

INSIGHTS

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Human Dignity and SDGs Local Level Capacity Building



Poverty is a significant human rights challenge; and the poor are often socially excluded and lack the basic capability to participate actively in the social, cultural, and political life of their communities. People in poverty need voice to obtain recognition of rights and demand respect. They need representation and participation. Without human dignity and empowerment, the poor are unlikely to get out of poverty.



Institute for Inclusive Finance and Development (InM)

www.inm.org.bd

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The Sustainable Development Goals (SDGs) are a universal call for action to end poverty, protect the planet and ensure that all people enjoy peace and prosperity. The SDGs Agenda provides clear guidelines and targets to achieve in accordance with the country's own development priorities and environmental challenges. The SDGs cover an inclusive agenda. They tackle the root causes of poverty to make a positive change for both the people and the planet. Poverty eradication is at the heart of the SDGs Agenda, and so is the commitment to leave no-one behind.

Ultimately, all SDGs are local! The achievement of SDGs requires local action. The SDGs have targets that are directly or indirectly related to the daily work of the local governments and local institutions (e.g. NGO-MFIs). These local governments/institutions should not be seen as mere implementers of the Agenda. They are local policy designers, catalysts of change, and are best-placed to link the global goals with local communities. There has to be a new global partnership between international institutions, national governments, civil society, private sector and, of course, local governments and NGO-MFIs. For implementing the SDGs, one important element is to utilise the potential of local action to drive development and create appropriate legal and financial frameworks to support all local partners in playing their part in the achievement of the integrated and universal SDGs Agenda.

The need is to initiate multi-stakeholder consultation processes and mapping exercises at the local level to identify sectoral interactions (synergies, trade-offs, complementarities and impacts) critical to achieving the SDGs in a given geographical location (e.g. villages/unions/upazilas/districts). The aim should be to advance: (i) practical knowledge and skills acquisition on human dignity and SDGs especially relevant at the local level; (ii) integrated and transformative nature of SDGs which requires interventions that can systematically consider sectoral inter-linkages (synergies and trade-offs) between economic, social and environmental spheres; (iii) networking and catalysing the local organisations moving from sectoral perspectives (e.g. agriculture, trade, investment, water, energy) towards a more integrated decision-making processes and 'issues-oriented' agenda (e.g. food security); and (iv) sharing experiences through peer to peer collaboration and learning about practical actions and best practices.

Given the rich, varied and successful experience of NGO-MFIs and other local organisations of working at the grassroots level, relevant areas for action should be emphasised in the context of SDGs. The breadth of the SDGs indicates that there are many areas where the NGO-MFIs' work can contribute to the SDGs, drawing on their capacity. The focus should also be on fine-tuning existing work of each NGO-MFI.

Each NGO-MFI should re-examine what it could do more of—or do somewhat differently—to support the achievement of the SDGs. Overall, four areas should be highlighted:

■ **Area 1: Apply SDG lens to NGO-MFI's strategies and policy/programme tools.**

The SDGs constitute an important part of the backdrop against which much of the NGO-MFI's work take place. This should be reflected in the evolution of the programmes of work of NGO-MFIs, identifying opportunities to contribute to SDGs implementation. An effort to integrate SDGs perspectives across the NGO-MFIs' work may also imply revisiting existing thematic strategies (e.g. innovation strategy, skills strategy, green growth strategy, poverty reduction strategy etc.) to make them 'SDG-aware', ensuring that they support the achievement of the SDGs where relevant.

■ **Area 2: Leverage NGO-MFIs' ground-level data and information to help analyse progress in the implementation of SDGs.**

The NGO-MFIs hold vast amounts of information – both quantitative and qualitative – that can contribute to SDGs follow-up efforts.

■ **Area 3: Upgrade in-house capacity for integrated planning and policy-making at the grassroots level, and provide support to the local government to create a space for sharing mutual experiences on implementing the SDGs.**

Consider the role of union parishads, upazila parishads, municipalities and sub-national governments in the implementation of the SDGs; build networks and partnerships to foster cross-sectoral perspective on SDGs at subnational level; and enhance thematic projects on service delivery, which can help foster inter-linkages across several SDGs at local and regional levels.

