NETZ struggles for human dignity and against hunger in Bangladesh. Through partnership and with professional approaches, NETZ supports self-help activities for nutrition, education and human rights.
Out of the Black Hole of Poverty
ACKNOWLEDGEMENT

We would like to present to you the ‘Out of the Black Hole of Poverty’ report, which is prepared on the basis of lessons learnt gathered from the livelihood projects with ultra-poor families implemented by the Partner NGOs of NETZ Partnership for Development and Justice in the North-West of Bangladesh.

Above all, I am highly indebted to the ultra-poor families of ‘Income and Food Security for ultra-poor’ (IFSUP) project without whose keen interest and profound support, the report would have been impossible. I am extremely grateful to them for providing their full support to different studies of IFSUP.

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Ingo Ritz
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1. Table of Contents

2. About NETZ Bangladesh

3. Preface

4. Synthesis of lessons

5. Background

6. Approaches to improve ultra-poor’s livelihoods

7. Lessons learnt on the approaches

8. Approach 1: Transfer of productive assets for profitable investment

9. Approach 2: Strengthen human capacity, knowledge and skills of the ultra-poor

10. Approach 3: Building self-help organisations

11. Approach 4: Distilling and dissemination of lessons

12. Impact in livelihoods

13. Lessons on management of the approach

14. Efficiency

15. Limitations and challenges

16. Conclusion

17. Further reading
1. Preface

The purpose of this document is to draw together the lessons learnt gathered from the livelihood projects implemented by NETZ in association with local NGOs in the North-West of Bangladesh. NETZ has reached up to now 32,869 ultra-poor households through livelihoods projects. The overall objective of these development interventions is to contribute to the first Millennium Development Goal (MDG 1) which is “eradication of extreme poverty and hunger in Bangladesh by 2015”.

The lessons in this brochure derive mostly from a careful study of the project 'Income and Food Security for Ultra-Poor' (IFSUP) which has been implemented in the period from 2007 to 2009. The project was supported by the European Union and private donors in Germany and Austria. In the meantime IFSUP is scaled up through 2 projects covering 24 upazilas under 7 districts.

The evidences for the lessons and experiences elaborated in this document mainly come from the evaluation of the projects carried out by an external evaluation team, the impact survey reports, reflections of the project management, staff of Partner NGOs and other project documents. The lessons are intended for the stakeholders who are involved in policy/programme designing and decision making in order to share with them the experiences gathered for designing of further interventions for the ultra-poor in Bangladesh.

Evolution of livelihood programmes of NETZ with ultra-poor families:

2002: NETZ started to support development projects with ultra-poor. In Chuadanga district an explicit approach of empowerment of self-help organisations (SHO) was chosen with revolving loan funds owned by the SHOs. In Netrakona district an asset transfer model was implemented.

2004: Support for extreme poor char dwellers in Gaibandha commenced with an adapted microcredit model.

2007: Based on the experiences in these projects the intervention “Income and Food Security for Ultra-Poor” (IFSUP) started.

2009: The project “Advancement of Marginalised Adivasis Deprived of Economic Resources” (AMADER) started, a scale up of IFSUP.

2009: The project “Strengthening Agricultural Capacities of Ultra-Poor” commenced, another scale up project.

2011: A further extension is started through the project “Sustainable Technology Transfer to Enhance Productivity for Ultra-Poor” (STEP-UP).
2. Synthesis of lessons

- A clear understanding of the extreme poverty dynamics and sincere targeting efforts by the implementing agencies are required to reach the ultra-poor. Correct targeting is the precondition to lifting the people out of poverty.

- Addressing the income and cultural diversity that exist among the ultra-poor groups improves the delivery of the project support to them and the assessment of the progress.

- Asset transfer has been proved to be a good entry point that extreme poor can increase their income in a limited timeframe.

- Projects with the ultra-poor also should include capacity building for managing their productive assets and for generating profit.

- Sincere and careful staff facilitation is necessary in order to make the income generation activities with the assets received successful.

- Rise in income leads to improved food security and other livelihoods improvements.

- After asset or capital transfer opportunities are required for the beneficiaries for expanding their capital base. This lessens dependence on the asset and allows the turnaround time for returns on investment.

