Synopsis
The IGVGD Programme represents a good practice in poverty reduction through a government-donor-NGO partnership that strategically linked social protection to livelihood promotion for rural destitute women. Having successfully gone to scale over two decades of experimentation, lessons from the IGVGD Programme are informing new approaches to tackling extreme poverty.

Objective
To alleviate poverty of the extreme poor by providing long-term sustainable income and employment opportunities through food assistance, training and access to credit facilities.

Background/Brief Description
The Income Generation for Vulnerable Group Development (IGVGD) Programme in Bangladesh emerged from the Government of Bangladesh’s Vulnerable Group Development (VGD) Programme, which was introduced in 1975 to protect women who had lost traditional sources of male protection due to the liberation war in 1971. The Programme was implemented by the Government of Bangladesh, with food aid from the World Food Programme (WFP). In 1985, BRAC (Building Resources Across Communities, formerly the Bangladesh Rural Advancement Committee) was requested to assist in orienting the Programme towards finding more sustainable solutions to extreme poverty and vulnerability, through a tri-partite partnership between the Government, the WFP and BRAC. The IGVGD Programme targets destitute rural women, particularly female heads of households. The VGD Programme beneficiaries are selected by local government officials and 80-90 percent of them are then selected by BRAC to be included within the IGVGD Programme. To date, the programme has reached over two million women across 296 upazilas (sub-districts) from a total of 464 upazilas in Bangladesh.

Key Elements of the Project
Officially all beneficiaries of the VGD programme, and thereby of the IGVGD programme, are supposed to receive 30 kgs of foodgrains each month for a period of 18 months. Together with basic food rations, one of the main components of the IGVGD Programme is training on income-generating activities that require low capital, the most popular being poultry-rearing. Social development is channeled through members’ participation in weekly Village Organization (VO) meetings through which a savings facility is also provided, as well as a space in which to discuss social, domestic and enterprise issues. Training usually lasts for six months, at the end of which participants receive the first of two loans. The participants are expected to supplement their loans with their weekly savings to set up their own enterprises. The food ration is considered vital to the success of the IGVGD programme as it gives the recipients a ‘breathing space’ afforded by a minimum level of food security, which then enables them to deposit weekly savings, participate in training activities, and plan their livelihoods.

Outcomes and Impact
From 2000 onwards, over a period of a few years, an impact assessment of the VGD Programme (80-90 per cent of which consisted of IGVGD participants) was carried out and found strong positive changes in beneficiaries’ lives and livelihoods, including on land and asset ownership, income and savings, livelihood activities, and social status. Notably, two-thirds of IGVGD graduates had joined micro-finance programmes, from which they had previously been excluded. An important impact of IGVGD is that it has demonstrated the possibility of providing access to micro-finance services by very poor women, who would probably not otherwise have done so. An estimated 1.5 million women have to date accessed micro-finance services.

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Challenges and Lessons Learned

One of the main findings of the IGVGD programme was that about one-third of the participants were not able to successfully engage in mainstream microfinance. The key lesson learned was that some of the very poorest need additional and more intensive forms of support, if they are to move out of extreme poverty in a sustainable manner. BRAC’s “Challenging the Frontiers of Poverty Reduction/Targeting the Ultra-Poor (CFPR/TUP) Programme”, introduced in 2002, took note of these lessons and operationalised them through a comprehensive programme of carefully sequenced interventions, including asset transfer, a stipend payment, training and mentoring, social development activities and social support mechanisms, and a health support programme.

Differences between the key partners also occasionally challenged the programme. These differences included views about the proper objectives of the programme. While WFP and BRAC emphasized the developmental aspects of the VGD/IGVGD partnership, local government representatives tended to emphasize the food aid aspects, as distribution of government food aid is an important feature of the role of local politicians. Differences between partners over the purpose and management of the savings component, and problems relating to leakage and corruption, also emerged over time. These partnership challenges have been addressed through the development of closer interaction and dialogue between partners, and initiatives to improve transparency in foodgrain distribution and savings management.

Replicability: An important condition for replication is likely to be the presence of livelihood opportunities such as microfinance, which can foster sustainable development beyond the cycle of the programme. Capacity for continuous learning and evaluation to feedback into the programme design and implementation is also likely to be a critical condition for successful adaptation of the IGVGD model to other contexts. Partnerships that harness the advantages of different public and non-government organizations are often challenged by differences in approach and perspective, and may require longer-term investments to sustain successes of the kind achieved by the IGVGD.

Conclusion

The IGVGD Programme can be considered a good practice for three main reasons. First, it represents a case of successful Government-NGO partnership, which demonstrates how the advantages of both types of organizations can be harnessed. Second, it demonstrates the possibilities of bridging the gap between welfare and development programmes to reach the very poor. Relief in the form of food aid has been vital in giving the very poor that ‘critical push’ - the skills and the support - to build more sustainable livelihoods. Third, and finally, throughout the life of the IGVGD Programme, strong commitment to learning and evaluation has resulted in improvements and adaptations to the original model, as well as supporting the design of other programmes for the very poor.

Project Information

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1987 to date

Contact Information
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Implementing Agency
BRAC and partners

Budget
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Partners
Government of Bangladesh, WFP

Project website
www.brac.net