■ **Area 4: Raise awareness on the SDGs among partners and the people.**

The aim would be to improve their knowledge of SDGs, familiarise them with the implications, opportunities and challenges in localising it, and urge stakeholders to fully realise their crucial role. This should also create an enabling environment for the localisation process, to support local ownership and ensure SDGs integration in sub-national strategies and plans. This could also point out best practices that are reliable and replicable in order to efficiently design, implement and monitor interventions in line with SDGs. The process will help in putting the locations and their peoples' priorities, needs and resources at the centre of sustainable development. Thus localisation does not mean only implementation of

goals at the local level, by local government and others including the NGO-MFIs.

All SDGs have targets directly related to the responsibilities of local government. And the achievement of the SDGs depends, more than ever, on the ability of local government and local development partners (e.g. NGO-MFIs) to promote integrated, inclusive and sustainable local development. Local government and the NGO-MFIs are the catalysts of change and are best placed to link the SDGs with local communities. Localising development is thus a process

to empower all local stakeholders, aimed at making sustainable development more responsive, and therefore, relevant to local needs and aspirations. Development goals can be reached only if local actors (e.g. NGO-MFIs) fully participate, not only in the implementation, but also in the agenda-setting and monitoring. Participation requires that all relevant actors are involved in the decision-making process, through consultative and participative mechanisms, at the local and national levels within the overall SDGs framework.

TRAINING

PKSF Partner Organisations (POs) Training

During the period, 16 batches of training titled 'Accounts & Financial Management'; 'Loan Management of Microenterprises'; 'Training of Trainers (ToT)' and 'Software based Monitoring and Supervision' were organised by InM at the InM Training Centre jointly with PKSF for PO staff members.

Customised Training for NGO-MFIs

Besides PKSF regular courses, customised training modules were developed following the requirements of CODEC, Chattogram, and following trainings were conducted during the period.

Name of the Course	Duration	Location	No. of Participants
Building Skills of Branch Managers on Microfinance Operations and Management at Field Level	14-17 January 2019	Chattogram	27
Developing Operational Skills of Programme Organisers on Microfinance Management at Field Level	05- 07 March 2019	Patuakhali	29
Developing Operational Skills of Programme Organisers on Microfinance Management at Field Level	07-09 April 2019	Chattogram	24
Developing Operational Skills of Programme Organisers on Microfinance Management at Field Level	10 -12 April 2019	Chattogram	23



InM's International Training Course on Advanced Microfinance Operations

The Institute for Inclusive Finance and Development (InM) has designed a new course on 'Advanced Microfinance Operations' on which an international training programme was organised at the InM Training Centre, Dhaka in collaboration with the Banking Finance and Insurance Institute of Nepal (BFIN). A total of 11 Nepali practitioners from different MFIs/Financial Institutions joined the course. The sessions were conducted by InM and PKSF professionals of international repute. Besides, field visits to Grameen Bank, BRAC, PKSF, InM

and Datasoft were organised to acquaint the participants with recent innovations in microfinance practices and operations. Dr. Mustafa K. Mujeri, Executive Director, InM inaugurated the training programme and Dr. Qazi Kholiquzzaman Ahmad, Chairman InM distributed the certificates to the participants in the closing ceremony. Dr. Md. Mosleh Uddin Sadeque, Director, Training Division was the coordinator of this course.



RESEARCH

Financial Diaries of Tea Plantation Workers

The first commercial-scale tea garden in Bangladesh was established in 1854. At present, the country has 162 commercial tea estates, which generate nearly 3.3% of the country's total employment. About 359,080 workers are directly employed in the tea estates of which over 75% are women. Since women perform better and they can be paid less than men, tea industry employers prefer to engage women for plucking tea leaves. Poor housing conditions, lack of educational facilities, restriction on free movement, and various other constraints deprive the workers and their families of all basic needs. Their children don't have any other alternative but to become tea garden workers—and the entire community is trapped in this vicious circle. They live isolated from the local community—like living in a secluded island. They remain excluded, deprived, and disconnected from the local people, and without any human dignity.

The majority of the tea gardens in Bangladesh are located in Moulovibazar in the Sylhet region; and we have recorded their daily financial transaction patterns using FGDs in this location. How do they manage their money; where do they save; and what types of financial services they need? Although the overall methodology may not be statistically robust, the findings from the diaries of the tea plantation workers unearth valuable information on the types of financial tools and services that these people need regardless of their location.

Access to Finance

- Mostly connected with MFIs.
- Due to easy accessibility they always prefer informal loan for coping crisis but the interest rate is too high.

