



## Editorial

This special news letter is published on the occasion of the holding of the Asia-Pacific Regional Microcredit Summit 2008. The regional summit will offer sharing of experiences among over 1000 delegates from 40 countries across the globe. The key agenda of the summit is to review the progress towards achieving the Microcredit Summit Campaign Goal of reaching 175 million poorest with micro credit and ensuring that 100 million poorest move out of absolute poverty measured in US\$1 income level. SDI has been working with its limited capacities to contribute to the achievement of this goal.

However, since the Halifax moot the world economic situation has rapidly started a downward slide. Instead being able to lift 100 million people above poverty line, additional 100 million people had sunken below the poverty line. Diverting of food grains for producing bio diesel is held at least 75% responsible for the food crisis.

The challenge of lifting 100 million poor above US\$1 level has become very daunting.

The APRMS2008's importance has increased manifold in the above context. The issue of Climate Change is choreographic all these phenomenon. The whole world's focus is on the APRMS2008 as to what idea and practical action agenda it sets for the world.

### SDI Executive Director to attend APRMS 2008 at Nusa Dua, Bali



Mr. Shamsul Haque the executive director of SDI will Bali meeting of Asia Pacific Regional Micro credit Summit 2008. The summit will be held at Bali International Convention Centre, Nusa Dua Bali.

The summit will start on 27 July '08 and end on 30 July 2008. The APRMS2008 will end with a regional declaration. The ED of SDI is expected to share Bangladesh experience with many of the 1000 delegates from 40 countries converging in Bali. The delegates include head of the states, micro-credit practitioners, advocates, donors and others. Mr. Haque is expected bring home rich experiences and newer ideas which can be adopted or adapted in our local context. He will return home on 1 August 2008.

## Asia Pacific Region Microcredit Summit 2008 (APRMS 2008)

More than 1000 delegates from 40 countries are expected to attend the Asia-Pacific Regional Micro credit Summit 2008, co-organized by the Microcredit Summit Campaign and Gema PKM Indonesia. Delegates will have choice of participating in 6 plenary session, 24 workshops, 5 day-long courses, and various council meetings at the conference. Summit attendees will assess progress toward the campaign's 2015 goals and discuss obstacles and solution to achieving these objectives.



The President of the Republic of Indonesia, Dr. H. Susilo Bambang Yudhoyono will open the Asia-Pacific Regional Microcredit Summit 2008 in Bali International Convention Center, Nusa Dua, Bali, Indonesia.

2006 Nobel Peace Prize Laureate Muhammad Yunus, Founder and Managing Director of Grameen Bank, will participate in the conference



The President of Honduras, Jose Manuel Zelaya Rosales will join Nobel Peace

Prize Laureate Muhammad Yunus and other dignitaries and key leaders at the Asia-Pacific Regional Microcredit Summit, July 28-30, 2008 in Bali, Indonesia. President Zelaya has also agreed to serve as the chair of the Microcredit Summit Campaign's Council of Heads of State and Government.



Mr. Fazle Hasan Abed, Founder and Chairperson of BRAC and 2007 Inaugural Clinton Global Citizen Award winner, is confirmed to attend and speak at the conference. Mr. Abed will speak at the plenary session entitled *Building Financial Systems that Work for the Majority: Local Currency Borrowing, On-Lending Savings, Autonomous Credit Funds, and Appropriate Legal Framework* as well as at the *Council Meeting for Practitioners and Non-Governmental Organizations*. At the Asia-Pacific Regional Microcredit Summit, Mr. Abed will lead the *Council Meeting for Practitioners and Non-Governmental Organizations* by presenting BRAC's 2008 IAP and sharing BRAC's achievements and lessons learned.

### Words of felicitation by the MD PKSf for SDI Newsletter



I am happy to know that SDI, a member of PKSf fraternity, is publishing a special supplement of its news letter on the occasion of upcoming Asia Pacific Regional Microcredit Summit (APRMS 2008) that is going to be held in Bali, Indonesia in July 2008. About a decade ago, the practice of this International grand assembly of MFI practitioners had started. With the passage of time, its relevance and importance has been growing in the process of global economic and social development agenda-setting.