- Creating access to veterinary services in an asset transfer project is mandatory to preventing loss of animals reared by the beneficiaries.

- Women gain in status in the household and the community through participation in the common struggle with their men.

- Building social capital; creating strong groups and federations of ultra-poor, and fulfilling empowerment and gender equality objectives require a longer time than three years.

3. Background

The North-West of Bangladesh suffers from seasonal income insecurity leading to food insecurity and malnutrition. Opportunities for diversified jobs are very limited. The labour selling for agricultural activities is the main source of livelihoods in most of the project areas. Among other prospects were begging, domestic aid etc. The project area in Rangpur experiences frequent occurrences of Monga. The project areas in Netrakona and Joypurhat hold a high concentration of Advashi population who bear the double burden of poverty - they are not just poor but also socially and culturally marginalised. In addition, there are many female headed households with no male support or sick dependent males and males who have migrated elsewhere for work.

Partner NGOs implementing livelihood projects with ultra-poor with support of NETZ

- Poli Sree
- Ashrai
- Sachetan
- Foundation (JCF)
- Jagorani Chakra Foundation (JCF)
- Gano Unnayan Kendra (GUK)
- Mahideb Jubo Somaj Kallyon Samity (MJSKS)
- Sabalamby Unnayan Samity (SUS)
- Jagorani Chakra Foundation (JCF)
4. Approaches to improve ultra-poor’s livelihoods

NETZ follows a few standard implementation approaches across its entire livelihoods portfolio. Clearly, they are:

i. Transfer of productive assets for profitable investment in order to generate reliable and sustained incomes.

ii. Strengthen human capacity, knowledge and skills of the ultra-poor to reduce their vulnerability to withstand income, health and environmental shocks.

iii. Building organisations of the ultra-poor to reduce social, economic and political exclusion of the ultra-poor and strengthen their collective negotiation power to interact with the government service institutions and NGOs.

iv. Distilling and dissemination of lessons learnt from the implementation of approaches and involve in dialogue with higher level policy stakeholders.

5. Lessons learnt on the approaches

5.1 Approach 1: Transfer of productive assets and capital for profitable investment

Meticulous targeting and identification of the ultra-poor

Without an understanding of the extreme poverty dynamics and sincere targeting efforts by the implementing agencies, reaching the ultra-poor is not possible. Recognizing the distinctions between the moderate and extreme poverty, understanding its geographical implications and having a clear pre-set criteria for identification of the ultra-poor are the stepping stones towards designing a successful intervention.

In 2007 the IFSUP project carefully selected upazilas with high incidence of ultra-poverty, moreover, areas with high density of Adivasi population. It developed and strictly maintained a set of criteria to select beneficiaries and conducted a baseline survey to understand their socio-economic condition at the pre-project stage.

**Target group selection criteria**

- Average daily calorie intake below 1,800 kcal
- Average per capita per day income less than Tk. 17 (at prices of 2007)
- Completely asset less or asset less to a great extent
- Landless or functionally landless (<0.1 acre)
- Homestead on khas land, relatives land, embankments or have own homestead
- Maximum two meals in minimum 6-9 months of one year, sometimes less, low quantity and quality
- Not a micro-finance client unless specially targeted and not involved in other livelihood projects
- Regular income-generating assets worth maximum Tk. 3000. Preference is given to the Adivasi, to female headed households, people with disability and dependant poor i.e. old aged.
Recognizing heterogeneity

Designing income generating options with an understanding of the income and cultural diversity that exists among the ultra-poor groups facilitates progress. The IFSUP project dealt with a range of diversity. It recognized the existing differences between the Adivasi and non-Adivasi communities and also among the female headed and male headed households. Instead of designing an identical package for all, a Family Development Plan (FDP) was formulated at each household level to capture specific expectations and capacities and plan the interventions together with the families tailored to their specific context.

The female members of the selected target group families formed groups consisting of 10 to 20 ultra-poor women para or village wise or adjacent to the villages. Project staff facilitated the weekly group sessions in which all project activities where explained and discussed.