Access to Credit

- None of them takes bank loans because of not having fixed asset, banks are located too far, complexity of opening a bank account and feel nervous to enter the bank as they are tea garden labourers.
- Loan repayment procedure is not suitable and prefer 12 months instalment for MFIs loan.

Access to Savings

- They usually save at home and uses at the time of need.
- They can save formally if they find nearby trust worthy financial organisations and higher interest rate.

Access to Insurance

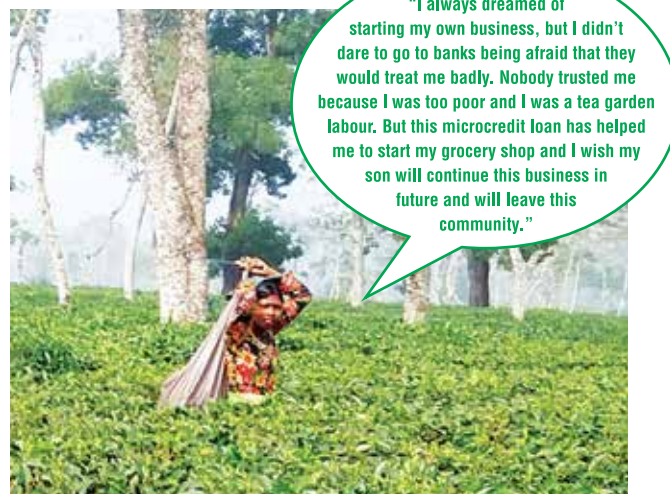
- They only know about life insurance.
- Lack higher income which precludes them to avail insurance services.

Access to DFS

- They don't have own mobile bank accounts because they can't operate mobile financial transactions but they can avail services through mobile banking agents if available.
- Agent banking is not in service in the locality and they do not have any idea about it.

The processing time for loans is around seven days. All of them report that the interest rate is too high. Usually they repay loans through weekly or monthly instalments and the number of instalment varies between 44 and 46. They prefer 12 monthly instalments. They dislike informal loans, but need to depend on informal sources at the time of crisis. Their income is very limited but they are aware about the benefits of savings. They usually save at home and use it at the time of need. Those who are involved with NGOs also save with them. They report that interest on savings is very low at NGOs. They would prefer to save formally if they find nearby trust worthy financial organisations having better interest rates.

Despite being disadvantaged, these people are aware of life insurance; but their earnings are too low to avail existing life insurance products. They also know about mobile banking services but none of them have opened any mobile bank accounts as they need training on operating such accounts. Agent banking services are yet to reach them.



One of the tea garden workers, Rahima, remarks:

In Moulovibazar, many tea garden workers are affiliated with different MFIs; but most of them do not possess any fixed assets. Like any other household, they need a range of financial tools to meet regular expenses, cope with emergencies, and tide over other financial milestones such as weddings and funerals. They get involved with MFIs as they need loans; interest rates in informal credit are too high. Majority do not have bank accounts because of the complexity of opening a bank account, banks are located too far, and they are not welcome in banks for being tea garden labourers. In addition, they hold no land property; they live in the tea gardens having no collateral. Majority of the labourers take formal loans from MFIs. The processing fee for the loan at MFI is Tk. 50.

"I always dreamed of starting my own business, but I didn't dare to go to banks being afraid that they would treat me badly. Nobody trusted me because I was too poor and I was a tea garden labour. But this microcredit loan has helped me to start my grocery shop and I wish my son will continue this business in future and will leave this community."

International Journal Publication

Nargis, F., Mujeri, M. K., & Muneer, F. (2018). Branch Expansion and Institutional Sustainability of MFIs in Bangladesh. *Asian Development Perspectives*, 9(2).

EDUCATION

Results of 1st Quarter of 9th Batch Diploma Programme Published

The final result of the 9th batch of Diploma programme was published on 25 February 2019. A total of 24 enrolled participants passed successfully in all courses of the first quarter of the Diploma programme.

2nd Quarter of 9th Batch Begins

The 2nd quarter of 9th batch of Diploma programme has started on 22nd December 2018. During the quarter, three courses are being offered covering MIS of Microfinance Programme; Governance and Regulations of MFIs; and Human Resource Development for MFIs.



