

# Fourth Founding Anniversary of Palli Daridro Bimochon Foundation (PDBF)

## পল্লী দারিদ্র বিমোচন ফাউন্ডেশন (পিডিবিএফ)

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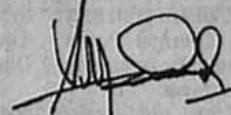
President  
People's Republic of Bangladesh

### Message

I welcome the 4th anniversary of the Palli Daridro Bimochon Foundation (PDBF).

Poverty alleviation is a precondition for national progress and this is why the government has placed a special emphasis and earmarked the highest allocation in the budget to enable the poor to become self-reliant. I am delighted to know that the PDBF strives to fulfill its mission of poverty alleviation through microcredit and gaining recognition for its significant success. The Interim Poverty Reduction Strategy Paper (I-PRSP) of the government has highlighted the role of microcredit and that of microfinance organisations as an integral part of the nation's effort for poverty alleviation.

I wish the activities of the 'Palli Daridro Bimochon Foundation' a grand success. Allah Hafez, Bangladesh Zindabad.



Professor Dr. Iajuddin Ahmed



Minister  
Ministry of Local Government  
Rural Development and Co-operatives  
Government of the People's Republic of Bangladesh

### Message

It gives me immense pleasure to convey my best wishes and congratulations on the occasion of the 4th founding anniversary of Palli Daridro Bimochon Foundation (PDBF). The Ministry of LGRD & Co-operatives is gratified to note that the PDBF has earned a good reputation for assisting the government's efforts to achieve a poverty-free society.

The present government has taken an effective programme to alleviate rural poverty and implement the microcredit programme which has become a model to enhance country's image abroad.

Over the years, PDBF's intensive microcredit programme and skill development training together with monitoring and supervision have played a significant role in the socio-economic advancement of the disadvantaged rural people. The PDBF by strengthening and expanding its domestic financial intermediation capacity and establishing best practices for microcredit management and operation has helped institutionalising the microcredit sector.

I am confident that the PDBF enriched with its experience will continue to grow its strength and influence to contribute to the overall socio-economic development of the country.

I would like to conclude by reiterating the full support of the government of the People's Republic of Bangladesh to the activities of Palli Daridro Bimochon Foundation. My sincere hope is that the PDBF will go ahead seeking a new horizon of service to the rural poor to achieve a greater success in accomplishing its mission.

Abdul Mannan Bhuiyan



Chairperson  
PDBF Board of Governors and  
Secretary-Rural Development and Co-operatives  
Division of the Ministry of LGRD&C.

### Message

On 30th April 2004 Palli Daridro Bimochon Foundation celebrates the 4th founding anniversary. I wish to extend my warm greeting to PDBF and all its members and staff on this happy occasion.

Micro-credit is widely acknowledged as an effective anti-poverty tool. As we all are aware, Bangladesh is seen worldwide, as the origin of this notable concept. Micro-credit is projected as our intellectual contribution to the world community as it has been replicated in more than hundred countries now. Contribution of micro-credit can be highlighted in the context of poverty reduction and also in bettering the social sector indicators including empowerment of women. The Government of Bangladesh has attached highest importance to poverty alleviation in all its programmes. I-PRSP of the Government has also highlighted the importance of micro-credit to reduce incidence of poverty in the country.

As the Chairperson of PDBF Board of Governors, I do feel proud as thousands of poor people have become self-reliant through income generating activities sponsored by PDBF and the contribution of the Foundation has been found remarkable in terms of socio-economic development of the rural poor. The Foundation started its operation in 139 upzillas in April 2000 and as of March 2004 another 21 have been brought under its coverage.

Although Bangladesh has achieved considerable success in economic growth and consequent poverty alleviation but the country has still to go a long way since 44 percent population are still living below poverty line. I firmly believe that PDBF can play a vital role in reducing the incidence of rural poverty of the country and will proceed on with all its current programmes. To sustain its achievements and successes in the competitive environment of micro finance the Foundation has to try to introduce new products and also to develop its management skill in the time to come.

I would like to use this opportunity to thank CIDA for the contribution it has made for PDBF. Finally, I commend members of PDBF Board of Governors, management and staff for their significant efforts for PDBF and wish them all success in the future as they continue to serve the rural poor of the country.

