

INTERNATIONAL LITERACY DAY

Women's literacy



will go a long way to help in reducing poverty, increasing income, and improving their and their families' health and nutrition. Napoleon said: "Give me an educated mother, in return I will give you an educated nation." So, we should do more to:

- Build awareness among men and women about the value of education;
- Support and encourage women to pursue their educational/experience, and gain skills in handicrafts or any creative jobs to earn money;
- Encourage them to be self-reliant;
- Give more priority to the girls and women with disabilities to make them literate/educated.

On January 1, 2003, United Nations proclaimed "Literacy Decade (2003-2012): Education for all." In the United Nations Millennium Declaration (September 8, 2000) all the member states of the United Nations resolved to ensure by the year 2015 that all children would be able to complete a full course of primary schooling, with equal access to all levels of education for both girls and boys.

Within the Framework for Action adopted at the World Education Forum, which was held in Dakar, Senegal, commitments were made to achieve 50% improvement of adult literacy by 2015 as well as to improve the quality of education. The selected goals of the Framework were:

- Expanding and improving comprehensive early childhood care and education, especially for the most vulnerable and disadvantaged children;
- Ensuring that by 2015 all children, particularly girls and children in difficult circumstances, have access to free and compulsory primary

education of good quality;

- Ensuring that the learning needs of all young people and adults are met through equitable access to appropriate learning and life skills programmes;
- Achieving 50% improvement in levels of adult literacy by 2015, especially for women, and equitable access to basic and continuing education for all adults;
- Eliminating gender disparities and achieving gender equality in education by 2015 with focus on ensuring girls' full and equal access to basic quality education.

The goals of Millennium Development Goals (MDG) on education are:

- To ensure that, by 2015, children everywhere, boys and girls alike, will be able to complete a full course of primary schooling;
- To promote gender equality and empowerment of women;
- To eliminate gender disparity in primary and secondary education, preferably by 2005 and to all levels of education no later than 2015.

Excluding girls from school badly affects their sense of agency and constraints civic and political life. Giving priority to educating girls/women is a better way of ensuring its future sustainability over the years when the present school-age generation will become parents. Evidence shows that birth weight of children, child mortality, nutrition, morbidity, school entry and longevity in schools is related to the education of girls/women.

For those reasons all the governments should reaffirm their efforts to achieve their own goals of literacy/education for all by developing national plans in accordance with the Dakar Framework for Action, and also to set targets and timetables to combat illiteracy of

women and girls by ensuring that they have full and equal access to literacy/education.

Thus, governments have to work in active partnership with stakeholders including, amongst others, communities, media, development agencies and the private sector to reinforce political will, develop more inclusive policies and explore innovative strategies to achieve the goals of the decade.

Literacy should be given emphasis in the Poverty Reduction Strategy Paper (PRSP), thus ensuring that literacy is an integral part of planning and implementation for educational components relating to health, agriculture, rural and urban development, conflict and crisis prevention, post-conflict reconstruction, HIV/AIDS prevention, environmental and other inter-sectoral issues.

We ought to put literacy on the agenda at local, national, sub-regional and international forums on development and education -- such as South Asian Association for Regional Cooperation (Saarc), United Nations Summit, G-8, Organization for Economic Cooperation and Development (OECD), conferences of ministers of literacy/education etc., -- and empower local communities to conduct research on how they can participate in literacy programmes and organise community-learning centres.

To achieve these goals, literacy for all must have a budget for all levels of education from basic to higher education. Additional funds through coordination and resource sharing with other ministries and departments must be explored. To track the progress of the literacy programme it will be important to develop a dynamic monitoring and evaluation plan and establish functional databases of the current literacy status.

SEBA Manikganj, a local voluntary organisation, has taken an uncommon initiative to educate girls and women at

Baniajuri Union of Manikganj district. The students of class three to ten are teaching their illiterate parents and relatives. The teaching time depends on the learners, which could be any time of the day or night. Resources are shared with parents or relatives using the learners' paper and pencil to write Bangla alphabets and practicing signatures instead of tipsoi (thumb mark). They described this initiative as "Each One Teach One." The plus points of this programme are:

- The illiterate people do not feel shy; rather, they feel comfortable learning from their children;
- No disturbances of working hours;
- No timetable;
- An innovative model from Bangladesh for any developing country addressing illiteracy.

Research shows that women in Bangladesh have a lower social status than men. Women's status remains low from one generation to the next because of a preference for sons. It is also because the daughters have less access to food, health services and education.

Women are often unable to participate at an equal level in decisions that affect the lives of their children and themselves. So, attention should be given to improve women's status in society so that they are empowered to make decisions which will be best for nutrition and health of their families.

More investment in education and training of girls and women will help them to get better employment opportunities and income. It would also be helpful for them to improve their communication and negotiating skills, which can be applied in decision-making situations at home, society or community.