Field Learning of Diploma Participants

As a part of the curricula, the Diploma in Microfinance programme participants are required to participate in field exposure visits to relate professional knowledge with ground realities. The participants of the 9th batch visited SOJAG, Dhamrai, Dhaka on 12 January 2019. The participants were accompanied by the staff members of InM Education Division. The group visited

Working Paper 58

Impact of Remittances on Poverty Reduction: Evidence from Bangladesh

Nahid Akhter, Senior Research Associate, InM

Bangladesh is one of the major suppliers of migrant workers especially to the Middle East; the flow of remittances has increased from \$2.8 billion in 2002 to \$13.52 billion in 2017, which is more than 5 per cent of the country's GDP. This study investigates the impact of remittances on poverty. The results indicate that both internal and international remittances have positive impact on poverty alleviation; and these results are statistically significant.

different programmes of SOJAG and met the respective management teams. During the visit, the participants got acquainted with different activities of SOJAG, such as cereal seed production, cattle rearing, artificial insemination, urea granules production, biogas production, education programme, health development programme, ENRICH programme and others. Besides, the group visited the Training Centre at Kalampur and a mini poultry farm to get greater insights. The Diploma participants and InM staff also met with the CEO and other staff of SOJAG at its Head Office in Shailan and discussed issues of relevance.



A New InM Certificate Course in Microfinance

The Education Division is planning to launch a new InM Certificate Course in Microfinance to attract fresh graduates to the microfinance sector and provide them with basic skills to build a career in the sector. The aim of the programme is to provide a route to the graduates to gain useful understanding of microfinance operations, management and other related knowledge and practical experience so that they can perform efficiently in the sector from the beginning of their career. The course is ideally designed to address the needs and aspirations of the entrants. The programme is developed by a group of practitioners with long professional and practical experience in the microfinance sector. To solicit feedback from the sector leaders, a meeting with leading MFIs was organised on 20 March 2019 in which the details of the course outline and structure and the rationale behind introducing the course were shared by InM.

The distinguished participants highly appreciated the InM initiative and suggested improvements to enrich the contents and objectives of the course. They suggested

that the success of the course could become a milestone for the advancement of the microfinance sector. The Education Division is currently working on revising the course contents and the course will be offered by InM soon.



KNOWLEDGE MANAGEMENT & FIN-B

SAARCFINANCE Seminar on “The Strategies of Lending for Priority Finance in the SAARC Region”

A special two-day seminar entitled “The Strategies of Lending for Priority Finance in the SAARC Region”, organised by SAARCFINANCE cell of Bangladesh Bank was held on 22-23 February 2019. Mr. Dasho Penjore, Honourable Governor of Royal Monetary Authority of Bhutan inaugurated the seminar as the Chief Guest, while Mr. Fazle Kabir, Honourable Governor of Bangladesh Bank graced the occasion as the Special Guest.

Dr. Mustafa K Mujeri, Executive Director of InM presented the key note speech of the two-day seminar. Subsequently, country papers of all eight member countries of SAARC were presented in the working sessions of the seminar.



FIN-B 3rd Steering Committee Meeting



The 3rd Steering Committee (SC) meeting of FIN-B was held on 28 January 2019 at PKSF Conference Room. Dr. Qazi Kholiquzzaman Ahmad, Chairman of InM and the SC presided over the meeting. A total of 23 members and/or their representatives attended the meeting. The organisations included Bangladesh Bank (BB), Microcredit Regulatory Authority (MRA), Bangladesh Institute of Bank Management (BIBM), Bangladesh General Insurance Company Ltd. (BGIC), SME Foundation, Integrated Development Foundation (IDF), Access to Information (A2i) Programme, University of Dhaka, Credit and Development Forum (CDF), Bank Asia Limited, bKash, and Institute for Inclusive Finance and Development (InM).

The SC discussed probable working avenues of FIN-B and approved its work plan for 2019. The Committee expressed their appreciation over the publications of FIN-Biz, the half-yearly flagship journal of FIN-B and Finimile, a quarterly newsletter of the Network. In addition, the SC approved the proposal of organising the 1st FIN-B International Financial Inclusion Conference and Inclusion Fair 2019, to be held during 30-31 July 2019 and a FIN-B member's collaboration meeting in March 2019. Moreover, the Committee approved three project proposals, to be implemented through the leadership of FIN-B and with the collaboration of different organisations.

1st FIN-B Members Coordination Meeting

FIN-B provides a platform to develop, share and disseminate knowledge and expertise in financial inclusion through stimulating exchanges, developing collaboration and supporting its members to develop as centres of excellence in their preferred areas of inclusive finance. As a part of this activity, the first meeting with the FIN-B members has been organised on 20 March 2019, at 10.00 am at Auditorium-2. PKSF Bhaban, Agargaon, Dhaka-1207.