Md. Hidayetul Islam Chowdhury

### A Glimpse to Palli Daridro Bimochon Foundation (PDBF)

PDBF is an independent and autonomous non-banking financial institution and a not-for-profit entity dedicated to the service of the rural poor and the disadvantaged. It was established by an Act of Parliament (Palli Daridro Bimochon Foundation Act, 1999) by transforming some CIDA (Canadian International Development Agency) funded bilateral projects (RD-12 and RBP/RBIP) implemented by Bangladesh Rural Development Board. By dint of the Act all the assets and liabilities including person power were transferred to PDBF in April 30, 2000, when PDBF started its journey.

The main objective of PDBF is to alleviate poverty and promote the economic and social advancement of the rural poor and the disadvantaged including promoting gender equity and equality. Also PDBF is to attain financial and organizational sustainability by June 2008.

PDBF enjoys a unique legal status since it is neither an NGO nor a private company or government autonomous body. It is an independent organization governed by the 11-member Board of Governors (BOG) with a Managing Director as the Chief Executive. The clients have four representatives on the Board and another three members including the Chairperson represent Government. The rest three members are from private sector. Out of total 11, at least three members must be women. The Secretary, Rural Development and Co-operatives Division of the Ministry of LGRD & Co-operatives is the ex-officio Chairperson of the Board of Governors.

PDBF mobilizes rural poor and disadvantaged people into small groups/samities and provides them micro-credit and skill training for income generation and self-employment creation. It also raises awareness of its clients on human and legal rights, dowry, literacy, etc. and provides them other social development services for improvement of their social status. Furthermore, PDBF arranges other services like primary health care, sanitation, personal hygiene, adult literacy etc. for its clients through establishing effective linkages with other nation building organizations.

Results of last 4 years confirm that PDBF's achievement has been remarkable in mobilizing the rural poor men and women into groups/samities and in providing financial support, skill development training and other social services to empower them socially and economically. Currently PDBF is playing a leading role in the country's micro-credit sector by establishing best practices for micro credit management and operations. Some facts and figures are given below:

	Jun-01	Jun-02	Jun-03	Jun-04 (Projected)
No. of Branches	139	144	149	160
Total Staff	2,230	2,225	2,057	2,060
Total Members	292,671	353,852	331,397	422,700
Members per FO	221	270	264	344
Borrowing Members	193,428	277,004	272,349	368,100
Borrowers per FO	146	212	217	299
Size of Portfolio	750,000,000	1,164,843,058	1,156,057,351	1,469,300,000
Portfolio per FO	565,185	889,872	921,161	1,194,553
Savings Balance	416,000,000	430,315,000	463,125,000	575,600,000
Savings per Members	1,421	1,216	1,397	1,362
Cumulative Recovery Rate%	95.06	97.76	98.83	98.90
Leadership & Gr. Dev. Training	7,520	6,725	10,616	10,514
Skill Dev. Training	9,676	20,280	39,090	23,685

PDBF is committed to take its services to the doorsteps of more poor people by mobilizing new members in the existing branches and also by expanding its geographical coverage. In the near future PDBF will come up with new services for its clients which will help them eradicate their poverty and improve their status in the society. PDBF is also moving towards attaining full financial sustainability and making all-out endeavors to turn it into a "Socio-Economic Development Model" in near future.



Prime Minister  
Government of the People's Republic of Bangladesh

### Message

My best wishes to the Palli Daridro Bimochon Foundation (PDBF) on its fourth foundation anniversary.

Our government is committed to eliminate rural poverty and promote socio-economic advancement of the disadvantaged rural poor. Microfinance has now become an important weapon to fight poverty and Bangladesh is recognized as a world leader in this area.

I am immensely delighted to learn that PDBF has achieved considerable success in fulfilling its mission of mobilizing the poor into activity groups, providing effective financial support and skills training to empower them socially and economically.

I wish PDBF all success in future in its efforts to serve the rural poor of the country effectively and make them economically more solvent.