The APRMS 2008 is going to be held in the backdrop of a near meltdown of the US financial systems, soaring fuel prices, adverse climate changes and skyrocketing prices of rice and wheat, the cumulative effect being probably that another 100 million people are pushed back into poverty all over the world. Hence the challenges to the MFIs has grown even bigger to bring a growing number poor people within the reach of microfinance.

The clarion call of the Halifax moot was lifting 175 million people above US\$1 a-day income level. The inflation and economic turmoil have made us to think of redefining our goal consistent with the global reality. Bangladesh which is recognized as the flag bearer of the microfinance revolution, may again have to give idea and leadership to confront the challenges.

In this context, it is a very worthwhile exercise on the part of SDI to publish its newsletter during APRMS 2008. The newsletter may provide a glimpse of the working of an ideal MF institution in Bangladesh to an assembly of no less than 2000 microfinance practitioners and researchers as well policy advocates from all over the world.

I hope the newsletter would be able to project to the august assembly of MF practitioners an interesting window to know about SDI's initiatives to achieve the commitment the NGOs had given in Halifax conference in 2006.

**Dr. Quazi Mesbahuddin Ahmed**  
Managing Director, Palli Karma Sahayak Foundation (PKSF)



### SDI commissions Study "The Impact On Livelihood Of Fishers Due To Ban On Catching Undersized Hilsha Fish (Jatka)"

The study was conducted in the period from October 2007 to Mid March 2008. The major recommendations were that Govt should ensure not only livelihood security of the fishers but also to improve the over all human security and welfare of the community. Dr. Khursid Alam of CODEC and two of his colleagues had jointly conducted the study.

### BTV telecast success story of SDI

SDI activities were highlighted in a popular BTV program SHAFOLLO GATHA presented by Mir Emdad Ali a popular TV presenter.

The TV presenter depicted a gamut of MC related activities of SDI in Dhamrai region of SDI. The 15 minutes long documentary presented the success story of Saleha begum a MC program partner of SDI since 2003. Saleha had to pluck enough courage while she took her first loan of a paltry sum of 2000 taka. But now she borrows in the range of half a lac taka without a frown in her forehead. She has now established a

small dairy with a pair of milk cows, she rears a horde of goats and chickens. In a matter of 3 years she could change her quality of life in a way which has become a model in her village.

The TV show also presented the pottery of Ratan Paul. Ratan Paul produces pottery items like flower vase, ornamented pots, vessels. Ratan is a 'micro entrepreneur' category borrower. He had borrowed taka One lac. With this capital he could expand his production capacity and also engage more employees.

### SDI Flood Response in 2007

Bangladesh has suffered recurring flood during the month of July and August of 2007. The floods had affected 34 districts of Bangladesh. Manikganj was among the most severely affected districts. Dhamrai, Ashulia under Dhaka district was also affected by the flood.

SDI has extensive coverage in the Manikganj areas and Ashulia and Savar. About 10,000 beneficiaries of SDI were directly affected by flood.

SDI with its own resources came forward to mitigate the affect of flood among its beneficiaries as well as other afflicted people in the area.

With the outbreak of flood, SDI mobilized relief teams which went round the homes in all the villages where SDI has partner groups with essentials like snake repellent, gentian violet, anti diarrheal, Halogen tablet, ORS, medicines for common cough and cold, antipyretics. SDI

also constructed Sanitary toilets for the families who had taken refuge in high grounds adjacent to the Dhaka-Aricha highway.

SDI dispatched food relief's to remote shoals in the middle of the river Padma in places like



Baghutia, Char Bachamara

As the flood was continuing for more than two weeks, SDI sent two medical team formed with its own health workers, paramedics. The team went round shelters opened by the govt and also into various locations in the villages in various unions and opened medical camps. The team treated 3000 sick patients in 8 spots in a period of 15 days.

SDI relief teams distributed 25000 sachets of ORS, 2200

vials of snake repellent, 1600 bottles of gentian violet, 10,000 halo tabs. Installed 7 units of Sanitary toilets on the road side.

The medical team treated 4234 patients in 24 unions under 5 police stations inside 2 districts (Manikganj and Dhaka).

SDI provided food relief also from its own resources and also encouraged Shustho Jibon (an informal association of morning walkers around Dhanmondi lake) and Leading Business Man like Chittaranjan Majumdar to donate rice,

pulse, salt, biscuits for the flood affected people in the remote place like Char Bachamara and Char Bharanga under Daulatpur upazila in Manikganj.