Newspaper Articles

- 2 January 2019, দুর্নীতির বিরুদ্ধে সরকারে ভূমিকা আরো জোরদার হবে
- 6 March 2019, Informality in the formal economy of Bangladesh, The Daily Financial Express
- 9 March 2019, Promoting nutrition-sensitive agriculture in Bangladesh, The Daily Financial Express
- 12 March 2019, Why financial inclusion matters in Bangladesh, The Daily Financial Express
- 30 March 2019, Countering labour market imbalances in Bangladesh, The Daily Financial Express
- 1 April 2019, Budget FY20 – an act of delicate balancing, The Daily Financial Express



Be a Member

FIN-B is now receiving membership applications. Interested organisations and individuals can download the application form and join the Network.

For details, please visit:

www.inm.org.bd/financial-inclusion-network-bangladesh-fin-b1/



FIN-B Events

- FIN-B Conference
- FIN-B Inclusion Fair

FIN-B CONFERENCE 2019

Accessing affordable financial services delivered responsibly and sustainably.

FIN-B, a unique Platform, will bring together all financial sector stakeholders, grassroots organisations, development practitioners and financially excluded community in "FIN-B Conference 2019".

Share your ideas and best practices and

join the conference: www.inm.org.bd/FIN-B News/

Date: 30-31 July 2019

Venue: 3D Auditorium, Krishibid Institute, Dhaka

Capacity: 200 only

WHY JOIN?

- Facilitate cross-learning among financial stakeholders
- Share your views.
- Promote your organisation, products & services at the Inclusion Fair.
- Connect with nation-wide and global financial player.

Register Now: inm.org.bd/call-for-papers/

■ Institutional Collaboration and FIN-B Meeting

A meeting took place on 20 March 2019 at 3pm among Bangladesh General Insurance Company (BGIC), InM and interested FIN-B Members regarding 'Khubi Agent Model' for delivering microinsurance services to the low income customers, especially in the rural areas. Under the model, microinsurance (Khudra-Bima, Khubi) agents (e.g. NGO-MFIs) will work with BGIC for delivering different microinsurance products to the poor borrowers and rural residents to meet emergencies and disasters. The model will start with two microinsurance products: personal accident (PA) and people's personal accident (PPA), and is expected to cover other products in phases.

The interested FIN-B member NGO-MFIs has a few observations on the proposed model of BGIC. InM, under the FIN-B platform, coordinated the whole arrangement and requested both the parties to work on their proposals, return and social benefit. The collaboration will require additional follow up meetings for achieving successful outcomes.

■ FIN-B Collaboration and Meeting with Water.org

Through its knowledge sharing and networking activity, FIN-B will help promote 'financial inclusion for all' which will go a long way towards achieving the SDGs by 2030 and fulfilling the dream of making the country a developed one by 2041. To support this agenda, FIN-B is seeking collaboration of different organisations with similar goals.

In line with that FIN-B submitted a proposal on 'Financial Inclusion and WASH: A Mix of Appropriate Credit and Strategic Partnerships for Water and Sanitation Development in Coastal Bangladesh' for institutional partnership of Water.org. In response, water.org considered the approach and suggested FIN-B & InM partnership on their upcoming project on 'Water Credit Model', which works through supporting regional financial institutions to develop and offer Water Supply + Sanitation (WSS) loan products.

To discuss the detailed modalities of such partnership, a senior official team of water.org visited InM office and shared their ideas with InM core team members. The successful meeting was presided over by Dr Mustafa K Mujeri, Executive Director, InM. Among others the Directors of InM; Bangladesh Country Director of Water.org and Head of South Asian Region of Water.org were present in the meeting.



■ FIN-B Newsletter



Download the digitised and latest release of InM Publications:
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OTHER EVENTS



20 December 2018

13th Annual General Meeting (AGM)

Presided over by Dr. Qazi Kholiquzzaman Ahmad, Chairman, InM. The members of the General Body- Mr Md. Abdul Karim, Managing Director, PKSf; Dr Toufic Ahmad Choudhury, Director General, BIBM; Dr Jahangir Alam Khan, Agricultural Economist; Dr. Nilufar Banu, Executive Director, BUP; Ms. Nazneen Sultana, Former Deputy Governor, Bangladesh Bank; Dr. Anwara Begum, Senior Research Fellow, BIDS; Dr. Akhter Hussain, Chairman, Department of Public Administration, DU; Dr. Niaz Ahmed Khan, Chairman, Department of Development Studies, DU; Professor Rezai Karim Khondker, Professor, Department of Development Economics, DScE; Dr Mustafa K Mujeri, Executive Director, InM and Dr Md. Mosleh Uddin Sadeque, Director, InM.



