovative programs that have high potential for improving the affected countries' situations;
- provides relatively rapid, demonstrable benefits through initiatives that have positive prospects of developing into sustainable activities over the long term; and
- assists programs designed and implemented by local populations and civil society.

Following are examples of JFPR-financed projects that have involved NGOs in Bangladesh:

Project Title	Project Objective and NGO Involvement
Supporting Livelihood Improvement for the Poor through Water Management Cooperation Associations (WMCAs) (\$900,000) Approved: 17 Aug 2001	The improved production/employment opportunities for the poor, and improved self-governance of WMCAs. NGOs involved in the project included Bangladesh Development Service Center, Natore, National Development Council, Joypurhat, Eco-social Development Organization, Panchagar, A-Falah Aam Unnayan Sangstha, Rajbari Dinajpur, Community Assistance for Rural Development; Human Resources Development Organization, A Voluntary Association of Social Service, Employment and Technology Development Agency, Voluntary Organization for Social Development (VOSD), Center for Rehabilitation Education and Earning Development, and Faridpur Development Agency.
Social Development for Erosion-Affected Poor in the Jamuna–Meghna Floodplains (\$790,000) Approved: 5 Dec 2005	To help reduce the poverty of the most vulnerable persons who were displaced by the river erosion, became landless, and settled in riverine fringe areas, the project 's objectives are to create permanent employment opportunities for informal settlers living on and around flood embankments; develop organizational, institutional, and leadership capacities of poor persons through community mobilization, organization, and networking; and establish self-managed information and resource centers in subproject areas. NGOs involved are BRAC, VOSD, and Grameen Motsho Foundation.

## Endnotes

- <sup>1</sup> This section is based on the Asia and Pacific Philanthropy Consortium (APPC) website, History of Philanthropy: [www.asianphilanthropy.org/countries/bangladesh/history.html](http://www.asianphilanthropy.org/countries/bangladesh/history.html).
- <sup>2</sup> APPC Post: [www.asiapacificphilanthropy.org/node/40/inthespotlight](http://www.asiapacificphilanthropy.org/node/40/inthespotlight).
- <sup>3</sup> Ministry of Local Government, Rural Development and Cooperatives website: [www.coop.gov.bd/History.html](http://www.coop.gov.bd/History.html).
- <sup>4</sup> APPC. Strengthening Philanthropy in the Asia Pacific: An Agenda for Action. Background Paper: Bangladesh, July 2001.
- <sup>5</sup> This section is based largely on Lam, Janice. "The Rise of the NGO in Bangladesh: Lessons on Improving Access to Justice for Women and Religious Minorities," *The George Washington International Law Review*, 1 January 2006 ([www.allbusiness.com/legal/1086335-1.html](http://www.allbusiness.com/legal/1086335-1.html)).
- <sup>6</sup> Transparency International (TI)-Bangladesh. *Problems in Good Governance in the NGO Sector: The Way Out*. October 2007 ([www.ti-bangladesh.org/research/ExecSum-NGO-English.pdf](http://www.ti-bangladesh.org/research/ExecSum-NGO-English.pdf)).
- <sup>7</sup> Interview with BRAC founder, Fazle Hasan Abed, in "Social Entrepreneurship—its Promise and its Challenges." *Alliance Magazine*, March 2005 ([www.allavida.org/alliance/mar05e.html](http://www.allavida.org/alliance/mar05e.html)).
- <sup>8</sup> TI-Bangladesh, op. cit.
- <sup>9</sup> Ibid.
- <sup>10</sup> International Center for Civil Society Law. *Legal and Regulatory Environment for NGOs in Bangladesh*, Final Report, 17 April 2005 ([www.iccsl.org/pubs/bangladeshfinalreportmay15.pdf](http://www.iccsl.org/pubs/bangladeshfinalreportmay15.pdf)).
- <sup>11</sup> APPC, July 2001, op. cit.
- <sup>12</sup> Ibid.
- <sup>13</sup> As quoted by Richard Phinney in "A Model NGO?," Radio Netherlands, 5 December 2002 ([www.globalpolicy.org/ngos/fund/2002/1205model.htm](http://www.globalpolicy.org/ngos/fund/2002/1205model.htm)).
- <sup>14</sup> APPC, July 2001, op. cit.
- <sup>15</sup> Ibid.





## **About the Asian Development Bank**

ADB's vision is an Asia and Pacific region free of poverty. Its mission is to help its developing member countries substantially reduce poverty and improve the quality of life of their people. Despite the region's many successes, it remains home to two thirds of the world's poor. Nearly 1.7 billion people in the region live on \$2 or less a day. ADB is committed to reducing poverty through inclusive economic growth, environmentally sustainable growth, and regional integration.

Based in Manila, ADB is owned by 67 members, including 48 from the region. Its main instruments for helping its developing member countries are policy dialogue, loans, equity investments, guarantees, grants, and technical assistance. In 2007, it approved \$10.1 billion of loans, \$673 million of grant projects, and technical assistance amounting to \$243 million.

## **About the NGO and Civil Society Center**

ADB's NGO and Civil Society Center (NGOC) serves as the focal point for ADB's interaction with civil society organizations (CSOs), including the broad range of nongovernment organizations, foundations, social movements, and trade unions. The NGOC is a part of the Gender, Social Development and Civil Society Division in ADB's Regional and Sustainable Development Department. Its key functions include empowering operations departments to work with NGOs/CSOs, serving as ADB's knowledge center and advisor on consultation and participation with NGOs/CSOs, managing implementation of ADB's Policy on Cooperation with NGOs, contributing to the capacity of ADB staff and NGOs/CSOs to work together, communicating on ADB's work with NGOs/CSOs, and supporting the exchange of knowledge and expertise between ADB and civil society. The NGOC also coordinates ADB's NGO and Civil Society Cooperation Network, which comprises designated staff from departments and offices across the institution.