Asset transfer as grant

Transfer of productive assets leads to increasing income of the extreme poor group in a limited time. Clearly, the asset transfer to the ultra-poor in the form of grant helps in improving the income generation and reduces the dependency on one asset. Employment opportunities created and multiple income sources for the poor.

Distribution of productive assets has enabled the 4800 families of IFSUP to increase their income. According to the project impact study (2010) 86% of the beneficiary households earned more than Tk. 550 per capita per month (inflation adjusted); at the end of 2009 compared to an averaged per capita income of Tk. 341 in 2007. The objective targeted (85% have more than Tk. 550 income) at the outset of the project has been achieved in addition, one third of the beneficiaries have crossed the international poverty line of 1.25 US$ (calculated on the basis of purchase power equivalent).

All women, who are the ultimate member of the groups, received training on how to manage their respective IGAs. In total 47 types of IGAs were imparted on conditions of suitability. The IGAs undertaken were cattle rearing, bee fattening, poultry rearing, pottery, fish (fresh or dry), business, land mortgage, trade etc. In addition, vegetable seeds/seedlings and fruit saplings were provided to supplement in their nutritional requirement and for additional income. In most cases, the other members of the family also got engaged in managing these livelihood options.

5.2 Approach 2: Strengthen human capacity, knowledge and skills of the ultra-poor

Expanding the capital base

Distribution of productive assets to the ultra-poor was followed by continuous access to working capital to lessen dependence on one asset and allowing the turnaround time for returns on investment. One-off financial investment may result in sale of the asset during emergencies to withstand income, health and environmental shocks.

The IFSUP project created opportunities for maximizing the investment capital and to have continuous access to working capital. After the sale of each productive asset the members returned the asset value to the Revolving Capital Fund which was managed by each Partner NGO for its respective working area. The principal amount was deposited in a bank account and reinvested by the beneficiaries in larger IGAs resulting in bigger profits. The value of the assets transferred to each beneficiary household was Tk. 11,980. The members adopted minimum two and maximum seven kinds of IGAs. The impact study findings state that 85% members maintain the value of their working capital. 48% beneficiary households have an amount of over Tk. 16,000 working capital.

The project also created the habit of savings, which had to be flexible. During the baseline period 67% households did not have any kind of savings and 28% households in the control group maintained savings of more than Tk. 800. A total of 36% members have savings from Tk. 500 to Tk. 800 and 19% have less than Tk. 500.

Participation in strategic planning

Economic empowerment projects should be combined with efforts addressing capacity constraints that prevent beneficiaries from managing productive resources properly and producing positive outputs in economic endeavours. As most of the ultra-poor have no prior experiences of participating in a gainful economic activity they lack the strategic analysis for overcoming problems, protecting assets, recognising opportunities and maximizing profit.

The IFSUP project involved each household in a planning exercise through the development of an annual Family Development Plan (FDP). The process engaged the families into an analysis of their current situation and income sources to continue pathways to arrive at a prosperous future through a more profitable intervention and increasing the capital base. Broader group view was also sought on the draft plans to identify practical weaknesses and barriers to actualization. This FDP also acts as a
confidence building and as a self-audit tool for each household to assess and compare progress at the end of the project.

Trainings on health, nutrition and disaster management and access to rights and public resources are an integral part of the project strategy. The vulnerable groups require more support to improve their living standards than capital.

Access to veterinary services

A project transferring livestock or poultry as main productive assets needs access to veterinary services to prevent loss of assets resulting into investment failure.

Among the IFSUP beneficiaries all livestock recipients had access to veterinary services. Mostly, they had access to and received vaccination service and treatment support from the Government’s Livestock Department. Among other sources were project staffs, project promoted para-veterinaries and local veterinaries. Similarly, members rearing poultry also got vaccination support from the Livestock Department. But unlike vaccination, the households got emergency treatment support for the poultry birds mostly from para-veterinaries (about 37%) and local veterinaries (13%) as services from the Government departments take longer time to reach. Project staff and beneficiaries maintained regular contact with Government departments through meetings, workshops and by organising vaccination campaigns.