While providing relief special care was taken to provide relief to disabled, old people, pregnant women or women with infants, hardcore poor as priority.

5 kg of rice, 1 Kg of pulse and ½ kg of salt were packed in one

pack of food relief. In all 1650 persons which included 96 physically challenged, 110 pregnant women, 188 old people, 50 children and 1206 hardcore poor. The value of the relief food was Taka 3lac+

.Shustho Jiban and Majumdar traders jointly donated taka 5.85 lac worth of rice, pulse salt and biscuits. 15000 Kg of rice, 3000 kg of pulse and 1500 kg of salt and 3000 packs of energy biscuits were distributed among 3000 persons

After the recession of flood SDI undertook rehabilitation work. In total 83 lac taka was distributed among 4150 families. Each family was given taka 2000 with 4% service charge.



This in addition to the normal MC being suspended for 4 weeks period of flood.

SDI's relief work got wide media coverage in the electronic as well as print media.





## Micro-credit Fair 2008

SDI took part in the Micro-credit fair. Since 2007 PKSf is sponsoring a Micro credit fair in Dhaka as annual fixture in its calendar of events. This year's fair was between 5 - 8 March in Bangladesh China Friendship Convention Centre (BCFCC) in Agargaon. In all 82 organizations participated in the fair. Of which 74 were Micro finance Institutions. The MFIs displayed in their stalls various products produced by the Micro entrepreneurs supported by the respective NGO. The list of products on display was quite long and veritable. An impressive array of products produced by the MC borrowers were on display. Visiting the stall would give one impression that how dynamic and resourceful are our rural poor. The micro credit has given them a fighting chance to win over poverty.

On the sideline of the fair every day a series of seminars were hosted at the conference centre adjacent to the fair premises.

The fair was inaugurated by Dr. Mirza Azizul Islam, finance advisor of the care-

taker govt of Bangladesh. Dr. Fakhrudin Ahmed the Head of the caretaker govt was the chief guest of the concluding session. Dr. Quazi Mesbahuddin Ahmed were the other guests sitting on the podium. In the concluding meeting 3 MFI's were conferred best performer awards in 3 categories.

In the SDI stall SDI MF partners from far



away places like Sandwip were displayed. SDI extends MF service to

Diversified handicrafts products with fine jute such as bags of various shapes and sizes and colors, sandals made of jute drew much interest of fair visitors. Sales of the products were brisk. Quilts with intricate stitch-works portraying traditional rural motifs were on display.

visitors with passion for folk cultural heritage had huge admiration for the rural women producers from Sandwip. SDI MFI program supports legendary Dhakai Benarasee Saree producers in Mirpur. The women with skill of doing 'Karchupi' on Saree (intricate motifs of stitched 'Chumki' inlay in the body and the frills of the sharee) worked in the stall. Visitors could comprehend the skills and level of perseverance needed to fabricate karchupi on Saree. Sales were brisk for the Saree with karchupi works, jute bags, various vases, pots and holders made of baked clay potteries. SDI stall also displayed brass and bronze metal artifacts produced by one women entrepreneur from Dhamrai. She produces show piece objects replicas of curios antiquities like figurines or statuette of Indian mythological gods and goddesses, animals like lion, tiger, horse, owl, flower vases, pots with made of caste brass or bronze metals. The

products on display gave the SDI stall a colorful look. The SDI stall was a popular foray for the lovers of show pieces and specially replicas of art objects of olden times.

SDI installed HDTV monitor TV and played multimedia presentations depicting SDI's programs and activities.

## Rehabilitation of Non-Motorized Transport Pullers and Poor Owners Project ( RNPPO)

### Introduction

This is a project taken by PKSf for which the World Bank has provided the fund. The project would support the non-motorized transport pullers and poor owners who have been affected due to ban of non-motorized transports on some roads of Dhaka city. The duration of the project is from July 2007-June 2009. The World Bank has approved a fund of US Dollar 17.0 million (Tk. 119 crore) for the project. In this regard, an agreement was signed between IDA and Government of Bangladesh on June 21, 2007. PKSf has sanctioned loan of Tk. 271 million in favor of its 10 POs to implement the project.

### The project goal :

Rehabilitation in alternative vocation of 40500 Non motorized transport drivers and poor owners who were affected by the prohibition of rickshaws on roads sections from Gabtoli to Azimpur.

