

Poverty Reduction and Development Forum
Transforming Development Pattern and Poverty Reduction
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Sharing the BRAC experience in Bangladesh and Beyond

Your Excellency, Vice-Premier Hui Liangyu
Minister Fan, Director of the State Council Leading
Group Office of Poverty Alleviation
Chairperson of the Session: Ms. Renata Lok-Dessalien
My fellow Speakers, Distinguished Guests, Ladies and
Gentlemen.

Thank you for the opportunity to share what I have learned over the last 4 decades in working to reduce poverty in Bangladesh and in other countries. In the aftermath of Bangladesh's liberation war, I founded an organization now known as BRAC. Starting with relief and then transitioning to rehabilitation and development, we have now spent the last ten years using our experiences to help poor communities in other parts of Asia, five countries in Africa, and, most recently, Haiti. BRAC's mission is to empower people and communities in situations of poverty, illiteracy, disease and social

injustice. Our interventions aim to achieve large scale, positive changes through economic and social programmes that enable men and women to realise their potential.

The most important thing that we have learned about development – that people who are poor must participate in creating their own solution. They must be empowered and they need access to financial resources. Self-empowerment comes from the confidence and self-worth an individual feels. BRAC works to develop the capacities of the poor, particularly women as agents of change. We form village-level groups of 30 to 40 individuals for microfinance and other services.

Financial resources are the key to enabling people to realize their dream and aspirations. Savings inculcate a sense of the future and provide hope for something beyond immediate needs. Credit opens a doorway for the poor to start livelihood activities which can create a source of income.

While access to financial resources has been important in helping large numbers of people come out of poverty, access to markets and quality inputs have been equally important. Let me share an example of how rural women benefit from small loans particularly when supported by other services.

A microfinance client takes out a loan to set up a nursery. Poor women in rural areas traditionally indulge in homestead gardening to supplement the household diet. A small loan can enable her to use her knowledge and skills and help transform her garden into an income-generating activity by establishing a nursery. She can use the loan to lease some land and buy inputs. BRAC supports her efforts by providing access to quality seedlings, saplings and technical information to grow and keep plants healthy and marketing knowledge to ensure that it is a viable venture – for example, she can decide amongst ornamental, vegetable, fruit or medicinal plants (or a combination) depending on local household and market demand. The community benefits by having easy access to quality plants and there is an element of social forestry as neighbours start growing their own.

In this example, a woman's loan is successful when supported by access to markets and quality inputs, benefitting both her family and her community.

BRAC's role is to minimise borrowers' risks and increase societal gains.

For women who borrow to buy livestock, BRAC provides training on feed, care and illness detection. We also deliver veterinary services at the household level, provide artificial insemination of bull semen to improve breed of the offspring and arrange for village-level milk collection. Women walk from their house to a central place in the village where milk is collected daily and taken to regional chilling centers and then nationally processed for retail sales. The outcome is a winning situation for microfinance clients and a furthering of BRAC's mission.

BRAC has also learned a second important lesson on development: that poverty is multidimensional and requires a holistic response.

In addition to financial resources, linkages to markets and the right kinds of inputs, the poor also need education, health and nutrition. BRAC has found that poverty affects every aspect of a poor individual's life, so to most effectively lift people out of poverty, BRAC uses a holistic approach. As with microfinance, BRAC ensures that the poor are also able to access essential healthcare and basic schooling within the community. This strategy serves to build the capacity of poor communities, providing essential services while empowering communities to meet their own needs in these critical areas. This is achieved by training and encouraging capable individuals in the community to provide voluntary services. The organized groups, as mentioned earlier, also serve as recruiting grounds for volunteers who become key actors in the community-level provision of healthcare, agricultural extension services and legal education.