Rekha Tudu is standing in the middle of the little village Dhoranji between a handful of cows and women. Some curious and giggling children are gathered behind her. The 24 year old woman wears a colorful sari and her golden earrings shine as bright as her eyes. “You must touch your cattle often and observe them carefully” says Rekha with confidence while she pats a cow. “If one of the cattle feels hot, it might have fever. You also need to check the dung: if you find worms, you must call me!”

Rekha has grown by leaps and bounds. When the IFSUP project started her family was barely surviving. First, she invested her initial capital in a cow. Working in the fields allowed her to take the cow with her, letting it graze along the main road. The project bought her a cow for Tk. 7,200, which she was then able to sell for Tk. 10,800. She reinvested part of the profit in the leasing of a piece of land, used for the cultivation of spinach. The vegetable was then sold at the local market and the profits were invested into two new cows, some ducks and geese. At the same time she wanted to learn more about how to take good care of her cattle. So she underwent veterinary training and cow fattening. She is now able to vaccinate and de-worm animals, offer basic treatments and train other people on animal care and disease prevention. Every week she has to make 15 house calls. Today Rekha has multiple income sources. If one activity falls through, another might bear more prospects. Nowadays her husband Win Basky rarely goes to work in other people’s lands. He spends most of his time helping his wife. “We don’t work for other people anymore, we now work for ourselves” tells Win with pride.

Rekha and Win are even prouder of the fact that they are well respected in the community for their accomplishments.
Chapola’s diligence makes her an idol

I am Chapola Ritchil an Adivasi woman from Durgapur, Netrakona. Other than 3 katha allotted khash land (0.24 acres), we had almost nothing. I got 4 kids and was working as agricultural labourer. Even with hard work, it was difficult for my family to manage 2 meals a day.

After being involved in IFSUP, the project transferred 2 pigs, a grocery including hawker business, vegetable seeds and BAU kull as per family development plan. Altogether my initial investment was Tk. 13,828. I made a profit of Tk. 12,300 from pigs and Tk. 69,682 from grocery shop and hawker business. From my vegetable garden I got total Tk. 4,357 after my family consumption and sold duck eggs in total Tk. 445. Using that profit I have taken lease of 26 decimals of cultivable land (0.26 acres) by Tk. 7,000 and got paddy worth Tk. 2,800 and I will continue cultivation. Furthermore, I have taken lease of a small tilla (0.5 hectare with Tk. 2,500). There I planted 800 Akhromi (Acacia Auriculiformis). Also I bought a mobile phone to use it as public phone that gave me Tk. 6,724 as profit. I earned a total of Tk. 96,488 from the multiple IGA’s within 33 months. I also started hare rearing in cage. I reinstated my profit and capital in same IGA. From the initial stage I started saving. I arranged marriage for my daughter without dowry. Presently we can afford 3 meals per day throughout the year.

Table 1: Members of beneficiary households getting treatment from different health service providers

<table>
<thead>
<tr>
<th>Treatment from different sources</th>
<th>Adivasi</th>
<th>Non-Adivasi</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Govt. hospital</td>
<td>226</td>
<td>347</td>
<td>573</td>
</tr>
<tr>
<td>NGO worker</td>
<td>174</td>
<td>72</td>
<td>246</td>
</tr>
<tr>
<td>Pharmacy</td>
<td>130</td>
<td>72</td>
<td>202</td>
</tr>
<tr>
<td>Private clinic</td>
<td>468</td>
<td>110</td>
<td>578</td>
</tr>
<tr>
<td>Spiritual healer</td>
<td>74</td>
<td>18</td>
<td>92</td>
</tr>
<tr>
<td>Village doctor</td>
<td>1,653</td>
<td>2,273</td>
<td>3,926</td>
</tr>
<tr>
<td>Total</td>
<td>2,401</td>
<td>2,402</td>
<td>4,803</td>
</tr>
</tbody>
</table>

Note: Percentage may exceed 100 due to multiple responses

5.3 Approach 3: Building self-help organisations

- Improved social capital

In order to promote longer term sustainability, improved local social capital must be recognized as an explicit output within the project design. Creating linkages within and between poor communities and service providers is important, so that the ultra-poor groups are able to demand services and sustain the benefits after the project is completed.