SDI is implementing the project in Shaymoli, Adabor, Monsurabad housing area among 3099 rickshaw pullers/owners and their family members. The project arranged for vocational training for the affected rickshaw pullers/owners according to the options given by the trainees. SDI would be disbursing Tk 8 crore 76 lac through its 2 MC branches

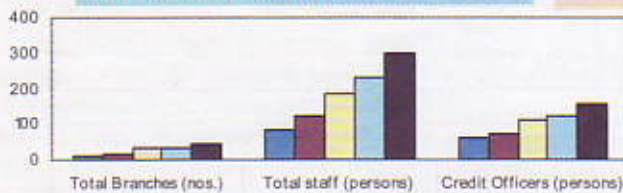
### Project Objectives:

To improve the quality of life of the targeted people by creating opportunity for employment and or income generation in activities with the exception of rickshaw pulling or non motorized transport driving.

- Employment generation and entrepreneurship promotion through Skill development and imparting training on business development
- Improvement of Social and health awareness
- Augmentation of life-skill of the targeted people



### Trend of expansion of MF program of SDI for the period from 2004 -2008



2004	11	85	64
2005	19	125	72
2006	33	187	112
2007	33	230	126
2008	46	300	155

An analysis of SDI's Micro finance program for the period 2004-2008

### Portfolio quality of SDI MF program over the period from 2004-2008



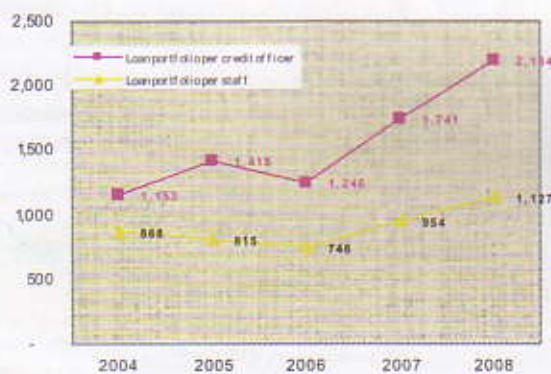
### Trend of ROI on Capital of MF Program of SDI for five years



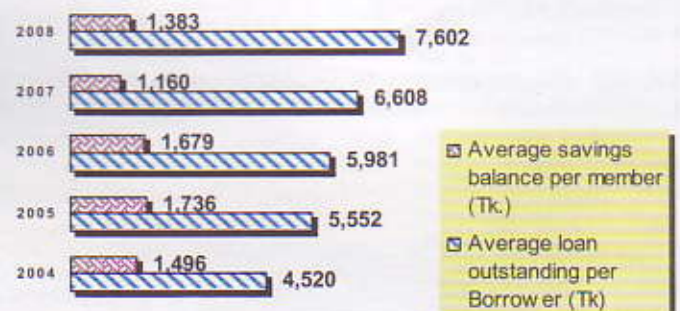
### Operational efficiency in terms of cost of lending (per Tk.) and total cost per loan unit ( taka)



### Trend of loan portfolio for staff and Credit officer



### Trend of savings mobilization and lending expansion over the period from 2004 - 2008



### SDI's Financial and Operational Self sufficiency trend for the period 2004-2008



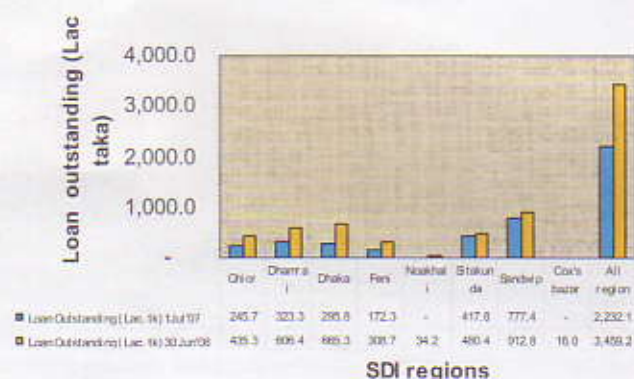
### Loan disbursement, loan units processed over the period 2004-2008





## Analysis of SDI's Micro finance program for the period 2007-2008

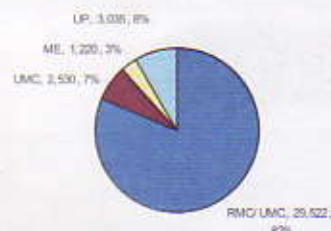
Comparison of loan outstanding on 1st Jul '07 and on 30 Jul '08