Allah Hafez, Bangladesh Zindabad

Khaleda Zia



State Minister  
Ministry of Local Government  
Rural Development and Co-operatives  
Government of the People's Republic of Bangladesh

### Message

On this auspicious occasion, I would like to extend my sincere congratulations to Palli Daridro Bimochon Foundation (PDBF) as it celebrates its 4th anniversary of foundation on 30th April, 2004. The Ministry of LGRD & C took the initiative with great enthusiasm to establish PDBF in 1999. I note with pride that the PDBF has now become an important autonomous microfinance organization in the field of rural development and poverty alleviation in the country. I am pleased to note that over the years, PDBF has achieved considerable success in fulfilling its mission of mobilizing the poor into activity groups, providing effective financial support and skills training to empower them socially and economically.

In this, I commend the dedicated people behind the organization who worked hard to achieve its mandate and keep its ideals alive. I also congratulate Canadian International Development Agency (CIDA) for providing technical and financial support to PDBF during these last four years.

As we are committed to achieve the Millennium Development Goals in the Asia and the Pacific, specially the goal of cutting absolute poverty in half by 2015, I believe PDBF will continue to play a vital role in poverty alleviation as well as rural development. Though Bangladesh has achieved considerable success in economic growth, the fact remains that about 44 percent population are still experiencing abject poverty, particularly in the rural areas. The challenge before us is to strengthen our efforts to promote rural development and alleviate poverty in the country. With considerable experience gained and lessons learnt from the past four years, I am convinced that PDBF can make significant contribution in this regard.

In conclusion, let me wish PDBF a grand success in future and it is my earnest hope that PDBF's plans for steady expansion, both horizontally and vertically to cover greater number of rural poor and the disadvantaged people in the coming years would contribute in economic growth of the country.

Ziaul Haque Zia



Acting Managing Director  
Palli Daridro Bimochon Foundation (PDBF)

### Message

On this auspicious occasion of fourth founding anniversary of PDBF- our beloved organization, I would like to thank the management and field staff for their relentless efforts without which the tremendous successes that we achieved was never possible. I would also like to express my profound indebtedness and gratefulness to the members of the Board of Governors and CIDA for their continuous guidance and wholehearted support to fight against poverty with micro-finance and other social services.

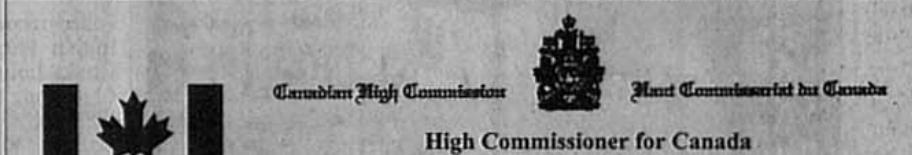
Uniring efforts of management and field staff has made PDBF a unique socio-economic development institution despite a number of problems and hurdles. In the last 4 years PDBF has disbursed over Tk. 530 crore to 4 lakh poor households and recovered more than Tk. 500 crore. In addition, it has also provided many other social development services for empowering the rural poor and disadvantaged women.

I am delighted and like to take this opportunity to congratulate lakh of our poor clients for their immense contribution in making a rapid progress towards attaining the financial sustainability of PDBF.

Gradual and steady progress in all performance measures/indicators has poised PDBF for robust growth in the coming years. Experiences that we gained during the last 4 years coupled with increased management commitment, capacity, efficiency and transparency, I am fully confident that all the stakeholders of PDBF will be proud of our achievements in the 5th year.

Best wishes to all the stakeholders of PDBF.

Fazlul Hoque Khan



### Message

The Canadian Government through The Canadian International Development Agency (CIDA) is pleased to have been a partner in the establishment of the Palli Daridro Bimochon Foundation (PDBF) in April 2000.

CIDA's involvement with this initiative started in 1985 with the RD 2 project and has carried through the RD-12 and RBIP project phases to the establishment of PDBF as an independent non-banking financial institution. This commitment continues and CIDA's planned contribution during this final phase will provide the support that PDBF requires to establish full financial and program independence and sustainability.

We wish to extend our hearty congratulations to the Board, Management, Staff and Clients of PDBF on this its fourth anniversary and we commend them for the progress that they have achieved thus far. We will be following PDBF's progress over the coming years with interest.

Gerry Campbell



Sewing activities of PDBF society members



Duck rearing activities of PDBF society member



## Palli Daridro Bimochon Foundation (PDBF) FOUNDATION FOR THE ELIMINATION OF RURAL POVERTY

Head Office : House No. 51, Road No. 10/A, Dhanmondi R/A, Dhaka-1209, Bangladesh.