The IFSUP project facilitated the formation of 296 groups and initiated a total of 24 federations at the union level with members from these groups. Thus the project has consciously tried to integrate the Adivasis into the mainstream society and to improve the relationship with the non-Adivasi communities. Apparently, the association seems to have improved but admittedly building the social capital requires more time than economic graduation (see lessons on timescale). Moreover, recording improvements in this arena requires more qualitative analysis and cannot successfully be captured through quantitative surveys.

However, the role of the groups has been praiseworthy (given the time) in accessing safety nets for its members. According to the external project evaluation of IFSUP (2009) about 70 percent of the beneficiaries have access to the safety net and other services provided by the government and NGOs. It is also evident that the ultra-poor non-Adivasi women are included in the government’s 100 days work programme. The table below clearly presents that all beneficiary households have access to and get treatment from any available local health services. This has exceeded the target of 70% as set out in the project logical framework.

5.4 Approach 4: Distilling and dissemination of lessons

Achievement of MDG 1 by addressing income poverty and hunger is a huge task and requires widespread contribution from development partners. Efforts to reach the ultra-poor are relatively new phenomena; therefore, any knowledge gathered on how to uplift them effectively should be shared with other agencies with a view to transform practices and to scale up successful interventions.

The IFSUP implementing agencies NETZ, Ashra, Jargani Chakra Foundation and Sabalamboy Unnayan Samity were involved in several learning exercises within the organisations, with partners and requisite government agencies. NETZ’s efforts to scale up the approach have been successful. In cooperation with Partner NGOs since 2009 NETZ is implementing another extreme poverty project called AMADER in Naogaon, Dinajpur and Chapai Nawabganj with 9,000 households funded by DFID under EEP challenge fund (Economic Empowerment of the Poorest). Since December 2009 NETZ in cooperation with 3 Partner NGOs is implementing a food facility and livelihood project among 7,200 households called “Strengthening Agricultural Capacities of Ultra-Poor in Bangladesh”. It is financed by the European Union and private German donors and carried out in Netrakona, Mymensing, Rangpur and Kurigram.
6. Impact in livelihoods

Enhanced income status leads to increase in expenditure pattern and other livelihood improvements. At the end of the 3 years period, average income per capita per day has increased from Tk. 11 to Tk. 30. With the rise in income, the participants of the IFSUP project addressed their basic necessities of life. At the start of the intervention none of the families could afford 3 meals a day throughout the year. According to the end-line survey (2009) about 90% beneficiary households had three meals a day for 12 months in both the Adavisi and non-Adavisi communities. The quality of the food improved. The external evaluation found out that children and women were able to consume frequently calorie-rich food such as eggs, milk and meat.

Nearly all the children are going to schools. Most of the families are using sanitary latrines, drinking safe water and pursuing health services. Around 44% families have spent Tk. 1,000 to Tk. 15,000 for repairing or reconstructing of their houses and 394 beneficiary households have bought land either for homestead or cultivation.

The seasonal migration among the male family members in Rangpur and Netrakona has decreased due to economic opportunities within the households. Advanced labour selling in exchange for credit and formal or informal borrowing has stopped.

The project has successfully been able to create awareness on improving hygiene practices, increasing school enrolment, creating access to public services and provide skill training on various issues especially on coping strategies when disaster strikes.

The ultra poverty situation in the 6 North-Western upazilas, where the IFSUP project was implemented, was reduced verifiably by 5.9%. The total population of the 6 upazilas was 1,388,524 inhabitants in 2001 (source: Bangladesh Bureau of Statistics), of which 277,709 people belonged to the poorest 20% of the population. By the IFSUP project 86.4% of the 19,298 final beneficiaries from 4,803 households have crossed the ultra poverty line.

7. Lessons on management of the approach

7.1 Efficiency

Costs per household

In an income and food security project the returns on investments are higher when direct spending on households are higher than management and operational costs. Benefits are also reaped in terms of social capital but it cannot always be measured in quantitative terms.

In IFSUP 49% of the total project expenditures have been transferred directly as assets to the households and 5% as training costs. 28% of the budget has been used for staff salary and 5% for travel and project management. In an average, the cost per household was Tk. 24,833 (Euro 257.18).