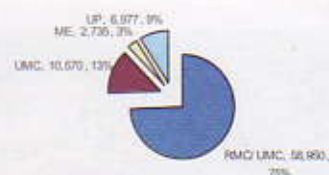
## SDI's Business Plan for the year 2008-2009

New member	Loan units	Loan amount (mil tk.)
36,307	79,232	1,236

Members enlistment target for 2008-2009



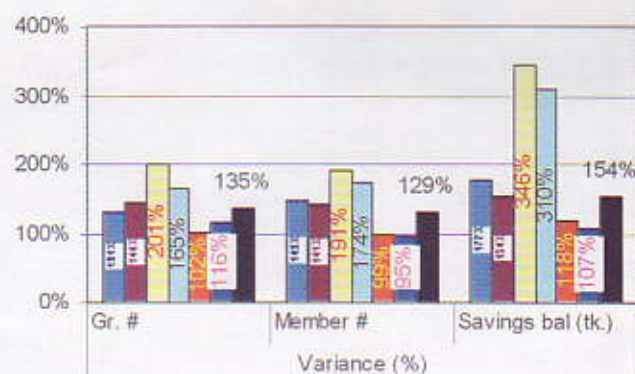
Target for disbursement of loan units by sector (2008-'09)



Target for disbursement of loans (million taka) for the period 2008-2009



% change in the number groups, members, savings mobilization at 30 Jun'08 with respect to 1st Jul'07



Region	Gr. #	Member #	Savings bal (tk.)
Ghior	131%	149%	177%
Dhamrai	144%	141%	154%
Dhaka	201%	191%	346%
Feni	165%	174%	310%
Sitakunda	102%	99%	118%
Sandwip	116%	95%	107%

Region	Member		Savings (lac Tk.)		Refund ( lac Tk.)		Credit (lac. Tk.)	
	Target	Achieved	Target	Achieved	Target	Achieved	Target	Achieved
Ghior	6,896	5,379	103	95	51	39	886	768
Dhamrai	5,219	4,202	97	119	46	66	927	1,081
Dhaka	7,816	6,232	219	198	54	140	1,395	1,139
Feni	6,822	4,999	123	113	44	55	674	569
Noakhali	2,303	711	8	4	0	0	126	40
Sitakunda	3,813	4,306	165	178	124	153	945	412
Sandwip	8,722	8,118	372	408	257	352	2,268	2,733
Cox's Bazar	1,368	292	7	2	-	0	134	18
Total	42,959	34,239	1,094	1,117	576	806	7,355	6,759



### National workshop on fishers safety issue

A national seminar was held on 1st April 2008 at LGED RDEC hall at level 12 at Agargaon, Dhaka. The chief guest was Mr. Rafiqul



Islam, the Director general fisheries, govt of Bangladesh. Senior fisheries officials of district and Thana levels had joined the seminar. Two fishers one from Bagerhat, Khulna another from Lakhimpur, Noakhali also took part in the discussions. CBDRM project partners namely SAGORIKA, ADMD attended the seminar. In all 84 GO, NGO representatives took part in the workshop. The event received national media coverage. ATN Bangla was the media partner covered the workshop proceedings. Also BTV, BOI-SHAKI and Radio Bangladesh covered the event.