20 December 2018

Innovation for Inclusive Development Company (IIDC)



InM and IDF have jointly established the IIDC to develop, among other initiatives, an International Convention and Training

Centre at Cox's Bazar having standard international facilities including dormitory, catering services, convention centre, training and conference venues, and other facilities. The Company is run by the Board of Directors nominated by InM and IIDC. Dr. Qazi Kholiquzzaman Ahmad, Chairman, InM is the first Chairman and Mr. Zahirul Alam is the Managing Director of IIDC. The second meeting of the Board of Directors was held on 15 January 2019.

Farewell Ceremony of Managing Director, PKSf

A farewell ceremony was organised by InM on 24 March 2019 in honour of Mr. Md. Abdul Karim, Honourable Member of InM Governing Body and General Body, and Managing Director PKSf. Dr. Qazi Kholiquzzaman Ahmad, Chairman of InM presided the occasion. Mr. Karim leaves a rich legacy not only for PKSf but also for the InM family. Speakers expressed their deep appreciation for his significant contribution towards the development of InM over the years. The speakers also expressed their deep gratitude to him for his role in ensuring institutional sustainability to InM and hoped that he would continue to uphold the interests of InM in future as well.

The 50th Governing Body Meeting of InM

Chaired by Dr Qazi Kholiquzzaman Ahmad, Chairman, InM. The members of the Governing Body- Mr Md. Abdul Karim, Managing Director, PKSf; Dr Toufic Ahmad Choudhury, Director General, BIBM; Dr Jahangir Alam Khan, Agricultural Economist and Former Director General, Bangladesh Livestock Research Institute; Dr. Nilufar Banu, Executive Director, Bangladesh Unnayan Parishad (BUP); Ms. Nazneen Sultana, Former Deputy Governor, Bangladesh Bank; and Dr. Mustafa K Mujeri, Executive Director, Institute for Inclusive Finance and Development (InM).

51st Governing Body Meeting of InM



The meeting was held on 24 February 2019 with Dr Qazi Kholiquzzaman Ahmad, Chairman, InM in the chair. The members of the Governing Body – Mr Md. Abdul Karim, Managing Director, PKSf; Dr Toufic Ahmad Choudhury, Former Director General, BIBM; Dr Jahangir Alam Khan, Agricultural Economist; Ms. Nazneen Sultana, Former Deputy Governor, Bangladesh Bank; and Dr. Mustafa K Mujeri, Executive Director, InM were present in the meeting.



Swadhinata Padak 2019 Awarded to InM Chairman

The Independence Award (Bangla, স্বাধীনতা পদক) is the highest state award given by the Government of Bangladesh. Introduced in 1977, this award is bestowed upon Bangladeshi citizens or organisations in recognition of substantial contribution to one of many fields, including the War of Liberation, the Language Movement, education, literature, journalism, public service, science and technology, medical science, social science, songs, games and sports, fine arts, rural development, and other areas.

In 2019, the Government of Bangladesh awarded this prestigious award to 12 noted personalities and one institution for their remarkable contributions at the national level including Dr. Qazi Kholiquzzaman Ahmad, Chairman, InM and PKSf for his remarkable contribution in social services. The Prime Minister Sheikh Hasina handed over the award to the recipients at a ceremony at the Bangabandhu International Conference Centre in the capital on 25 March 2019.

To mark this special achievement, PKSf organised a special programme on 27 March in honour of Dr. Qazi Kholiquzzaman Ahmad. Dr Mustafa K Mujeri, Executive Director of InM, Mr. Md. Abdul Karim, Managing Director of PKSf and high officials of InM and PKSf and various organisations profoundly congratulated the Chairman of InM and PKSf for this special achievement.



Institute for Inclusive Finance and Development (InM)
PKSF Bhaban, E-4/B, Agargaon, Sher-e-Bangla Nagar, Dhaka - 1207
InM Training Centre, House# 30, Road# 03, Block: C
Monsurabad R/A, Adabor, Dhaka - 1207.
PABX: +88-02-8181066, 8181064, Fax: +88-02-8181068
E-mail: info@inm.org.bd