Facilitation and staff support required

A good amount of facilitation from project staff is required to ensure that the beneficiaries obtain regular income from their productive assets, sustain their benefits and achieve social empowerment. The staff as well has to monitor the progress and to prevent leakage. In NETZ’s and the Partner NGO’s experience the ratio of beneficiary household to staff in a project like IFSUP is 67 to 1.

One Field Organiser was responsible for 100 ultra-poor families. The type of support delivered were facilitation in creating Family Development Plans, skill development trainings for IGAs, individual management and business counseling according to progress of IGAs. At the initial stage it is vital for the project success that the field Organisers visit each household once a week to monitor status of the IGA and if necessary motivate the beneficiaries for alternatives e.g. replace the IGA type if a family is unable to manage their chosen asset.

7.2 Effectiveness

- Timescale

Lifting people out of extreme economic impoverishment within a three year timeframe is realistic. However, building social capital, attaining empowerment objectives and creating strong federations require longer time and care.

IFSUP experience (see Diagram: NETZ graduation model) shows that within a short time it is possible to improve household economic conditions of the ultra-poor. Particularly, raise their income to minimum Tk. 31 per capita per day (based on 2007 prices, inflation adjustment is done in consecutive projects), engage them in at least two regular sources of income, increase food intake to three meals a day round the year, have regular savings of minimum Tk. 500.
Lessons Learnt: NETZ Out of the Black Hole of Poverty

- NGO selection and preventing leakage

Selecting local NGOs with good management record and previous experience of working with ultra-poor is essential to effective delivery. Close supervision and strategic intervention of the lead implementing or management agency help to prevent leakage and ensure 100% disbursement in asset transfer projects.

Jagorani Chakra Foundation, Sabalambry Unnayan Samity and Ashrai have been long standing partners of NETZ. The NGOs are renowned in the region and have experience of working with Adivasis and ultra-poor people in the respective areas.

NETZ dealt with the issue of leakage all through the project period. At the first phase of asset transfer, a six member purchase committee was formed at group level to transfer productive assets to the beneficiaries. NETZ recruited additional staff to monitor transaction and quality of assets. Among others the committee consisted of two Partner NGO representatives, the recipient beneficiary, another beneficiary who has no purchase on that day, a representative of NETZ and a respected member of the community. This approach has ensured optimal transparency and was also an effective strategy in averting broker interference at the local cattle markets e.g. during buy and sale of cows.

From a meagre living to a model livelihood inventor

I am Saleha Begum (40) and used to make a scrape living from the rest of the broken bits of rice from the mills after selling rice grains. Along with my husband Abu Taleb and four children I used to pass days with constant hunger. Our situation was so vulnerable that NGOs operating in our area were reluctant to take us as their beneficiary in a firm doubt that we could not pay back the credit. We are living in Parnmath Char of Kausia in Rangpur and even had to endure the work of day labourer to overcome the loss of selling rice grains.

Then I got the opportunity to become a member of IFSUP. I was trained how to rear cow and poultry, in disaster management and leadership. I learned where to get services for livestock and poultry vaccination and in case of sickness. Gradually, from December 2007 to September 2009, I was supported with four cows one after another with revolving the same money, also for jute cultivation and poultry rearing. I received fruit seedlings and vegetable seeds from the project. In this time span, I made a total cumulative profit of Tk. 110,237 i.e. from cows Tk. 47,622, growing rice Tk. 20,500, selling milk Tk. 6,390; cultivating jute Tk. 3,725, cultivating chik Tk. 2,200, from growing wheat Tk. 1,800; selling vegetables Tk. 1,455; selling eggs Tk. 245, and ploughing others land on rental basis with two of my bulls Tk. 5,000.

At present, I am in possession of 60 decimal of leased land (0.60 acres), 2 cows for ploughing, 11 chickens, 2 ‘boukut’ trees, 1 papaya tree, 1 olive tree and 1 lichee tree. I am happy to share that I became an inspiration for other group members as they often mention. I now dream to educate my four children and buy a piece of land for crop cultivation.
Monitoring and evaluation
- Monitoring of activities and results from the beneficiaries’ perspective,
- Generating information on results as well project mechanisms and dynamics,
- Giving the beneficiaries the possibility to actively influence the further project planning and implementation (regarding necessary corrective measures),
- Verifying monitoring results generated by the project staff.