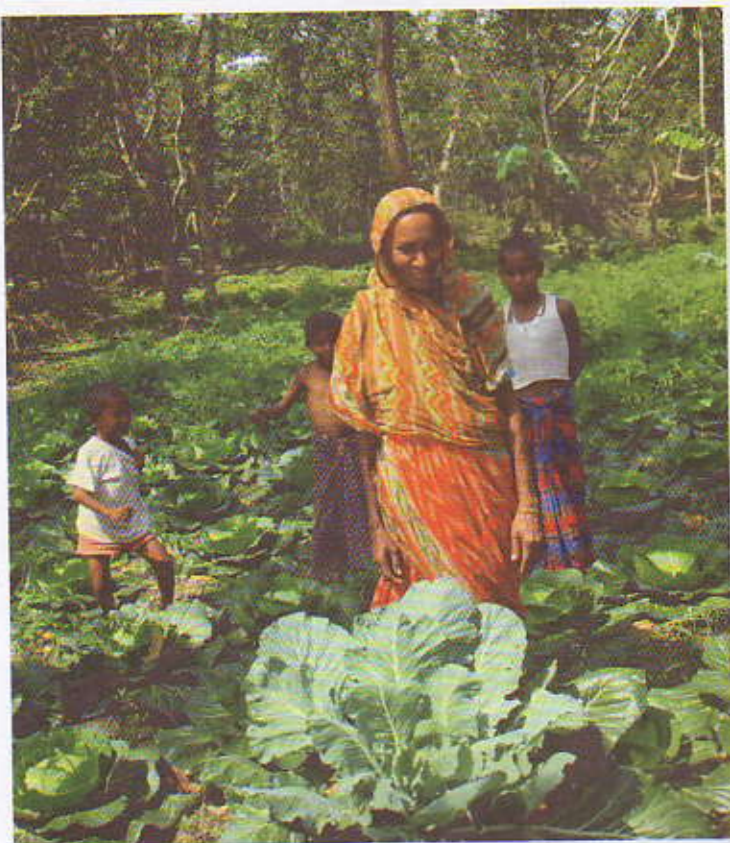
### Advocacy for Bay fisher's safety

The project in consultation with OXFAM identified 4 key messages on the occupational safety of the fishers on board a fishing boat. These were printed on panaflex sheets and fixing on



the body of fishing boats and fishing boat mooring stations on Sandwip. The messages remind the boat owners, law enforces and the boat crew regarding the safety standards and measures that is to be complied with while going on fishing trip to the bay.

### Vegetable cultivation makes Ultra poor to increase income in Sandwip



The IRDP project phase IV hard core poor members are growing vegetables for consumption and for selling too. Under its program for

families. Each families were given 50 gms of seeds.

The selection seeds were made considering the lack of land space by the hardcore

income generation, 150 group members were given training on vegetable gardening on small spaces. Bangladesh has two seasons for vegetable cultivation, one in summer and the other in the winter. In between during monsoon period is considered a period for major crop cultivation like rice crop. SDI supplied seeds of HYV seeds for eggplant, beans (winged bean, mung bean), sweet gourd, brinjal, cucumber, radish, spinach to 490

So vegetables which are generally of creeper type were preferred.

Some of the trained poor used their thatched roof to grow creepers and some others used the embankment slopes for planting bean seeds.

All together about 6000 kg. of vegetables were grown by the poor. It was no mean feat on their part. the value in terms taka will be around 75,000 taka in a conservative estimate. The families consumed a quantity of the produce rest they sold to neighbours or in the market.

The earning for individual families were in the range of taka 3000- to taka 5000. The experience was very positively embraced by the hardcore poor. They are now approached SDI extension workers for winter crops.

Among all, Amena Begum of the Timi Mohila Samity, Ferojea Begum of Gangchil MSS, Rokeya Begum of Icahamoti MSS, Nurjahan Begum and Ambia Begum of Godhuli MSS, Nasima Begum of Moyuri MSS were the most successful vegetable growers. Their success has greatly encouraged others to do their next seasons planting with more intent and earnest



## Disaster Risk Reduction Knowledge and Agriculture Fair

Disaster Knowledge and Agriculture Fair was found to be very effective in disseminating awareness and other information needed for improving life skill and technology adaptation. Disaster fair was held on 14-15 February 2008 at Haramia ground of Sandwip upazila headquarters. The disaster knowledge and

noted that it is only fair being held in the entire island of Sandwip, which is solely devoted to the purpose of The visitors got exposure to messages on disaster risks, reduction strategies and means also learn about GO NGO organizations which provide different supports e.g. HYV seeds, advisory on crop and or animal husbandry.

People also learnt about a how a solar electrical system works, what is an energy efficient oven, how much it cost, what are its advantages. Every day about 3000 visitors had visited the different stalls in the fair. A majority of the visitors are young children and school students

### GAMEBOARD on 4 natural hazards (IEC Package Development for students)



During the 2007-2008 period the project developed DURJOG JOYER LUDO an innovative game board targeting the primary school children studying in class III-V to acquire knowledge of hazards that looms over their communities. 4 hazards that threaten the coastal communities were addressed in the game. The game board has been adapted and developed based on the ISDR's IEC material RISKLAND. The game board is a LUDO/Snake ladder type game board, messages, on DOs and DONTs on the game board are placed under different numerals.