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Addressing women's literacy will improve the quality of their lives. This will go a long way to help in reducing poverty, increasing income, and improving their and their families' health and nutrition. Napoleon said: "Give me an educated mother, in return I will give you an educated nation."

PARVEZ BABUL

In Bangladesh more than half of women are illiterate. Bangladesh is a disaster-prone country where floods, cyclones, drought and climate change, added to the domestic violence, dowry, early marriage, child labour, negligence of girl children, school dropout and malnutrition are the social challenges facing women.

Addressing women's literacy will improve the quality of their lives. This

Future of micro-finance

The economic crisis hit microfinance at a time when credit quality had already been deteriorating for reasons linked to the intensely competitive nature of the industry and a more calculating attitude to debt among borrowers.

MAMUN RASHID

THE Bangladesh micro-finance sector is regarded as the largest and most efficient in the world. According to the Microfinance Information Exchange (MIX) 2009 analysis report on South Asia, Bangladesh caters to 22.8 million borrowers compared to 16 million in India and 57.6 million in the whole of Asia. Grameen Bank (8 million), Brac (6.2 million) and Asa (5.6 million) together encompass 87% of Bangladesh's vast micro-credit portfolio.

Bangladesh also boasts a Gross Loan Portfolio of \$2.5 billion compared to \$4.7 billion for South Asia. The cost per borrower in Bangladesh is also much lower than in other Asian countries. Considering the 160 million population and the 36.3% living below the poverty line, there is still abundant scope for growth.

Bangladeshi Microfinance Institutions (MFIs) have advanced from being development partner-supported entities towards self-sufficient institutions supported by commercial financing. A majority of the loan portfolio of the MFIs is targeted towards agriculture. The present government is also very pro-poor and the central bank has directed all banks to provide credit directly to agri-business or through MFI-linkage at competitive rates. The directive was followed by a few large syndications in the market for the MFIs.

However, the primary sources of financing for smaller MFIs still remain members' deposits and Palli-Karma Sahayak Foundation (PKSF) funds. MFIs in Bangladesh cannot offer regular deposit/savings service. Hence, they have to rely primarily on forced savings

collected as a condition for membership or for access to loans. Some analysts argue whether donor support is a barrier for the microfinance sector to integrate into the mainstream financial sector.

A survey titled "Microfinance Banana Skins 2009," sponsored by Citi Foundation, identified the risks to the business in light of the recent economic crisis. The survey was followed by a roundtable in Bangladesh, which concluded that the risks for Bangladesh MFIs are still comparatively lower than in India, Pakistan and some developed states. The three major risks identified were rising credit risks resulting from competition and lack of MIS, eroding image, and absence of succession plan.

Credit disbursements of MFIs used to be considered risk-free because of the high recovery rate compared to banks. But the loan recovery rate has been declining worldwide in the backdrop of the global financial crisis. It has to be taken into consideration that the crisis is likely to increase credit risk due to economic slowdown. Many microfinance clients live close to the edge and are perilously exposed to worsening economic conditions.

The economic crisis hit microfinance at a time when credit quality had already been deteriorating for reasons linked to the intensely competitive nature of the industry and a more calculating attitude to debt among borrowers. The concern is that the crisis will cause these unwelcome trends to accelerate.

Competition has led to an erosion of lending standards as lenders fight for market share and borrowers accept easy credit. This is evident from the shift from group lending to riskier individual lend-

ing. There is no clear data source to identify what the actual level of multiple borrowing for the industry or the Portfolio At Risk (PAR) is.

Except for the larger few, most MFIs do not follow international reporting standards. Calculation of delinquent loans by few MFIs remains obscure. Monitoring borrowers who do not have any identification number or track record is a mammoth task. The MFIs are currently trying to integrate the information contained in the national ID cards but system support is quite inadequate.

In the absence of any official database, MFIs have to maintain their own records of micro-borrowers and also social information due to their development orientation. Therefore, there exists a crying need for a strong and effective databank of micro-borrowers.

The second risk identified is the eroding image of the MFIs, who used to be perceived as philanthropic institutions, but their commercial operations have raised questions about their true agenda. In reality, compared to commercial banks, the operational and monitoring costs of MFIs, working in areas where commercial banks would never provide coverage, is far greater. Surprisingly, the rates charged by MFIs are still lower than the interest rates charged from unsecured credit card holders by commercial banks.

The third but most worrisome risk relates to the depth of management in the MFI sector. Whether they be large or small, MFIs are mostly operated like a family-run business with decision-making concentrated in the hands of a key person. Historically, people with good academic and professional backgrounds have refrained from joining the industry due to scepticism about the business model and social acceptance issues. Thus, the second-tier management and/or succession planning has remained hugely underdeveloped over the years.

Now that Bangladesh has established the Micro-finance Regulatory Act 2006 and a Micro-finance Regulatory Authority, we expect uniform reporting requirements and performance assessment procedure, proper policy guidelines, a central database of micro-borrowers, and active support for MFIs to become more vibrant for the greater interest of social and economic emancipation.