Health services are delivered to the community through over 80,000 community health volunteers who receive training on 10 common illnesses. They are modeled

after your “barefoot doctors.” They are the front line of public health – in water, in sanitation, and in the fight against tuberculosis. They have been taught to detect, refer and administer the DOTS (Direct Observation Treatment Shortcourse) treatment for tuberculosis.

Schooling also relies on women from the community but teachers are drawn from among those who have at least 10 years of education. BRAC’s goal is to provide non-formal primary education to poor children who have never gone to school or have dropped out for economic reasons. The objective is to provide what they have missed so that they can catch up with the formal system. Each BRAC school is made up of one classroom with 35 students and one teacher who teaches everything. Currently 1.5 million children are enrolled in BRAC schools and more than 4 million have graduated.

Drawing health workers, teachers, agriculture extension agents and paralegals from the communities they live in is both cost-effective and sustainable. The development of such systems of community-based support has been

critical to the success of BRAC's programmes which now reach an estimated 110 million people in Bangladesh and 28 million more in Africa and other parts of Asia.

Our third lesson learned is that what works for poor communities in one place also tends to work in other settings. These settings may be other countries or poor communities within developing countries. I would like to share with you the programmes that we have managed to transplant to settings beyond Bangladesh.

When we ventured out for the first time, we chose a country that had undergone an experience similar to ours – the post-conflict, war-ravaged Afghanistan of 2000. The needs of the country were immense and that of the poor even greater. Women were faring the worst. Children had not been to school in a decade and there was no healthcare to speak of. We introduced microfinance and healthcare – using the same community-based models developed in Bangladesh. Today, BRAC is the leading provider of microfinance in

Afghanistan. Our engagement of female community members as health workers and school teachers not only provides much-needed services in rural areas but is helping to promote the inclusion of women and girls in the development process. Almost half, 42%, of BRAC's 4000-strong staff consists of women. In Uganda, where we started work in 2006, 85% of our staff are women. More importantly, within four years in Uganda, we have seen our programmes in agriculture and empowerment of adolescent girls take root half a world away from where they were first designed.

China may be particularly interested in a BRAC initiative that was specifically designed to help the poorest of the poor. It was initiated in 2002 for those who are in the bottom 10% of the population who are completely marginalised from society and too poor to access or benefit from traditional development interventions, such as microfinance. The design of the programme emerged out of 3 decades of learning from our rural poverty alleviation efforts – namely, that the ultra-poor required prolonged and specialised support before they

can be integrated into the larger economy and society. With asset transfers and other forms of social support for poor woman and her family over 18 months, she is able to 'graduate' into microfinance and get on a pathway out of poverty. The tremendous success of the ultra-poor programme in Bangladesh motivated the World Bank's Consultative Group to Assist the Poor, the Ford Foundation and the Mastercard Foundation to adapt and pilot the BRAC model in 9 sites in 7 countries: Ethiopia, Haiti, Honduras, India, Pakistan, Peru and Yemen.

The lesson is being repeated in country after country – when something works in one place, it often works in another – albeit, with some concessions to culture, economy and geography. This is because the root causes of poverty – the lack of empowerment and access to critical resources and services - tend to be the same everywhere. Our experience therefore says that much of this learning can also be expected to be useful in the Chinese context.

We all know about China's incredible success with poverty reduction. Never before in human history have we seen so many people (half a billion according to the World Bank) transitioning out of poverty as we have in China over these last few decades. In the face of such success, Minister Fan visited Bangladesh recently. He shared with us China's determination to alleviate the remaining pockets of poverty as quickly as possible. He wanted to learn about our success with anti-poverty programmes.

I would like to offer my thanks to the organisers of today's programme for providing an opportunity to share BRAC's experiences. I extend an invitation to come see BRAC programmes in Bangladesh and elsewhere.

Let me end by congratulating the Chinese government on its Herculean achievements in poverty reduction and, on this day dedicated to poverty eradication, let us re-dedicate ourselves to meeting the aspirations, problems and needs of poor people everywhere.

Thank you.