At the beginning of the project a detailed planning, monitoring and evaluation (PM&E) framework was designed. It covered mainly following four monitoring areas:
- Comparison between planned and implemented activities directly linked with the budget and expenditure plan,
- Verification of the progress in achieving the defined outputs, which are described by indicators in the logical framework,
- Assessment of the impact of the project on poverty reduction and achievement of goals and objectives,
- Monitoring of external risks that may affect project outcomes.

Cross cutting analytical categories in this PM&E framework are ethnicity and gender. Prior to implementation, similar to other livelihoods projects, IFSUP developed the socio-economic benchmarks of 100% of the project participants through a baseline survey. At the end of the intervention the data were compared with the end-line survey. This impact study permits precise statements on the results and changes achieved.

Follow up
NETZ is supporting a follow up project with the same beneficiary households and some new group members entitled “Social ... of their assets and capabilities to negotiate with, influence and hold accountable institutions that affect their lives.

8. Limitations and challenges
- Extreme poverty locations are remote and these postings are considered difficult. During the IFSUP project tenure there had been a number of staff turnover in management positions and among Field Organisers which challenged additional efforts of the staff in project implementation.
- Not all beneficiaries can derive equal benefits from the project. It varied for a number of reasons. Sometimes it was location specific or for reasons of ethnicity. The profitability is estimated comparatively less at Joypurhat due to strong discrimination against the Adivasis and their slow adaptability to learning. About 30% of the Adivasis required follow up IGA training in the 2nd year and again 20% in the 3rd year of the project which delayed their start-up time. Among other reasons of differences in benefits are low bargaining ability of the Adivasis at the marketplace due to internalisation of exploitation, lack of help to care for assets in case of absence or ill health and choice of asset not conducive to family conditions.
- The ultra-poor depend on the local power structure for financial and social support since generations. For a long time they were victims of elite exploitation, selling advanced labour for low wages, working at low rates, selling their products at cheap prices. As a result of better financial status and earning opportunities they have achieved through IFSUP advanced labour selling has stopped in most cases and the ultra-poor have learnt to negotiate for higher wages. As a result, sometimes they have been assaulted and harassed by the local elites.
- A total of 90 (2%) members migrated or died during IFSUP project implementation. Nevertheless all places were filled by a process of selection of new households by the groups.
- To attend and retain the different trainings and meetings is very difficult for the dependent poor (old aged, person with disability). Instruments for improvement of their specific situation are to be elaborated further.
- The price hike in 2008 was a cause for concern for many to make ends meet. Many moderate poor within the NETZ project areas slipped back into extreme poverty status. However it also gave rise to a lot of tension among the project participants but due to strong project support they were able to sustain the benefits.

9. Conclusion
Income graduation of the ultra-poor through transfer of productive assets or capital should be followed by a sequence of activities which lead to multiplication of the investment capital, possibly via the revolving capital system and through savings initiatives. This offers cushioning against investment failure. Concurrently, if it is packaged with efforts targeting enhancement of social capital, the chances of long term sustainability of benefits and economic empowerment are far better. Further, engaging the participants in their own analysis over conceptualising strategies for overcoming problems and implementing activities through family development plans increase ownership and reduce dependence on project staff. However, extensive staff support at the initial stage to prevent leakage and monitor judicious utilisation of investment reduces risks of loss. Above all, prior to project implementation proper identification of the ultra-poor is the doorway to project success.

The poorest in the society can overcome their poverty, fast, comprehensively and sustainably. They can become actors of their own development - and they can contribute to the development of the country Bangladesh.
Further reading:


Available at www.bangladesh.org
NETZ struggles for human dignity and against hunger in Bangladesh. Through partnership and with professional approaches, NETZ supports self-help activities for nutrition, education and human rights.

Out of the Black Hole of Poverty

Lessons Learnt from Livelihoods Projects with Ultra-Poor Families