The micro-finance industry is now at a crossroads, and to take it to the next trajectory we have to increase our standards of reporting as well as processing, ensure wider coverage with timely recovery, integrate micro-finance into the mainstream financial system and, in the process, set global standards for others to follow.

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Revving up BMET



Compared to increased number of cases, international migrants to be handled, and increased complexity of the migration process, BMET is considerably under-staffed. Out of 2,126 positions, 596 positions in different sections are currently lying vacant.

TASNEEM SIDDIQUI

BANGLADESH is one of the leading overseas labour-sending countries of the world. By establishing the Bureau of Manpower, Employment and Training (BMET) under the then Labour Ministry, the country initiated its activities to govern migration as early as 1976. The 1922 Emigration Act was replaced with the 1982 Emigration Ordinance.

A series of initiatives were taken during the course of addressing migration issues, including establishing a separate ministry to govern migration in 2001, framing the Overseas Employment Policy in 2006, amending female migration policy, and decentralising BMET functions through increased number of District Employment and Manpower Offices (Demo). In addition, major changes have also taken place in the area of remittance governance.

A World Bank study indicates that remittance flow helped Bangladesh to cut poverty by 6% in 2006. More importantly, it enabled the country to maintain balance of payment surpluses for more than five years in a row. After the global financial crisis, Bangladesh is the only country with surplus current account balance in South Asia due to steady inflow of remittances.

Last year, Bangladesh received \$10.7 billion as remittance through formal channels. In 2008-09 fiscal, remittances were equivalent to 56.1% of total export earnings. Data shows that remittances were almost nine times the FDI flows to the country and around four times more than total foreign aid received. Most importantly, it has signif-

icantly increased Bangladesh's national income, which is equivalent to 13% of GDP.

Though there are many positive facts and figures related to remittance, there are other issues to worry about. Migration has become extremely competitive and complex. The recent financial crisis deeply affected Bangladesh's global labour market. Official data shows that Bangladesh experienced downward trends in labour migration in 2009 and in the first half of 2010. Compared to 2007 and 2008, the figure has come down to almost half.

Since the crisis, the government has taken various measures to protect its labour markets, in which government level advocating in major labour importing countries is notable. In order to regain the country's position in the global labour market, it is high time to make significant investment in governing the sector.

The government is in the process of finalising the sixth five-year development plan. The plan is expected to deal with the priorities in the migration sector for ensuring good governance in migration process and uplifting the remittance flow.

One of the thrust areas related to migration should be regulation and recruitment, the major function of BMET and its branches. BMET is the most important executing agency of the Ministry of Expatriates' Welfare and Overseas Employment (MEWOE) with regard to labour migration. Currently, it is in charge of registration and clearance for overseas employment; processing recruitment; control and regulation of recruiting agencies; market promotion, diversification and

projection of future labour demand; setting labour standards, training human resource, imparting vocational training, provide pre-departure briefing; keeping records; protection of rights in destination countries; return and reintegration and welfare of overseas workers. It also manages 42 Demos and 39 Technical Training Centres (TTC).

The present BMET organogram, developed in 1984, does not adequately reflect the functions that BMET is mandated to perform. Compared to increased number of cases, international migrants to be handled, and increased complexity of the migration process, BMET is considerably under-staffed. Out of 2,126 positions, 596 positions in different sections are currently lying vacant.

In the 1990s, BMET handled on an average 100-200 cases, the figure had risen to about 6,000 when migration was at its peak in 2008-9, which indicates that the institutional capacity of BMET should be strengthened. On the other hand, BMET does not have any allocation to pay for its day-to-day work, which includes expenses for stationery and essential equipments like computers.

BMET performs regulatory and programme implementation functions simultaneously. A reshaping of these functions should be considered by focussing BMET's concentration on facilitation and regulation of recruitment, record keeping, market promotion and coordination of TTCs.

Vacant positions of BMET should be filled as soon as possible, following and maintaining a standard and competitive process. A new organogram for BMET is much needed. Instead of two, it should have five separate wings -- (a) Immigration, (b) Research and promotion, (c) Regulation of recruiting agencies, (d) Complaints and recovery and (e) Training.

Each of the wings should be led by a director. Specific allocation for all logistic support, including stationery, conveyance, and equipment, should be inbuilt in BMET budget. BMET should have seven divisional offices, which would allow people to have easy access to its services. It should be decentralised and conduct some of its recruitment functions through the district level offices.

Currently, the annual budget of BMET is less than Tk.5 crore, which is deemed insufficient for implementing its functions. The entity needs an increased budget allocation that will allow it to smoothly accomplish its tasks.

The sixth five-year plan should count on the above-mentioned provisions while focusing on other priorities in the migration sector. If the plan does not set the right priorities, Bangladesh will not be able to adapt to the changes that are continuously occurring in the global migration context and will risk losing its niche market to other competing countries.

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