The game board was introduced in 15 primary schools in the high risk belt of Sandwip. 2 teachers from each school were given orientation on the game, its rules and also as to how to satisfy the additional queries of the players and onlookers on various issues dwelt with in the game process how to disseminate disaster risk reduction messages to the primary school students.. An agreement was concluded with the school management for the purpose of ensuring routine and regular use of the game board by the children.



Agriculture fair was jointly organized by 4 projects of SDI namely CBDRM project, SHOUHARDO Program SDI, IRDP and MC project of SDI. In addition to the SDI projects SUS and Grameen Shakti took part in the fair. 3 govt departments (DPHE, Dept of Agriculture and livestock, Health and Family Planning) had also set up display stall. two local entrepreneurs (a nursery and a furniture shop) also rented space in the fair. it may be



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### SDI Director conferred the coveted Sher e Bangla Shritee Podok 2007

SDI Director was conferred the coveted Sher e Bangla Shritee Podok 2007 by the Sher e Bangla Shriti Academy.

He was awarded a citation and a crest on 26 October 2007 at the auditorium of the National Press club. Sher e Bangla AK Fazlul Haque will be eternally remembered by the nation of Bangladesh for his action of requiring 10 million peasants from the grip of the mohajons and abolition of zamindari system introduced by the British colonial powers in 18<sup>th</sup> century. In total 10 distinguished social workers, business leaders, litterateur, educationist who had demonstrated distinct leadership in their respective realm of activities were conferred the award profoundly influencing the lives of the poor of the country.

In the wake of the receiving of this award. The people of Sutipara in Dhamrai, organized a civic reception in honor of the illustrious son of the village. The Dhamrai college alumnae's too hold a reception in his honor. SHUSTHO JIBON a Dhanmondi lake centered morning walk enthusiasts group of businessmen, lawyers, intellectuals, professionals and social entrepreneurs also accorded him a reception on his achievement of this prestigious award. In Sandwip, a civic reception was accorded to him at the Kabi Abdul Hakim Auditorium. Staff members of SDI's central office and various branches offices also felicitated him on this occasion.

## Annual conference of SDI 2008 held

SDI hold its annual conference for the year 2008 at PROSHIKA HRDC trust venue at Koitta, Manikganj. Project Managers of CARE SHOULARDO, CDRMP/OXFAMGB, and IRDP/CordAid, Netherlands, Regional Managers of 8 regions and 46 Branch managers for SDI different units of MF program of SDI attended this two day fixture. The meeting was inaugurated by the Deputy Managing Director of PKSF Ms. Parveen Mahmud. The DC Manikganj, Mr. Ataur Rahman was the chief guest of the concluding session. The civil surgeon of Manikganj was a special guest in the closing ceremony. The annual conference session were chaired by



the SDI executive director Mr. Shamsul Haque. The DGM of PKSF Ms. Parveen Mahmud in her inaugural speech lauded the efforts of SDI in human development. She put emphasis on the aspect of comprehensive human development as the inclusive strategy for MC program

The DC Manikganj, in his speech expressed his satisfaction at SDI's efforts in development. He emphasized on more intense GO NGO collaboration for optimized resource utilization. He had expressed that SDI would receive all cooperation from him for implementation of poverty reduction programs of SDI. In order to give the audience a comprehensive

idea on the SDI's mission, programs, projects and their focus a video documentary was presented through multimedia show.

On the second day In order to heighten the awareness of SDI Staff and the broader community a rally was held at Koitta with the slogan of Climate change is an unfolding calamity. We must act now. SDI has already included response to climate change as its core program. The strategy includes raising awareness, promotion of environmental friendly energy use and preparation for adaptation to the changing climate effects. SDI awarded best group member prizes in 5 categories. The categories such as Best group Leader, Best rural micro-credit performance, best Micro-entrepreneur ME, best ultra poor credit performer, and best Ananda School teacher.

Outside the conference hall an exhibition of

the various products made by SDI MF's grass roots partners were put on display. The guests and other invitees expressed much appreciation for the creative endeavor of the artisans. A quiz competition created huge excitement among the audience.

The conference was ended with cultural program presented by mostly artists belong to members of bigger SDI fraternity.

